



**ANNUAL REPORT 2016-17**

**MAKERS LABORATORIES LIMITED**



## Five Years' Highlights

(₹ Lacs)

	2012-13	2013-14	2014-15	2015-16	<b>2016-17</b>
Total Income	6314.16	6892.03	6537.97	6202.84	<b>5861.53</b>
Profit Before Tax	348.83	118.75	339.99	350.34	<b>514.12</b>
Profit After Tax	244.14	59.56	235.19	230.61	<b>352.06</b>
Share Capital	491.70	491.70	491.70	491.70	<b>491.70</b>
Reserves & Surplus	1739.05	1798.61	1970.84	2142.27	<b>2494.33</b>
Net Worth	2230.75	2290.31	2462.54	2633.97	<b>2986.03</b>
Net Block	1226.78	1385.05	1417.65	1461.78	<b>1745.03</b>
Earnings Per Share (₹)	4.97	1.21	4.78	4.69	<b>7.16</b>
Book Value Per Share (₹)	45.37	46.58	50.08	53.57	<b>60.73</b>

**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**

Khyati Danani (ACS 21844)

**AUDITORS**

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

**COST AUDITORS**

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

**BANKERS**

Yes Bank Ltd.

**REGISTERED AND ADMINISTRATIVE OFFICE**

54-D, Kandivli Industrial Estate,  
Charkop, Kandivli (West),  
Mumbai 400 067  
Tel : 022 - 2868 8544 Fax : 022 - 2868 8544

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Private Limited  
C-101, 247 Park,  
LBS Marg, Vikhroli (West)  
Mumbai - 400 083  
Tel : 022 - 4918 6000 Fax : 022 - 4918 6060

**WORKS**

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

## CONTENTS

Notice.....	3
Directors' Report.....	14
Report on Corporate Governance.....	21
Secretarial Audit Report.....	49
Independent Auditors' Report.....	52
Annexure to Auditors' Report.....	54
Balance Sheet.....	58
Statement of Profit and Loss .....	59
Cash Flow Statement.....	60
Notes on Financial Statements.....	61
Attendance Slip/Proxy Form.....	77
Five Years' Highlights.....	Inside Front Cover

NOTICE is hereby given that the 32<sup>nd</sup> ANNUAL GENERAL MEETING of Makers Laboratories Limited will be held at Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai – 400 067 on Thursday, 27<sup>th</sup> July, 2017 at 11.00 a.m. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Saahil Parikh (DIN 00400079) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 37<sup>th</sup> Annual General Meeting, subject to their appointment being ratified by the members at every Annual General Meeting till the 36<sup>th</sup> Annual General Meeting, at such remuneration and reimbursement of out of pocket expenses as may be determined by the Board of Directors of the Company.”

**SPECIAL BUSINESS:**

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

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification 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 Wholetime Director of the Company for a further period of 3 years commencing 11<sup>th</sup> August, 2017 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 11<sup>th</sup> May, 2017 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.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 148 (3) and such other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, M/s. Kale & Associates, Cost Accountants (Firm Registration No. 101144) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-18 be paid remuneration of ₹ 65,000/- (Rupees Sixty Five Thousand Only) plus service tax and reimbursement of traveling and other out of pocket expenses.”

**NOTES**

- (1) **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding**

**fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy Form is attached herewith.**

- (2) Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified true copy of the board resolution authorising their representative to attend and vote on their behalf at the meeting.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 22<sup>nd</sup> July, 2017 to Thursday, 27<sup>th</sup> July, 2017 (both days inclusive).
- (4) The dividend if declared at the meeting will be paid to those members, whose names appear in the Register of Members on Thursday, 27<sup>th</sup> July, 2017 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 Friday, 21<sup>st</sup> July, 2017.
- (5) The information required to be provided regarding the directors seeking re-appointment is furnished in the Report on Corporate Governance.
- (6) Members are requested to:
  - (a) intimate to the Company / their Depository Participant ("DP"), changes, if any, in their registered address at an early date;
  - (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
  - (c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
  - (d) encash the dividend warrants on their receipt as dividend remaining unclaimed for seven years are 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 [www.makerslabs.com](http://www.makerslabs.com).

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs effective September 7, 2016, the Company is required to transfer all shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF). The Company will send the required communication to the concerned shareholders whose shares are liable to be transferred to IEPF at their latest available address with the Company at appropriate time under the said Rules. The Company will also upload the full details of such shareholders and shares due for transfer to IEPF on its website. In case the Company does not receive any communication from the concerned shareholders, the Company shall, with a view to complying with the requirements set out in the Rules, transfer the shares to IEPF by the due date as per procedure stipulated in the Rules.

- (7) All documents referred in the notice will be available for inspection by the members at the Registered Office of the Company from 11.00 a.m. to 1.00 p.m. on all working days (excluding Saturday) upto the date of the Annual General Meeting and shall also be placed before the members at the said Annual General Meeting.
- (8) Statement setting out material facts under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
- (9) Electronic copy of the Notice of the 32<sup>nd</sup> Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form is being sent

to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the notice of the 32<sup>nd</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 the 32<sup>nd</sup> Annual General Meeting will also be available on the Company's website [www.makerslabs.com](http://www.makerslabs.com) for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same. For any communication, shareholders may also send requests to the Company's investors e-mail id [investors@makerslabs.com](mailto:investors@makerslabs.com).

(11) Voting through electronic means:

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 32<sup>nd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The shareholders who do not have access to remote e-voting or who do not wish to cast the vote electronically may request the Company for physical ballot paper for casting their vote, which will be provided by the Company upon request. Such ballot paper duly filled in and signed may be sent to The Scrutinizer c/o Makers Laboratories Limited, 54D, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067 so as to reach the scrutinizer on or before 5.00 p.m. on 26<sup>th</sup> July, 2017.

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 Monday, 24<sup>th</sup> July, 2017 (9:00 am) and ends on Wednesday, 26<sup>th</sup> July, 2017 (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 21<sup>st</sup> July, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Any person who is not a Member as on the cut off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

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

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

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

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".

(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" (E-Voting Event Number) of Makers Laboratories Ltd.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [scrutinizer@makerslabs.com](mailto:scrutinizer@makerslabs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participants or who request physical copy of notice]:
- (i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM :  
EVEN (Remote E-Voting Event Number)\_USER ID\_PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the frequently asked questions (FAQs) 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.
- NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
- In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- 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 21<sup>st</sup> July, 2017.
- 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. 21<sup>st</sup> July, 2017 may obtain the login ID and password by sending an request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Company / Registrars 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" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Toll Free No: 1800 222 990.



- XI. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Ms. Jigyasa N. Ved (Membership No. FCS 6488 CP6018) or failing her Mr. P. N. Parikh (Membership No. FCS327 CP1228) or failing them Mr. Mitesh Dhabliwala (Membership No. FCS8331 CP9511) of M/s. Parikh & Associates, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-voting process (including voting at the meeting) in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting / physical ballot facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and physical ballot form received by mail and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, on resolutions to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be displayed at the Registered Office of the Company and placed on the website of the Company [www.makerslabs.com](http://www.makerslabs.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Ltd. (BSE) where the Company's shares are listed.

Registered Office:  
54-D, Kandivli Industrial Estate  
Kandivli (West), Mumbai – 400 067  
Tel : 022 – 2868 8544  
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

Khyati Danani  
Company Secretary  
ACS 21844

Mumbai, 11<sup>th</sup> May, 2017

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 4**

M/s. Agarwal & Mangal, Firm Registration No. 100061W, Chartered Accountants retire as Auditors of the Company at the conclusion of the 32<sup>nd</sup> Annual General Meeting scheduled to be held on Thursday, 27<sup>th</sup> July, 2017.

Pursuant to the provisions of Section 139 (2) of the Companies Act, 2013 they are not eligible to be re-appointed as the Auditors of the Company.

In their place, it is proposed to appoint M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) as the Statutory Auditors of the Company for a period of 5 years till the conclusion of the Company's 37<sup>th</sup> Annual General Meeting and the necessary resolution in this regard 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. 4.

The Board of Directors accordingly recommend the resolution set out at Item No. 4 of the accompanying Notice for the approval of the members.

**Item No. 5**

At the meeting of the Board of Directors of the Company held on 11<sup>th</sup> May, 2017 and as recommended by the Nomination & Remuneration Committee, 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, 2017. Mr. Saahil Parikh aged 42 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 about 21 years in the field of Pharma Production, Quality Control, Projects and General Management. He holds 660 shares of the Company.

Details of number of board meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website [www.makerslabs.com](http://www.makerslabs.com). He is not a Director on Board of any other Company.

This re-appointment is in compliance with Sections 196, 197, 203, 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 11<sup>th</sup> May, 2017.

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, 2017.
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, perform all 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 endeavours 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 ₹2,00,000/- (Rupees Two Lacs only) per month with such increments as may be decided by the Board from time to time subject to a ceiling of ₹3,00,000/- (Rupees Three Lacs Only) per month.
  - b. Commission: Such remuneration by way of commission, in addition to the 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 Section 197 and other applicable provisions of the Companies Act, 2013.

The specific amount of commission 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 gratuity fund 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 endeavours 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 Committees 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 required consents under the provisions of the Companies Act, 2013.
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 doing so 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 90 days in any period of twelve consecutive calendar months, to perform his duties hereunder, the Company may at its sole discretion forthwith terminate his employment.
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 for 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.

<b>20 General Information as required under Schedule V of the Companies Act, 2013</b>			
<b>I.</b>	a.	Nature of industry	Pharmaceuticals
	b.	Date or expected date of commencement of commercial production	The Company is already in the business of manufacturing / marketing of pharmaceuticals.
	c.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
	d.	Financial performance based on given indicators	The details of the financial performance of the Company for the last 5 financial years are given in the 2 <sup>nd</sup> cover page of the Annual Report 2016-17 accompanying this notice.
	e.	Foreign investments or collaborators, if any	None
<b>II Information about the appointee</b>			
	a.	Background details	Mr. Saahil Parikh aged 42 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 about 21 years in the field of Pharma Production, Quality Control, Projects and General Management.
	b.	Past remuneration	He has been working as Wholetime Director of the Company since 11 <sup>th</sup> August, 2011. For the financial year ended 31 <sup>st</sup> March, 2017, he was paid a remuneration of Rs. 32.91 lacs per annum.
	c.	Recognition or awards	None
	d.	Job profile and his suitability	His qualification and vast experience in the Pharma Industry is of benefit to the Company and he is the suitable candidate to hold office of Wholetime Directorship in the Company in-charge, inter-alia, of production, quality control and general management functions.
	e.	Remuneration proposed	As per the explanatory statement provided to item No. 5 of the accompanying notice.
	f.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin.)	The remuneration paid / to be paid to the Wholetime Director is in line with the industry standard of similar size of Company.
	g.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None.

<b>III</b>	<b>Other information</b>	
	a.	Reasons of loss or inadequate profits The Company's margins are under pressure due to competition from small manufacturers.
	b.	Steps taken or proposed to be taken for improvement Necessary steps are taken to improve the profitability like cost containment, new product addition, increasing the geographical reach of Company's marketing activities, etc.
	c.	Expected increase in productivity and profits in measurable terms It is expected that the Company should do reasonably well in financial terms and increase the profitability within the next 2-3 years.
<b>IV</b>	<b>Disclosures</b>	
	a.	The following disclosures shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report :-  i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors ii) Details of fixed component and performance linked incentives along with the performance criteria iii) Service contracts, notice period, severance fees iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable
		Disclosed in Corporate Governance Report forming part of this Annual Report .  Furnished in the explanatory statement forming part of this notice.  As per explanatory statement forming part of this notice and Corporate Governance Report accompanying this notice.  Not applicable since the Company has no scheme for grant of any stock option either to the Directors or to the employees.

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**

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 2017-18. 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 11.00 a.m. and 1.00 p.m. on all working days, excluding Saturday.

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

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

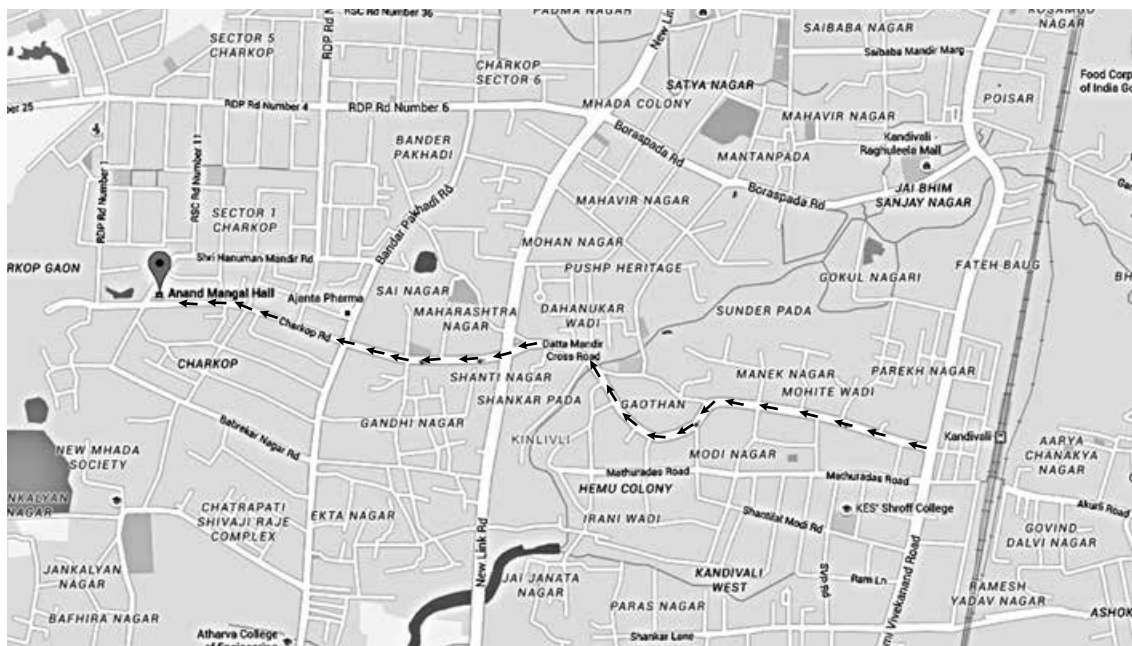
The Board of Directors accordingly recommend the resolution set out at Item No. 6 of the accompanying Notice for the approval of the members.

Registered Office:  
54-D, Kandivli Industrial Estate  
Kandivli (West), Mumbai – 400 067  
Tel : 022 – 2868 8544  
E-mail: investors@makerslabs.com  
Website: www.makerslabs.com  
CIN: L24230MH1984PLC033389

By Order of the Board  
For Makers Laboratories Limited

Khyati Danani  
Company Secretary  
ACS 21844

Mumbai, 11<sup>th</sup> May, 2017

**ROUTE MAP OF THE AGM VENUE**

📍 Anand Mangal Hall-AGM Venue

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report and Financial Statements for the year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS

	<b>For the year ended 31.3.2017 (₹ Lacs)</b>	For the year ended 31.3.2016 (₹ Lacs)
<b>Total Income</b>	<b>5861.53</b>	6202.84
Profit before finance cost, depreciation and taxation	<b>650.33</b>	507.37
Less : Finance Cost	<b>27.77</b>	32.01
Depreciation & Amortisation	<b>108.44</b>	125.02
<b>Profit before tax</b>	<b>514.12</b>	350.34
Provision for taxation		
Current	<b>132.00</b>	140.00
Deferred	<b>30.06</b>	(15.43)
Tax provision for earlier years	-	(4.84)
<b>Net Profit after Tax</b>	<b>352.06</b>	230.61

### TRANSFER TO RESERVES

The Company proposes to transfer ₹ 100 lacs to the general reserve.

### MANAGEMENT DISCUSSION AND ANALYSIS

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

Sales and other income for the financial year under report amounted to ₹ 5861.53 lacs as compared with ₹ 6202.84 lacs for the previous year, degrowth of 6%. The decrease in the income is mainly on account of lower price realisation in few generic formulations marketed due to competitive nature of the market and also due to reduction in the selling prices of many formulations due to price reductions made under the drug pricing regime in the country.

During the financial year under report, the Company sold its bulk drugs manufacturing unit situated at MIDC, Dombivili (East), District – Thane. The profit made on sale of this manufacturing unit amounted to ₹ 79.09 lacs (before tax).

During the financial year under report, the operations of the Company have resulted in a net profit of ₹ 352.06 lacs as compared to a net profit of ₹ 230.61 lacs in the previous financial year. The increase in the net profit is mainly on account of profit made on sale of Company's bulk drugs manufacturing unit situated at MIDC, Dombivili (East), District – Thane and also due to rationalization of operating costs.

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

Your Company had 95 permanent employees as at 31<sup>st</sup> March, 2017.

**(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, 2017 is ₹ 491.70 lacs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

**SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

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

**RESEARCH & DEVELOPMENT**

During the year under report, the Company has started Research & Development (R&D) activities at Company's manufacturing unit situated at GIDC Industrial Estate, Naroda, Ahmedabad 382 330 (Gujarat). The Company is currently focussing on development of ophthalmic range of formulations at its new R&D Centre.

During the year under report, the Company has spent an amount of ₹ 37.81 lacs as R&D expenditure (₹ 35.60 lacs towards installation of R&D equipments and ₹ 2.21 lacs towards R&D revenue expenses).

**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. Saahil Parikh is also being re-appointed as the Wholetime Director of the Company for a further period of 3 years with effect from 11<sup>th</sup> August, 2017 and the necessary resolution in this regard is being proposed at the ensuing Annual General Meeting for the approval of the members.

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 directors 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 financial 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. Khyati Danani	-	Company Secretary

During the year, Ms. Khushbu Thakkar, Company Secretary resigned from the services of the Company w.e.f. 15<sup>th</sup> June, 2016 and in her place Ms. Khyati Danani was appointed as the Company Secretary w.e.f. 9<sup>th</sup> August, 2016.

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

### **BOARD EVALUATION**

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

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

#### **REMUNERATION POLICY**

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

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

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

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

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

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

Your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2017 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 requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the requirements of Corporate Governance in all material aspects.

A report on Corporate Governance (Annexure 1) together with a certificate of its compliance from 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., Chartered Accountants (Firm Registration No. 100061W), retire as auditors of the Company under the provisions of Section 139 of the Companies Act, 2013. They are not eligible for re-appointment as the auditors of the Company under the provisions of Section 139 (2) of the Companies Act, 2013. The Board places on record its appreciation for the services rendered by M/s. Agarwal & Mangal, Chartered Accountants as the Statutory Auditors of the Company for all these years.

In their place, it is proposed by the Company to appoint M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) as the Statutory Auditors of the Company for a period of 5 years till the conclusion of the Company's 37<sup>th</sup> Annual General Meeting and the necessary resolution in this regard is proposed to be passed by the members of the Company at the ensuing Annual General Meeting.

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

**COST AUDIT**

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Kale & Associates, Cost Accountants (Firm Registration. No. 101144) were appointed as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2016-17.

The Cost Audit Report for the financial year 2015-16, which was due to be filed with the Ministry of Corporate Affairs by 26<sup>th</sup> October, 2016 was filed on 25<sup>th</sup> October, 2016.

**SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2016-17.

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 facility on safety and environment.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

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

**RELATED PARTY TRANSACTIONS**

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

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

All the related party transactions are placed before the Audit Committee as well as the Board for approval on a quarterly basis. Omnibus approval was also obtained from the Audit Committee and the Board on an annual basis for repetitive transactions. Resolution of the shareholders is also obtained, wherever necessary, in this regard.

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

**PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration and other details as set out in the said rules are provided as an Annexure 3 in this annual report. The Company had no employee drawing remuneration in excess of the amount as mentioned under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The necessary information in respect of top 10 employees of the Company in terms of remuneration drawn is furnished in Annexure 3.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours excluding Saturdays and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is available on the Company's website [www.makerslabs.com](http://www.makerslabs.com).

**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 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 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).

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.

**BUSINESS RISK MANAGEMENT**

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

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

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

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

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

**EXTRACT OF ANNUAL RETURN**

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

**ACKNOWLEDGEMENTS**

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

Mumbai  
11<sup>th</sup> May, 2017

For and on behalf of the Board

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

## ANNEXURE 1

### REPORT ON CORPORATE GOVERNANCE

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

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

- i) that the Board and top management of the Company are fully apprised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligation to the stakeholders.
- ii) that the Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.
- iii) that all disclosure of information to present and potential investors are maximised.
- iv) that the decision making process in the organisation is transparent and are backed by documentary evidences.
- v) The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance.

#### 2. Board of Directors

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

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

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

Name of the Director	Category	No. of board meetings		Attendance at last AGM (09.08.2016)	No. of Equity shares held in the Company **
		Held	Attended		
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	5	Yes	Nil
Dr. Rajeshwar Singh (DIN 00347864)	Non-Executive Independent Director	6	6	Yes	Nil
Mrs. Purnima Jain (DIN 00937041)	Executive, Non Independent Director	6	6	Yes	625
Mr. Saahil Parikh (DIN 00400079)	Executive, Non Independent Director	6	5	Yes	660

\*\*The above shareholding as at 31<sup>st</sup> March, 2017 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

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

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

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

**d) Number of meetings of the board of directors held during the financial year 2016-17 and dates on which held**

6 (Six) board meetings were held during the Financial Year 2016-17. The dates on which the said meetings were held are as follows:

12 <sup>th</sup> April, 2016	27 <sup>th</sup> May, 2016	9 <sup>th</sup> August, 2016
26 <sup>th</sup> September, 2016	14 <sup>th</sup> November, 2016	3 <sup>rd</sup> February, 2017

The last Annual General Meeting of the Company was held on 9<sup>th</sup> August, 2016.

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

None of the Directors are related to each other.

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

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

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

The Company has conducted familiarisation programs for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors. The Independent Directors are also regularly briefed on the nature of the pharmaceuticals industry and the Company's business model. The familiarisation programs have been uploaded on the website of the company at <http://www.makerslabs.com/pdf/appointment/Familiarisation-Programs-for-2016-17.pdf>.

**3. Audit Committee**

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

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



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

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

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

Ms. Khyati Danani, Company Secretary is the Secretary of this Committee.

Mr. Chaital Jhaveri was the Internal Auditor of the Company under the provisions of Section 138 of the Companies Act, 2013. He resigned from the services of the Company with effect from 25<sup>th</sup> November, 2016. The Company is in the process of recruiting a new Internal Auditor.

**c) Audit Committee meetings and the attendance during the financial year 2016-17**

There were 6 (Six) meetings of the Audit Committee during the Financial Year 2016-17. The gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

12 <sup>th</sup> April, 2016	27 <sup>th</sup> May, 2016	9 <sup>th</sup> August, 2016
26 <sup>th</sup> September, 2016	14 <sup>th</sup> November, 2016	3 <sup>rd</sup> February, 2017

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	5
Dr. Rajeshwar Singh	6	6

The previous annual general meeting of the Company was held on 9<sup>th</sup> August, 2016 and was attended by Mr. K. C. Jain, Chairman of the Audit committee.

**4. Nomination and Remuneration Committee**

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

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

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

The Company has a Nomination and Remuneration Committee of the Board which currently comprises of Mr. K.C. Jain, Chairman of the Committee, Mr. S. V. Loyalka and Dr. Rajeshwar Singh, all independent directors to function in the manner and to deal with the matters specified in Part D

of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also to review the overall compensation structure and policies of the Company to attract, motivate and retain employees.

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

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

**c) Meeting and attendance during the financial year 2016-17**

There were 2 (Two) meetings of this Committee during the Financial Year 2016-17. The dates on which the said meetings were held are as follows:

9 <sup>th</sup> August, 2016	3 <sup>rd</sup> February, 2017
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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

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

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

**5. Remuneration of Directors**

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

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

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

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

Details of payments made to Non-Executive Directors in the Financial Year 2016-17 are as under:

Name of the Director	Sitting fees Paid (₹)	Commission paid (₹)
Mr. K. C. Jain	1,20,000	Nil
Mr. S. V. Loyalka	90,000	Nil
Dr Rajeshwar Singh	1,20,000	Nil

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

**c) Disclosures with respect to remuneration paid / payable to Wholetime Directors for the financial year 2016-17**

i The details of the remuneration paid/payable to Wholetime Directors for the Financial Year 2016-17 are given below

(₹)

Name of Directors	Salary*	Benefits / Perquisites / Pension etc.*	Commission (performance linked)	Stock Options	Total
Mrs. Purnima Jain (Wholetime Director/ CEO)	24,90,000	13,75,467	Nil	Nil	38,65,467
Mr. Saahil Parikh (Wholetime Director/ CFO)	20,35,000	12,55,787	Nil	Nil	32,90,787

\* Fixed Component

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

The required details are given in the table above.

iii. Service contracts, notice period, severance fees

The appointment of Whole-time Directors is contractual and is generally for a period of 3 years. The Company has entered into agreement with Mrs. Purnima Jain on 28<sup>th</sup> August, 2014 which is valid upto 29<sup>th</sup> October, 2017 and with Mr. Saahil Parikh on 11<sup>th</sup> May, 2017 which is valid upto 10<sup>th</sup> August, 2020. Either party is entitled to terminate the agreement by giving not less than 30 days / 60 days notice in writing to the other party. There is no separate provision for payment of severance fee in the agreements signed by the Company with them.

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

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

## 6. Stakeholders Relationship Committee

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

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

### Meetings held and attendance during the financial year 2016-17

There were 3 (Three) meetings of this committee during the financial year 2016-17. The dates on which the said meetings were held are as follows:

27 <sup>th</sup> May, 2016	14 <sup>th</sup> November, 2016
3 <sup>rd</sup> February, 2017	

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

Name of the Director	No. of meetings held	No. of meetings attended
Mr. K. C. Jain	3	3
Dr. Rajeshwar Singh	3	3
Ms. Purnima Jain	3	3

### b. Name and designation of Compliance officer

Ms. Khyati Danani, Company Secretary is the Compliance Officer of the Company.

### c. Number of shareholders' complaints received

During the year, the Company received 9 complaints/communications from the shareholders, mostly regarding non-receipt of dividend warrants posted/request for revalidation of date expiry warrants, non-receipt of annual report posted, etc. all of which are attended to.

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

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

### e. Number of pending complaints

Nil

## 7. General Body Meetings

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

AGM for the financial year ended	Day, Date & Time of AGM	Place of AGM	Special Resolutions Passed
31-3-2016	Tuesday, 9 <sup>th</sup> August, 2016 at 11.00 a.m.	Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067	None
31-3-2015	Tuesday, 4 <sup>th</sup> August, 2015 at 11.00 a.m.	Plot No. 47, Kandivli Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067	Adoption of new Articles of Association
31-3-2014	Monday, 28 <sup>th</sup> July, 2014 at 4.00 p.m.	Plot No. 47, Kandivli Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067	Increase in the borrowing limit of the Company u/s 180 (1) (a) and (c) to ₹ 25 Crores.

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.

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

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

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

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

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

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

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

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

**f) Procedure for postal ballot**

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

**8. Means of communication**

a) Quarterly / Annual Results	:	The results of the Company are submitted to the stock exchanges where the shares of the Company are listed and published in the newspapers after the approval of the Board.
b) Newspapers wherein results normally published	:	The Free Press Journal and Nav Shakti.
c) Website, where displayed	:	www.makerslabs.com
d) Whether website also displays official news releases	:	Yes
e) Presentation made to institutional investors or to the analysts	:	Presentations were not made to institutional investors or analysts during the financial year 2016-17.

**9. General Shareholders Information**

- a) AGM : Date, Time and Venue : Thursday, 27<sup>th</sup> July, 2017 at 11.00 a.m. at Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai – 400 067
- b) Financial Year : 1<sup>st</sup> April –31<sup>st</sup> March
- First quarter results : last week of July\*
- Second quarter results : last week of October\*
- Third quarter results : last week of January\*
- Annual results : last week of May\*
- \* tentative

- c) Dividend Payment dates : The Company has not paid any interim dividend on the equity share capital for the financial year 2016-17. It is now proposed to recommend a dividend of ₹ 1/- per share (10%) on equity share capital for the financial year 2016-17 which if sanctioned will be paid on or before 20<sup>th</sup> August, 2017.
- Date of Book closure : Saturday, 22<sup>nd</sup> July, 2017 to Thursday, 27<sup>th</sup> July, 2017 (both days inclusive).
- d) The name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s) : BSE Ltd. (BSE)  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 023  
  
Ahmedabad Stock Exchange Ltd. (ASE)  
Kamdhenu Complex, Opp Sahajanand College  
Panjara Pole, Ahmedabad 380 015.
- Listing fees has been paid to BSE for the financial year 2017-18 in April, 2017. The fees of the depositories for the financial year 2017-18 were also paid in April/May 2017 on receipt of their invoices.
- The Company has received a letter dated 11<sup>th</sup> January, 2017 from Ahmedabad Stock Exchange Ltd. stating that the exchange is undergoing its exit policy and therefore, the companies listed with them are requested to do their compliances with related exchanges where the companies are further listed and not with Ahmedabad Stock Exchange Ltd.
- e) Stock code – Physical and ISIN Number for NSDL and CDSL : 506919 on BSE, 35210 on ASE  
INE 987A01010  
Corporate Identity Number allotted by Ministry of Corporate Affairs : L24230MH1984PLC033389
- f) Market price data: high, low during each month in last financial year : Please see Annexure 'A'
- g) Stock performance in comparison to BSE Sensex : Please see Annexure 'B'
- h) In case the securities are suspended from trading, the directors report shall explain the reason thereof : The securities of the Company are not suspended from trading by the Stock Exchanges.
- i) Registrars and share transfer agents : Link Intime India Private Limited  
C-101, 247 Park,  
LBS Marg, Vikhroli (West)  
Mumbai – 400 083  
Tel. No. (022) 4918 6000  
Fax. No.(022) 4918 6060
- j) Share transfer system : All share transfers subject to correctness and completion of all documents would normally be registered and returned within fifteen days from the date of receipt.

- k) Distribution of shareholding/ shareholding pattern as on 31.3.2017 : Please see Annexure 'C'
- l) Dematerialisation of shares and liquidity : 92.79% of the paid-up share capital has been dematerialised as on 31<sup>st</sup> March, 2017.
- m) Outstanding GDR/ADR/warrants/ convertible instruments, conversion date and likely impact on equity : Not applicable since none of the said instruments are ever issued.
- n) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities : The Company is not materially exposed to commodity price risk. The Company also does not carry out any commodity or currency hedging activities.
- o) Plant Locations : Plot No. 29/3, Phase III  
GIDC Industrial Estate  
Naroda, Ahmedabad – 382 330  
Gujarat
- p) Address for Correspondence : Ms. Khyati Danani  
Company Secretary  
Makers Laboratories Limited  
54D, Kandivli Industrial Estate  
Kandivli (W), Mumbai 400 067  
E-mail: investors@makerslabs.com  
Tel: (022) 2868 8544  
Fax: (022) 2868 8544
- q) Share transfer and other communications may be addressed to the Registrars : Link Intime India Private Limited  
C-101, 247 Park,  
LBS Marg, Vikhroli (West)  
Mumbai – 400 083  
Tel. (022) 4918 6270  
Fax. (022) 4918 6060

## 10. Other Disclosures

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

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

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

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

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

None

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

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

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

The Company has complied with all the applicable mandatory requirements of corporate governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about adoption of non-mandatory requirements are given in the table below.

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

The Company does not have any subsidiary company.

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

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

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

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

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

None

#### 11. Adoption of Discretionary Requirements

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

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

- a) The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance. The Board also periodically reviews the compliances by the Company of all applicable laws.



b) The Board of Directors in their meetings regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.

c) Code of Conduct for Board and Senior Managerial Personnel:

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

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

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

d) The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

f) The Company has a Risk Management Committee which monitors and reviews risk management plan on regular basis. The Board of Directors also periodically review and monitor the risk management plan of the Company.

g) The Board on an annual basis evaluates the performance of Independent Directors.

h) Risk Management Committee:

Due to the resignation of Ms. Khushbu Thakkar, Company Secretary with effect from 15<sup>th</sup> June, 2016, the Risk Management Committee was re-constituted by the Board of Directors at its meeting held on 26<sup>th</sup> September, 2016 and now consists of the following members:

Mr. Saahil Parikh, Wholetime Director & CFO, Mrs. Purnima Jain, Wholetime Director & CEO  
Mr. Sandeep Kadam, Manager (Accounts).

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

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

There were two (2) meetings of the Risk Management Committee held during the financial year 2016-17. The dates on which the said meetings were held are as follows:

27 <sup>th</sup> May, 2016	14 <sup>th</sup> November, 2016
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The attendance of each member of the Risk Management Committee in the committee meetings is given below:

<b>Name of the Director</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Saahil Parikh	2	1
Ms. Purnima Jain	2	2
Mr. Sandeep Kadam	2	2
Ms. Khushbu Thakkar (upto 15.06.2016)	2	1

- i) The Company has formulated a policy on determination of materiality of related party transactions and dealing with related party transactions which is available on the website of the Company (weblink [http://www.makerslabs.com/pdf/Corporate\\_Policy/Policy\\_for\\_Determination\\_of\\_Materiality\\_of\\_Event.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Policy_for_Determination_of_Materiality_of_Event.pdf)).
- j) All related party transactions entered into by the Company with related parties are at an arms length basis and in the ordinary course of Company's business. Transactions with related parties are disclosed under notes forming part of the accounts. The Board and the Audit Committee periodically reviews the details of the related party transactions entered into by the Company. Omnibus approval from the Audit Committee is also obtained before entering into related party transactions.
- k) No employee including Key Managerial Personnel or Director or Promoter of the Company has entered into any agreement for himself or on behalf of other person with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.
- l) **Subsidiary Companies:**  
The Company does not have any subsidiary company.
- m) None of the Directors are directors in more than 20 companies at the same time and are also not serving as independent director in more than 7 listed companies or serve as Wholetime Director in any other listed company. None of the Wholetime Directors of the Company serve as Independent Director in more than 3 listed entities.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All directors have disclosed their committee positions to the Company. For determining this limit, Chairpersonship and Membership of Audit Committee and Stakeholders Relationship Committee only are considered.

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

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013, all the independent directors have given declaration of independence in the first board meeting of the current financial year held on 11<sup>th</sup> May, 2017.

- n) **Independent Directors Meeting:**  
During the year under review, the Independent Directors met on 3<sup>rd</sup> February, 2017, without the attendance of non-independent directors and members of the management, inter-alia, to discuss:
  - i. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
  - ii. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the said meeting.

o) The Company maintains a functional website containing the basic information about the Company. The Company has disseminated all the required information on its website as required under Regulation 46 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

p) Information on Directors retiring by rotation and seeking appointment / re-appointment:

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

Mr. Saahil Parikh aged 42 years has done his Bio-Chemistry from Gujarat University. He has also done his Diploma in Management Studies from Ahmedabad Management Association. He has about 21 years of 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.

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

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

q) Reconciliation of Share Capital Audit:

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

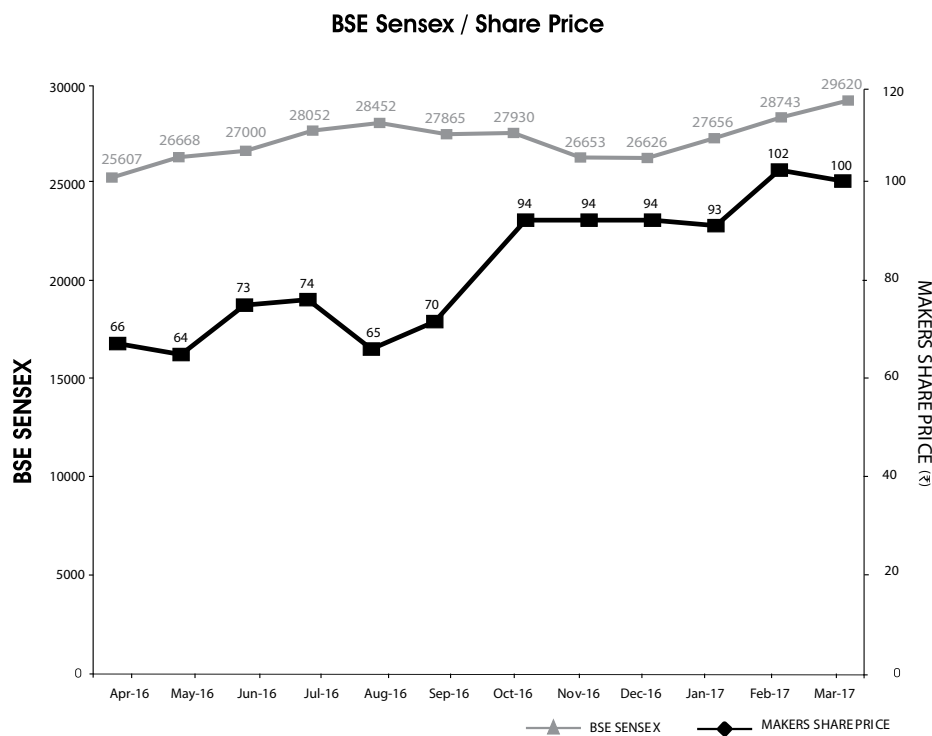
## Annexure A

High/Low of Market price of the Company's shares traded on BSE Ltd. (BSE) during the financial year 2016-17 is furnished below:

Year	Month	Highest (₹)	Lowest (₹)	
2016	April	68.45	60.05	
	May	79.40	64.00	
	June	74.00	60.00	
	July	82.00	69.00	
	August	75.80	61.10	
	September	77.85	62.10	
	October	99.70	68.05	
	November	98.70	70.50	
	December	108.00	87.00	
	2017	January	104.40	91.10
		February	108.90	91.50
		March	106.70	94.50

## Annexure B

Graph of Share Price/ BSE Sensex



## Annexure C

The distribution of shareholding as on 31<sup>st</sup> March, 2017 is as follows :

No. of equity shares held			No. of shareholders	%	No. of shares	%
Upto		500	4372	87.42	655219	13.33
501	to	1000	367	7.34	290518	5.91
1001	to	2000	135	2.70	208681	4.24
2001	to	3000	45	0.90	112729	2.29
3001	to	4000	12	0.24	43114	0.88
4001	to	5000	17	0.34	79417	1.62
5001	to	10000	26	0.52	182172	3.70
10001	&	above	27	0.54	3345130	68.03
<b>Grand Total</b>			<b>5001</b>	<b>100.00</b>	<b>4916980</b>	<b>100.00</b>
No. of shareholders in Physical Mode			1795	35.89	354548	7.21
No. of shareholders in Electronic Mode			3206	64.11	4562432	92.79

Shareholding pattern as on 31<sup>st</sup> March, 2017 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
FII's and Mutual Funds	0	0	0.00
NRIs	130	73348	1.49
Domestic Companies	78	104535	2.13
Resident Individuals / Others	4780	1869050	38.01
<b>Total</b>	<b>5001</b>	<b>4916980</b>	<b>100.00</b>

**CEO CERTIFICATION**

To  
All the Members of  
Makers Laboratories Ltd.

May 11, 2017

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

For Makers Laboratories Limited

Purnima Jain  
Wholetime Director / CEO

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**CEO/CFO CERTIFICATION**

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

May 11, 2017

We hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2017 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; and
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) No transaction is entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Makers Laboratories Limited

Purnima Jain  
Wholetime Director / CEO

Saahil Parikh  
Wholetime Director / CFO

## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**MAKERS LABORATORIES LIMITED**

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

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

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

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

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

Place: Mumbai  
Dated: 11<sup>th</sup> May, 2017

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

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

Note: The Company has sent three (3) reminder letters last being on 31<sup>st</sup> March, 2017 to the addresses of the shareholders whose unclaimed share certificates, which were returned undelivered and lying with the Company's Registrar's and Share Transfer Agents, requesting such shareholders to immediately claim their share certificate(s) by submitting the required proof. They have been informed about the requirement of transferring the unclaimed shares/share certificates to the share suspense account to be created by the Company in respect of such unclaimed shares.

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

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:
  - (a) Name(s) of the related party and nature of relationship: Not Applicable
  - (b) Nature of contracts/arrangements/transactions: Not Applicable
  - (c) Duration of the contracts / arrangements/transactions: Not Applicable
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
  - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
  - (f) Date(s) of approval by the Board: Not Applicable
  - (g) Amount paid as advances, if any: Not Applicable
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:
  - (a) Name(s) of the related party and nature of relationship: M/s. Ipca Laboratories Ltd. Company promoted by same promoters.
  - (b) Nature of contracts/arrangements/transactions:
    - i. Purchase/ sale of materials, capital goods, plant & machineries, packing materials, etc. at a market determined price that would be generally agreed by the trade / industry for similar nature of transaction.
    - ii. Availing of/rendering of services/manufacturing on loan license basis/premises on rental, etc. at a price that would be generally charged in the trade / industry for that particular type of service/arrangement.
    - iii. Provision of common services at proportionate cost.
  - (c) Duration of the contracts / arrangements/transactions: Continuous transactions on an ongoing basis.
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Purchase/sale of materials, capital goods, plant & machineries, packing materials, manufacturing on loan license basis, etc. on arm's length basis.
  - (e) Date(s) of approval by the Board, if any: 27<sup>th</sup> May, 2016
  - (f) Date of approval of shareholders: 9<sup>th</sup> August, 2016
  - (g) Amount paid as advances, if any: Not Applicable

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

For and on behalf of the Board

Mumbai  
11<sup>th</sup> May, 2017

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

### ANNEXURE 3

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

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 is as under:

Sr. No.	Name of the Director/ Key Managerial Personnel and Designation	Remuneration of Director / KMP for the financial year 2016-17 (₹)	% increase/ (decrease) in remuneration in the financial year 2016-17	Ratio of remuneration of each Director /to median remuneration of employees
1	Mrs. Purnima Jain (Wholetime Director/CEO)	38,65,467	10.58%	20.51
2	Mr. Saahil Parikh (Wholetime Director/CFO)	32,90,787	16.47%	17.46
3	Mr. K. C. Jain (Director)	1,20,000	(14.29%)	0.64
4	Mr. S. V. Loyalka (Director)	90,000	(18.18%)	0.48
5	Dr Rajeshwar Singh (Director)	1,20,000	(4.00%)	0.64
6	Ms. Khyati Danani (Company Secretary - appointed w.e.f 09.08.2016)	6,62,638	-	3.52
7	Ms. Khushbu Thakkar (Company Secretary - resigned w.e.f 15.06.2016)	1,81,685	-	0.96

- ii. The median remuneration of the employees of the Company during the financial year was ₹ 1,88,448.
- iii. In the financial year, there was a decrease of 2.79% in the median remuneration of employees.
- iv. There were 95 permanent employees on the rolls of Company as on March 31, 2017.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 10.32% whereas the increase in the managerial remuneration for the same financial year was 11.80%.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board

Mumbai  
11<sup>th</sup> May, 2017

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director



## ANNEXURE 4

### 1. CONSERVATION OF ENERGY

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

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

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

Presently none.

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

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

### 2. TECHNOLOGY ABSORPTION

Research & Development

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

The Company has started R&D activities during the financial year at its Ahmedabad manufacturing unit. The Company is currently in the process of developing ophthalmic range of formulations.

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

The Company has just started its R&D activities benefits of which will come in future years.

**(C) Future Plan of Action :**

Development of more range of formulations initially for the domestic market.

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

	<b>2016-17 (₹ lacs)</b>	<b>2015-16 (₹ lacs)</b>
a) Capital	35.60	-
b) Revenue	2.21	-
c) Total	37.81	-
d) R & D expenditure as a percentage of turnover	0.74%	-

**(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 - ₹ 39,20,635

For and on behalf of the Board

Mumbai  
11<sup>th</sup> May, 2017

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, 2017  
[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 – 2868 8544 e-mail: investors@makerslabs.com website: www.makerslabs.com
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
Link Intime India Private Limited  
C 101, 247 Park, L B S Marg, Vikhroli West,  
Mumbai 400 083.  
Tel: 022 – 49186270; e-mail: rnt.helpdesk@linkintime.co.in

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

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

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

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

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

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

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	392895	--	392895	7.99	392895	--	392895	7.99	--
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt. (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	2477052	--	2477052	50.38	2477052	--	2477052	50.38	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other....	--	--	--	--	--	--	--	--	--
<b>Sub-total (A) (1):-</b>	<b>2869947</b>	<b>--</b>	<b>2869947</b>	<b>58.37</b>	<b>2869947</b>	<b>--</b>	<b>2869947</b>	<b>58.37</b>	<b>--</b>

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1) + A(2)	2869947	--	2869947	58.37	2869947	--	2869947	58.37	--
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	100	--	100	0.00	100	--	100	0.00	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt. (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	100	--	100	0.00	100	--	100	0.00	--
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	108246	2810	111056	2.26	101725	2810	1045350	2.12	(0.14)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1101020	296724	1397744	28.43	1077036	291528	1368564	27.84	(0.59)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	346646	10650	357296	7.27	402752	10650	413402	8.41	1.14
c) Others (specify)									
(i) Clearing Member	22616	--	22616	0.46	13530	--	13530	0.28	(0.18)
(ii) Market Maker	4650	--	4650	0.09	100	--	100	0.00	(0.09)
(iii) HUF	84722	--	84722	1.72	73454	--	73454	1.49	(0.23)
(iv) Foreign Holding									
NRI (Repatriate)	10888	49560	60448	1.23	12625	49560	62185	1.26	0.03
NRI (Non Repatriate)	8401	--	8401	0.17	11163	--	11163	0.23	0.06
<b>Sub-total (B)(2):-</b>	1687189	359744	2046933	41.63	1692385	354548	2046933	41.63	--
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	1687289	359744	2047033	41.63	1692485	354548	2047033	41.63	--
<b>C. Shares held by Custodian for GDR &amp; ADR</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	4557236	359744	4916980	100.00	4562432	354548	4916980	100.00	--

**ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% 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.	Kaygee Laboratories Pvt. 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 Pvt. 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	--	--
	<b>Total</b>	<b>2869947</b>	<b>58.37</b>	<b>--</b>	<b>2869947</b>	<b>58.37</b>	<b>--</b>	<b>--</b>

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year (01.04.2016)	2869947	58.37	--	--
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year (31.03.2017)	--	--	2869947	58.37

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

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.	Vara Lakshmi G					
	At the beginning of the year	01.04.2016	64962	1.32	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	20.05.2016	3300	0.07	68262	1.39
		28.10.2016	20211	0.41	88473	1.80
		18.11.2016	35000	0.71	123473	2.51
	At the End of the year	31.03.2017	--	--	123473	2.51
2.	Neelima Karlapudi					
	At the beginning of the year	01.04.2016	68506	1.39	--	--
	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	31.03.2017	--	--	68506	1.39

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
3.	Rambabu Veldi					
	At the beginning of the year	01.04.2016	56937	1.16	--	--
	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	31.03.2017	--	--	56937	1.16
4.	Suresh Bhoorchand Shah					
	At the beginning of the year	01.04.2016	40000	0.81	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2017	--	--	40000	0.81
5.	Mudra Financial Services Limited					
	At the beginning of the year	01.04.2016	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	31.03.2017	--	--	31781	0.65
6.	G V Eswar					
	At the beginning of the year	01.04.2016	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	31.03.2017	--	--	30000	0.61
7.	Rajasekhar Guttikonda					
	At the beginning of the year	01.04.2016	26198	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	31.03.2017	--	--	26198	0.53
8	Manu Gopaldas Chhabria					
	At the beginning of the year	01.04.2016	3850	0.08	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	08.04.2016	1000	0.02	4850	0.10
		26.08.2016	1400	0.03	6250	0.13
		02.12.2016	6460	0.13	12710	0.26
		09.12.2016	2000	0.04	14710	0.30
		06.01.2017	381	0.01	15091	0.31
		13.01.2017	2825	0.06	17916	0.36
		20.01.2017	2520	0.05	20436	0.42
		27.01.2017	350	0.01	20786	0.42
		03.02.2017	200	0.00	20986	0.43
		10.02.2017	2420	0.05	23406	0.48
		24.02.2017	500	0.01	23906	0.49
10.03.2017	650	0.01	24556	0.50		
At the End of the year	31.03.2017	--	--	24556	0.50	

Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	Sunil K Mehta					
	At the beginning of the year	01.04.2016	24500	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):	20.05.2016	(500)	(0.01)	24000	0.49
		27.05.2016	250	0.01	24250	0.49
		03.06.2016	250	0.01	24500	0.50
		17.06.2016	250	0.01	24750	0.50
		30.06.2016	250	0.01	25000	0.51
		01.07.2016	(500)	(0.01)	24500	0.50
		08.07.2016	(500)	(0.01)	24000	0.49
		15.07.2016	84	0.00	24084	0.49
		29.07.2016	166	0.00	24250	0.49
		12.08.2016	250	0.01	24500	0.50
		19.08.2016	250	0.01	24750	0.50
		26.08.2016	250	0.01	25000	0.51
		07.10.2016	(250)	(0.01)	24750	0.50
		21.10.2016	(500)	(0.01)	24250	0.49
		28.10.2016	(750)	(0.02)	23500	0.48
		04.11.2016	250	0.01	23750	0.48
		11.11.2016	121	0.00	23871	0.49
		18.11.2016	(480)	(0.01)	23391	0.48
		02.12.2016	(250)	(0.01)	23141	0.47
		09.12.2016	(437)	(0.01)	22704	0.46
		16.12.2016	(104)	0.00	22600	0.46
		30.12.2016	250	0.01	22850	0.46
		10.02.2017	(350)	(0.01)	22500	0.46
		03.03.2017	(250)	(0.01)	22250	0.45
	At the End of the year	31.03.2017	0	0.00	22250	0.45
10	Meena Nitinbhai Chokshi					
	At the beginning of the year	01.04.2016	15782	0.32	--	--
	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	31.03.2017	0	0.00	15782	0.32
11	Sneha Prakash Shah					
	At the beginning of the year	01.04.2016	19710	0.40	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	20.05.2016	(1460)	(0.03)	18250	0.37
		17.06.2016	1500	0.03	19750	0.40
		03.03.2017	(4750)	(0.10)	15000	0.31
	At the End of the year	31.03.2017	0	0.00	15000	0.31

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
12.	Gyan Chand Shadija					
	At the beginning of the year	01.04.2016	20001	0.41	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	08.04.2016	(1995)	(0.04)	18006	0.37
		15.04.2016	(1315)	(0.03)	16691	0.34
		22.04.2016	(390)	(0.01)	16301	0.33
		29.04.2016	1915	0.04	18216	0.37
		06.05.2016	2195	0.04	20411	0.42
		20.05.2016	(6710)	(0.14)	13701	0.28
		03.06.2016	10	0.00	13711	0.28
		10.06.2016	(1700)	(0.03)	12011	0.24
		17.06.2016	(7000)	(0.14)	5011	0.10
		30.06.2016	(2610)	(0.05)	2401	0.05
		08.07.2016	(300)	(0.01)	2101	0.04
		22.07.2016	(30)	(0.00)	2071	0.04
		05.08.2016	(70)	(0.00)	2001	0.04
19.08.2016	(950)	(0.02)	1051	0.02		
26.08.2016	(50)	(0.00)	1001	0.02		
At the End of the year	31.03.2017	0	(0.00)	1001	0.02	
13.	Sonal Rupesh Jobanputra					
	At the beginning of the year	01.04.2016	10050	0.20	--	--
	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	31.03.2017	--	--	10050	0.20
14.	Siddharth Shantibhai Jain					
	At the beginning of the year	01.04.2016	9000	0.18	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	12.08.2016	(2172)	(0.04)	6827	0.14
		17.03.2017	1100	0.02	7927	0.16
	At the End of the year	31.03.2017	--	--	7927	0.16

**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. K.C. Jain Independent Director					
	At the beginning of the year	01.04.2016	600	0.01	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2017	--	--	600	0.01

2.	Mr. S. V. Loyalka Independent Director					
	At the beginning of the year	01.04.2016	--	--	--	--
	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	31.03.2017	--	--	--	--
3.	Dr. Rajeshwar Singh Independent Director					
	At the beginning of the year	01.04.2016	--	--	--	--
	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	31.03.2017	--	--	--	--
4.	Mrs. Purnima Jain Wholetime Director and CEO					
	At the beginning of the year	01.04.2016	625	0.01	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2017	--	--	625	0.01
5.	Mr. Saahil Parikh Wholetime Director and CFO					
	At the beginning of the year	01.04.2016	660	0.01	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2017	--	--	660	0.01
6.	Ms. Khushbu Thakkar* Company Secretary					
	At the beginning of the year	01.04.2016	1	0.00	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2017	--	--	NA	NA
7	Ms. Khyati Danani# Company Secretary					
	At the beginning of the year	01.04.2016	NA	NA	--	--
	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	31.03.2017	--	--	--	--

\* Ms. Khushbu Thakkar resigned as Company Secretary w.e.f. June 15, 2016

# Ms. Khyati Danani appointed as Company Secretary w.e.f. August 9, 2016.



## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans (₹)	Deposits	Total Indebtedness (₹)
<b>Indebtedness at the beginning of the financial year (01.04.2016)</b>				
i) Principal Amount	--	17,98,205	--	17,98,205
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	--	17,98,205	--	17,98,205
<b>Change in Indebtedness during the financial year</b>				
. Addition	--	1,25,26,008	--	1,25,26,008
. Reduction	--	--	--	--
<b>Net Change</b>	--	1,25,26,008	--	1,25,26,008
<b>Indebtedness at the end of the financial year (31.03.2017)</b>				
i) Principal Amount	--	1,43,24,213	--	1,43,24,213
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	--	1,43,24,213	--	1,43,24,213

## VI. 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 (Rupees)
		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	24,90,000	20,35,000	45,25,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	13,75,467	12,55,787	26,31,254
	(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	-	-	-
	<b>Total (A)</b>	38,65,467	32,90,787	71,56,254
	Ceiling as per the Act	₹ 50.98 Lacs (being 10% of the profits of the Company calculated as per the Section 197 and 198 of the Companies Act, 2013). However, the remuneration paid is within the prescribed limits under Schedule V of the Companies Act, 2013.		

**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount (Rupees)
		Mr. K. C. Jain	Mr. S. V. Loyalka	Dr. Rajeshwar Singh	
1.	Independent Directors				
	• Fee for attending board / committee meetings	1,20,000	90,000	1,20,000	3,30,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	1,20,000	90,000	1,20,000	3,30,000
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	1,20,000	90,000	1,20,000	3,30,000
	Total Managerial Remuneration (A+B)	-	-	-	74,86,254
	Overall Ceiling as per the Act	₹ 56.09 lacs (being 11% of the net profit as per Section 197 and 198 of the Act). However, the managerial remuneration paid is within the prescribed limits under Schedule V of the Companies Act, 2013.			

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary (Ms. Khushbu Thakkar) (upto 15.06.2016)	Company Secretary (Ms. Khyati Danani) (w.e.f. 09.08.2016)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,81,685	6,62,638	8,44,323
	(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	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify.	-	-	-
5.	Others, please specify	-	-	-
	Total	1,81,685	6,62,638	8,44,323

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

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

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

For and on behalf of the Board

Mumbai  
11<sup>th</sup> May, 2017

Purnima Jain  
Wholtime Director

Saahil Parikh  
Wholtime Director

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

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

To  
The Members,  
Makers Laboratories Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

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

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

We further report that:

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

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

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period there were no events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

We have been informed that the Ahmedabad Stock Exchange Limited, where the Shares of the Company were listed, vide its letter No. ASEL/257 dated January 11, 2017 have informed the Company, inter alia, to not do any Compliance with them as the said Stock Exchange is undergoing its exit policy.

For Parikh & Associates  
Company Secretaries

Jigyasa N. Ved  
Partner

Place: Mumbai  
Date : 11<sup>th</sup> May, 2017

FCS No: 6488 CP No: 6018

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

**'Annexure A'**

To  
The Members  
Makers Laboratories Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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 : 11<sup>th</sup> May, 2017

## **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, 2017, 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. 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, 2017;
- b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and

- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2017 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
    - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.
    - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 15 to the financial statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" statement on the matters specified in paragraphs 3 and 4 of the Order.

Place : Mumbai  
Dated: 11<sup>th</sup> May, 2017

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

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

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

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

We have audited the internal financial controls over financial reporting of MAKERS LABORATORIES LIMITED (“the Company”) as of 31<sup>st</sup> March, 2017 in conjunction with our audit of these financial statements of the Company for the year ended on that date.

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

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

**Auditor’s Responsibility**

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

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

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

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

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



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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Mumbai  
Dated: 11<sup>th</sup> May, 2017

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

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

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

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed;
- (c) The title deeds of immovable properties are held in the name of the Company.
- 2) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- 3) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) According to the records produced and information given to us, the cost records and accounts as prescribed by the Central Govt. under sub-section (1) of section 148 of the act have been made and maintained by the Company but no examination of such records and accounts have been carried out by us.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date on when they become payable;
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

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

**For AGARWAL & MANGAL**

Chartered Accountants  
Firm Reg. No. 100061W

**B. P. MANGAL**

Partner  
Membership No. 32973

Place : Mumbai  
Dated: 11<sup>th</sup> May, 2017

## Balance Sheet as at 31<sup>st</sup> March, 2017

<u>Particulars</u>	<u>Note Ref</u>	<u>As at 31<sup>st</sup> March, 2017 (₹)</u>	<u>As at 31<sup>st</sup> March, 2016 (₹)</u>
<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	24,94,33,134	21,42,27,046
(c) Money Received Against Share Warrants		--	--
		<u>29,86,02,934</u>	<u>26,33,96,846</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	80,06,000	50,00,000
(c) Other Long Term Liabilities	4	4,23,40,000	3,71,65,000
(d) Long Term Provisions	5	23,13,333	17,56,944
		<u>5,26,59,333</u>	<u>4,39,21,944</u>
<b>4 Current Liabilities</b>			
(a) Short Term Borrowings	6	1,43,24,213	17,98,205
(b) Trade Payables	7	7,11,69,468	7,50,45,330
(c) Other Current Liabilities	8	1,07,13,711	56,91,789
(d) Short Term Provisions	5	49,84,528	1,22,44,856
		<u>10,11,91,920</u>	<u>9,47,80,180</u>
<b>Total</b>		<u>45,24,54,187</u>	<u>40,20,98,970</u>
<b>II ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Property, Plant and Equipment			
(i) Tangible Assets	9	17,28,63,016	10,35,02,700
(ii) Intangible Assets	9	1,52,653	4,14,477
(iii) Capital Work-in-Progress		14,87,630	4,22,61,291
(iv) Intangible Assets Under Development		--	--
		<u>17,45,03,299</u>	<u>14,61,78,468</u>
(b) Non Current Investments	10	2,35,21,921	2,35,21,921
(c) Deferred Tax Assets (net)		--	--
(d) Long Term Loans and Advances	11	32,92,124	30,62,040
(e) Other Non Current Assets	12	41,16,528	31,62,174
		<u>20,54,33,872</u>	<u>17,59,24,603</u>
<b>2 Current Assets</b>			
(a) Current Investments		--	--
(b) Inventories	13	7,53,84,842	6,10,68,787
(c) Trade Receivables	14	12,26,47,194	14,40,61,950
(d) Cash and Bank Balances	15	4,18,53,036	1,21,06,448
(e) Short Term Loans and Advances	11	46,89,641	41,42,046
(f) Other Current Assets	12	24,45,602	47,95,136
		<u>24,70,20,315</u>	<u>22,61,74,367</u>
<b>Total</b>		<u>45,24,54,187</u>	<u>40,20,98,970</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  
Membership No.32973  
Mumbai  
11<sup>th</sup> May, 2017

**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)

**KHYATI DANANI** - Company Secretary  
(ACS 21844)

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2017

Particulars	Note Ref	2016-17		2015-16	
		(₹)	(₹)	(₹)	(₹)
<b>Revenue</b>					
<b>I Revenue from Operations ( Gross):</b>					
Sale of products	16	50,92,87,276		53,78,27,425	
Manufacturing Charges Income		8,17,35,950		8,69,50,379	
Other operating revenue	17	7,84,734		31,85,523	
Less : Excise Duty		(1,01,69,956)	58,16,38,004	(1,38,63,050)	61,41,00,277
<b>II Other Income</b>	18		45,15,098		61,83,583
<b>III Total Revenue (I + II)</b>			58,61,53,102		62,02,83,860
<b>IV Expenses</b>					
Cost of Materials Consumed	19	17,17,62,778		16,16,65,797	
Purchase of Traded Goods		18,80,46,221		17,79,22,085	
Changes in inventories of Finished Goods Work-in-Progress and Stock-in-Trade	20	(1,27,23,908)		3,12,38,783	
Employee Benefit Expenses	21	6,58,02,712		7,70,88,073	
Finance Cost	22	27,76,683		32,00,518	
Depreciation & Amortisation	23	1,08,44,074		1,25,01,591	
Other Expenses	24	11,61,41,073	54,26,49,633	12,16,33,271	58,52,50,118
<b>Total Expenses (IV)</b>			54,26,49,633		58,52,50,118
<b>V Profit / ( Loss ) Before exceptional, extraordinary items and Tax (III-IV)</b>			4,35,03,469		3,50,33,742
<b>VI Exceptional Items :</b>					
Profit on sale of Dombivli manufacturing unit			79,08,619		--
<b>VII Profit/ ( Loss ) Before extraordinary items and Tax (V+VI)</b>			5,14,12,088		3,50,33,742
<b>VIII Extraordinary Items</b>			--		--
<b>IX Profit / ( Loss ) Before Tax (VII-VIII)</b>			5,14,12,088		3,50,33,742
<b>X Tax Expense</b>					
1 Current Tax		1,32,00,000		1,40,00,000	
2 Deferred Tax		30,06,000		(15,43,000)	
3 Tax Provision for earlier years		--	1,62,06,000	(4,84,205)	1,19,72,795
<b>XI Profit / ( Loss ) After Tax (IX-X)</b>			3,52,06,088		2,30,60,947
<b>XII Earnings per Equity Share:</b>	27				
Basic/Diluted (Before exceptional item)			5.55		4.69
Basic/Diluted (After exceptional item)			7.16		4.69
Par Value			₹ 10/- each		₹ 10/- each

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

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

**B. P. MANGAL**  
Partner  
Membership No.32973  
Mumbai  
11<sup>th</sup> May, 2017

**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)

**KHYATI DANANI** - Company Secretary  
(ACS 21844)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Particulars	2016 - 2017		2015- 2016	
	(₹)	(₹)	(₹)	(₹)
<b>A Cash Flow from Operating Activities:</b>				
<b>Net Profit / ( Loss ) before taxation and extraordinary item</b>		<b>4,35,03,469</b>		3,50,33,742
<b>Adjustments for:</b>				
Depreciation	<b>1,08,44,074</b>		1,25,01,591	
Bad Debts Written off	<b>1,56,168</b>		25,15,010	
Loss on Sale of Fixed Assets	<b>3,781</b>		21,11,633	
Profit on Sale of Fixed Assets	<b>(474)</b>		(1,13,365)	
Dividend Income	<b>(18,92,071)</b>		(5,59,571)	
Interest Income	<b>(7,50,273)</b>		(34,79,682)	
Interest Expense	<b>27,76,683</b>	<b>1,11,37,888</b>	32,00,518	1,61,76,134
<b>Operating profit before Working Capital Changes</b>		<b>5,46,41,357</b>		5,12,09,876
<b>Working Capital Changes:</b>				
(Increase) / Decrease in Inventories	<b>(1,43,16,055)</b>		3,14,17,341	
(Increase) / Decrease in Receivables	<b>2,19,00,115</b>		(2,92,90,084)	
Increase / (Decrease) in Short Term Borrowings	<b>1,25,26,008</b>		(61,75,002)	
Increase / (Decrease) in Sundry Creditors & Provisions	<b>63,43,980</b>	<b>2,64,54,048</b>	6,972	(40,40,773)
<b>Cash Generated from Operations</b>		<b>8,10,95,405</b>		4,71,69,103
Income Tax Paid		<b>(1,41,98,142)</b>		(1,19,80,992)
<b>Net Cash Flow from Operating activities - I</b>		<b>6,68,97,263</b>		3,51,88,111
<b>B Cash Flow for Investing Activities :</b>				
Purchase of Fixed Assets	<b>(4,80,18,224)</b>		(2,04,67,563)	
Interest Received	<b>7,26,247</b>		34,77,452	
Proceeds from sale of Dombivli Mfg Unit and other Fixed Assets	<b>1,67,54,631</b>		15,54,713	
Dividend Received	<b>18,92,071</b>		5,59,571	
<b>Net Cash Flow from Investing Activities - II</b>		<b>(2,86,45,275)</b>		(1,48,75,827)
<b>Cash Flow after Investing Activities - III = (I + II)</b>		<b>3,82,51,988</b>		2,03,12,284
<b>C Cash Flow from Financing activities</b>				
Interest Paid	<b>(27,76,683)</b>		(32,00,518)	
Dividend & Dividend Tax Paid	<b>(59,17,962)</b>		(59,17,961)	
<b>Net Cash flow from Financing Activities - IV</b>		<b>(86,94,645)</b>		(91,18,479)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>2,95,57,343</b>		1,11,93,805
Opening Cash and Cash Equivalents		<b>1,15,19,286</b>		3,25,481
Closing Cash and Cash Equivalents		<b>4,10,76,629</b>		1,15,19,286
<b>Components of Cash &amp; Cash Equivalents:</b>				
Cash Balances		<b>23,786</b>		1,76,116
Balances with Banks		<b>4,10,52,843</b>		1,13,43,170
		<b>4,10,76,629</b>		1,15,19,286

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

**B. P. MANGAL**  
Partner  
Membership No.32973  
Mumbai  
11<sup>th</sup> May, 2017

**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)

**KHYATI DANANI** - Company Secretary  
(ACS 21844)

**Notes forming part of the Financial Statements for the Year ended 31<sup>st</sup> March, 2017****Significant Accounting Policies:****a. Basis of Preparation of Financial Statements:**

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

**b. Use of Estimates:**

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

**c. Revenue Recognition:**

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

**d. Fixed Assets:**

- i) 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.
- ii) 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:**

- i) Depreciation on Fixed Assets is provided on the useful lives of the assets in the manner prescribed in Schedule II of Companies Act, 2013 on Straight Line Method at Dombivli and Head Office and on Written Down Value Method at Ahmedabad. 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.

- ii) 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.
- iii) Fixed Assets individually costing upto ₹ 5,000/- are fully depreciated in the year of purchase.

**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, 2017

### 1 SHARE CAPITAL

Particulars	As at 31-Mar-17		As at 31-Mar-16	
	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-17		As at 31-Mar-16	
	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-17		As at 31-Mar-16	
	Number of shares held	Percentage	Number of shares held	Percentage
Kaygee Laboratories Pvt. Ltd. (formerly known as 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-17		As at 31-Mar-16	
	(₹)	(₹)	(₹)	(₹)
<b>a) Capital Reserve</b>				
Balance as per last Balance Sheet		3,02,76,029		3,02,76,029
<b>b) Securities Premium Reserve</b>				
Balance as per last Balance Sheet		1,08,63,850		1,08,63,850
<b>c) Other Reserves</b>				
General Reserve *				
Balance as per last Balance Sheet	11,00,00,000		10,00,00,000	
Add: Current Year Transfer	1,00,00,000	12,00,00,000	1,00,00,000	11,00,00,000
<b>d) Surplus in Profit &amp; Loss account</b>				
Balance as per last Balance Sheet	6,30,87,167		5,59,44,182	
Add: Net Profit for the year	3,52,06,088		2,30,60,947	
	9,82,93,255		7,90,05,129	
Less:				
Transfer to General Reserve	1,00,00,000		1,00,00,000	
Proposed Dividend**	--		49,16,980	
Tax on proposed dividend**	--		10,00,982	
	1,00,00,000	8,82,93,255	1,59,17,962	6,30,87,167
<b>PER BALANCE SHEET</b>		<b>24,94,33,134</b>		<b>21,42,27,046</b>

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

\*\*The Board of Directors in their meeting held on 11<sup>th</sup> May, 2017 has proposed a dividend of ₹ 1/- per equity share of ₹ 10/- each which together with dividend tax will result in outflow of ₹ 59,17,962/-. This is subject to approval of the Shareholders in the ensuing General Meeting.

### 3 DEFERRED TAX LIABILITIES (NET)

<u>Particulars</u>	<u>As at 31-Mar-17</u>	<u>As at 31-Mar-16</u>
	(₹)	(₹)
<b>Deferred tax liability on account of :</b>		
Depreciation	95,90,000	65,62,000
<b>Deferred tax asset on account of :</b>		
Leave Encashment	(10,27,000)	(8,26,000)
Other Tax Disallowances	(5,57,000)	(7,36,000)
<b>PER BALANCE SHEET</b>	<b>80,06,000</b>	<b>50,00,000</b>

### 4 OTHER LONG TERM LIABILITIES

<u>Particulars</u>	<u>As at 31-Mar-17</u>	<u>As at 31-Mar-16</u>
	(₹)	(₹)
Security deposits from customers	4,23,40,000	3,71,65,000
<b>PER BALANCE SHEET</b>	<b>4,23,40,000</b>	<b>3,71,65,000</b>

### 5 PROVISIONS

<u>Particulars</u>	<u>Long Term</u>		<u>Short Term</u>	
	<u>As at 31-Mar-17</u>	<u>As at 31-Mar-16</u>	<u>As at 31-Mar-17</u>	<u>As at 31-Mar-16</u>
	(₹)	(₹)	(₹)	(₹)
Provision for Gratuity	-	-	2,48,038	10,49,132
Provision for Leave encashment	23,13,333	17,56,944	6,54,949	6,28,804
Provision for Leave Travel Assistance(LTA)	--	--	12,30,341	7,99,616
Proposed Dividend	--	--	--	49,16,980
Provision for tax on proposed dividend	--	--	--	10,00,982
Provision for Taxation (Net of Prepaid Taxes)	--	--	28,51,200	38,49,342
<b>PER BALANCE SHEET</b>	<b>23,13,333</b>	<b>17,56,944</b>	<b>49,84,528</b>	<b>1,22,44,856</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 :

<u>Particulars</u>	<u>Gratuity</u>		<u>Leave Encashment</u>	
	<u>As at 31-Mar-17</u>	<u>As at 31-Mar-16</u>	<u>As at 31-Mar-17</u>	<u>As at 31-Mar-16</u>
<b>I Change in Benefit Obligation</b>				
Liability at the beginning of the year	81,03,745	98,42,703	23,85,748	26,62,055
Interest cost	6,48,300	7,87,416	1,48,193	1,80,084
Current Service Cost	4,13,738	5,82,451	7,10,817	4,72,895
Past year Service Cost	--	--	--	--
Benefit Paid	(5,92,026)	--	(6,42,982)	(14,42,893)
Actuarial (gain)/loss on obligations	42,42,784	(31,08,825)	3,66,506	5,13,607
Curtailments and Settlements	--	--	--	--
Liability at the end of the year	<b>1,28,16,541</b>	81,03,745	<b>29,68,282</b>	23,85,748

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

Particulars	Gratuity		Leave Encashment	
	As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-17	As at 31-Mar-16
<b>II. Fair Value of Plan Assets</b>				
Fair Value of Plan Assets at the beginning of the year	70,54,613	84,00,266	--	--
Expected Return on Plan Assets	7,46,512	8,27,333	--	--
Contributions	13,71,055	20,70,832	--	--
Benefit paid	(5,92,026)	--	--	--
Actuarial gain/(loss) on Plan Assets	--	--	--	--
Fair Value of Plan Assets at the end of the year	85,80,154	1,12,98,431	--	--
Less:- Benefit paid but pending claim from LIC	(2,55,469)	(42,43,818)	--	--
Adjusted Fair Value of Plan Assets at the end of the year	83,24,685	70,54,613	--	--
<b>III. Actual Return on Plan Assets</b>				
Expected Return on Plan Assets	7,46,512	8,27,333	--	--
Actuarial gain/(loss) on Plan Assets	--	--	--	--
Actual Return on Plan Assets	7,46,512	8,27,333	--	--
<b>IV. Amount Recognised in the Balance Sheet</b>				
Liability at the end of the year	1,28,16,541	81,03,745	29,68,282	23,85,748
Fair Value of Plan Assets at the end of the year	83,24,685	70,54,613	--	--
Difference	44,91,856	10,49,132	29,68,282	23,85,748
Unrecognised Past Service Cost	--	--	--	--
Amount Recognised in the Balance Sheet	44,91,856	10,49,132	29,68,282	23,85,748
<b>V. Expenses Recognised in the Income Statement</b>				
Current Service Cost	4,13,738	5,82,451	7,10,817	4,72,895
Interest Cost	6,48,300	7,87,416	1,48,193	1,80,084
Expected Return on Plan Assets	(7,46,512)	(8,27,333)	--	--
Net Actuarial (gain)/loss to be recognised	42,42,784	(31,08,825)	3,66,506	5,13,607
Benefit paid but pending claim from LIC	2,55,469	42,43,818	--	--
Past Service Cost (Non Vested Benefit) Recognised	--	--	--	--
Past Service Cost (Vested Benefit) Recognised	--	--	--	--
Effect of Curtailment or Settlements	(42,43,818)	--	--	--
Expense Recognised in the Statement of Profit and Loss	5,69,961	16,77,527	12,25,516	11,66,586
<b>VI. Balance Sheet Reconciliation</b>				
Opening Net Liability	10,49,132	14,42,437	23,85,748	26,62,055
Expense as above	5,69,961	16,77,527	12,25,516	11,66,586
Past year Service cost	--	--	--	--
Employers Contribution	(13,71,055)	(20,70,832)	(6,42,982)	(14,42,893)
Amount Recognised in Balance Sheet.	2,48,038	10,49,132	29,68,282	23,85,748
<b>VII Actuarial Assumptions</b>				
Discount Rate	8.00%	8.00%	7.38%	8.00%
Salary Escalation Rate	6.00%	6.00%	6.00%	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-17</u>	<u>As at 31-Mar-16</u>
	(₹)	(₹)
<b>Unsecured Loans:</b>		
Working Capital from Yes Bank	<b>1,43,24,213</b>	17,98,205
<b>PER BALANCE SHEET</b>	<b><u>1,43,24,213</u></b>	<u>17,98,205</u>

**7 TRADE PAYABLES**

<u>Particulars</u>	<u>As at 31-Mar-17</u>	<u>As at 31-Mar-16</u>
	(₹)	(₹)
<b>Trade Payables</b>		
- Micro Small and Medium Enterprises	--	--
- Others	<b>7,11,69,468</b>	7,50,45,330
<b>PER BALANCE SHEET</b>	<b><u>7,11,69,468</u></b>	<u>7,50,45,330</u>

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-17</u>	<u>As at 31-Mar-16</u>
	(₹)	(₹)
Unclaimed Dividend	<b>7,76,407</b>	5,87,162
Payable for Capital goods	<b>71,96,853</b>	25,07,860
Advances from Customers	<b>6,11,860</b>	4,08,036
Duties & Taxes Payable	<b>17,03,900</b>	18,21,947
Other Payables	<b>4,24,691</b>	3,66,784
<b>PER BALANCE SHEET</b>	<b><u>1,07,13,711</u></b>	<u>56,91,789</u>

**9. PROPERTY, PLANT & EQUIPMENT**

Description of Assets	Cost				Depreciation, Amortisation & Impairment				Net Block		
	As at 1 <sup>st</sup> April 2015	Additions (15-16)	Disposals/ Adjustments (15-16)	As at 31 <sup>st</sup> March 2016	Additions (16-17)	Disposals/ Adjustments (16-17)	As at 31 <sup>st</sup> March 2017	Charge for the year (15-16)	Charge for the year (16-17)	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>A Tangible Assets</b>											
1 Freehold Land	2,10,22,781	--	--	2,10,22,781	--	--	--	--	--	--	2,10,22,781
2 Leasehold Land	2,25,985	--	(2,25,985)	--	--	--	--	--	--	--	2,25,985
3 Buildings	5,25,24,969	16,75,295	--	5,42,00,264	6,08,06,761	(36,55,262)	11,13,51,763	1,64,95,285	21,23,411	1,89,28,138	9,24,23,625
4 Plant & Machinery	11,49,28,426	32,77,034	(77,30,500)	11,04,74,960	2,34,50,801	(1,57,20,673)	11,82,05,088	6,51,95,238	71,33,133	6,66,10,062	5,15,95,026
5 Effluent Treatment Plant	10,02,113	1,84,143	(3,18,520)	8,67,736	17,588	(5,64,833)	3,20,491	2,60,992	78,323	88,837	2,31,654
6 Furniture & Fixtures	67,36,790	1,72,557	--	69,09,347	8,82,867	(2,71,607)	75,20,607	37,18,760	6,42,586	47,36,000	27,84,607
7 Vehicles	61,26,371	--	(18,40,001)	42,86,370	--	(2,320)	42,84,050	29,28,878	8,29,617	29,25,104	13,58,946
8 R & D Plant & Mach	--	--	--	--	35,59,671	--	35,59,671	--	1,13,294	1,13,294	34,46,377
<b>Total-A</b>	<b>20,25,67,435</b>	<b>53,09,029</b>	<b>(98,89,021)</b>	<b>19,79,87,443</b>	<b>8,87,17,688</b>	<b>(2,04,40,680)</b>	<b>26,62,64,451</b>	<b>8,85,99,153</b>	<b>1,22,21,630</b>	<b>9,44,84,743</b>	<b>17,28,63,016</b>
<b>B Intangible Assets</b>											
1 Software	13,20,431	--	--	13,20,431	74,197	(1,04,000)	12,90,628	6,42,946	2,75,723	9,18,669	11,37,975
2 Trade Mark	2,00,000	--	--	2,00,000	--	--	2,00,000	1,83,047	4,238	1,87,285	2,00,000
<b>Total-B</b>	<b>15,20,431</b>	<b>--</b>	<b>--</b>	<b>15,20,431</b>	<b>74,197</b>	<b>(1,04,000)</b>	<b>14,90,628</b>	<b>8,25,993</b>	<b>2,79,961</b>	<b>11,05,954</b>	<b>13,37,975</b>
<b>Total-A+B</b>	<b>20,40,87,866</b>	<b>53,09,029</b>	<b>(98,89,021)</b>	<b>19,95,07,874</b>	<b>8,87,91,885</b>	<b>(2,05,44,680)</b>	<b>26,77,55,079</b>	<b>8,94,25,146</b>	<b>1,25,01,591</b>	<b>9,55,90,697</b>	<b>17,30,15,669</b>
											<b>10,39,17,177</b>

**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		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<b>Investment in Equity Instruments (Stated at Cost)</b>											
1	Ellora Organics Pvt.Ltd.	Others	1,610	1,610	100	Unquoted	Fully paid	8.05%	8.05%	1,61,405	1,61,405
2	Mexin Medicaments Pvt Ltd	Shareholders	11,990	11,990	100	Unquoted	Fully paid	11.10%	11.10%	1,31,89,000	1,31,89,000
3	Ipsca Laboratories Ltd	Associate	1,01,480	1,01,480	2	Quoted	Fully paid	0.08%	0.08%	1,01,71,516	1,01,71,516
<b>PER BALANCE SHEET</b>										<b>2,35,21,921</b>	<b>2,35,21,921</b>
1 Aggregate Book Value of Investment											
Unquoted											
Quoted											
2 Aggregate Market Value of Quoted Investment											
1,33,50,405											
1,01,71,516											
6,32,57,558											
5,88,33,030											

Note : Details of loan given, investments made & guarantees given covered under section 186(4) of the Companies Act,2013 are given in Statement 2 attached to the financial statements.

## 11 LOANS & ADVANCES

Particulars	Long Term		Short Term	
	As at 31-Mar-17 (₹)	As at 31-Mar-16 (₹)	As at 31-Mar-17 (₹)	As at 31-Mar-16 (₹)
<b>Unsecured considered good</b>				
Loans & Advances given to Employees	--	--	1,94,952	14,001
Advances Receivable in Cash or in kind	40,328	15,718	12,75,769	7,03,936
Deposits	21,98,206	19,92,732	5,84,230	4,00,110
Prepaid Taxes (Net of Provision for Tax)	10,53,590	10,53,590	--	--
Advance to Suppliers	--	--	26,34,690	30,23,999
<b>PER BALANCE SHEET</b>	<b>32,92,124</b>	<b>30,62,040</b>	<b>46,89,641</b>	<b>41,42,046</b>

## 12 OTHER ASSETS

Particulars	Non Current		Current	
	As at 31-Mar-17 (₹)	As at 31-Mar-16 (₹)	As at 31-Mar-17 (₹)	As at 31-Mar-16 (₹)
FD as Bank Margin	10,60,000	60,000	--	--
Duties & Taxes Refundable	30,56,528	31,02,174	21,39,285	5,24,496
Gratuity Claim Receivable	--	--	2,55,469	42,43,818
Other Income Receivable	--	--	50,848	26,822
<b>PER BALANCE SHEET</b>	<b>41,16,528</b>	<b>31,62,174</b>	<b>24,45,602</b>	<b>47,95,136</b>

## 13 INVENTORIES

Particulars	As at 31-Mar-17		As at 31-Mar-16	
	(₹)	(₹)	(₹)	(₹)
Raw Materials		1,61,71,460		1,40,59,604
Packing Materials		29,48,411		37,55,850
Work In Progress		32,34,430		44,10,392
Finished Goods				
In hand				
Own	2,09,57,089		1,13,60,617	
Traded	3,18,30,788	5,27,87,877	2,52,19,820	3,65,80,437
In transit				
Own	--		11,54,831	
Traded	--		5,90,750	17,45,581
Stores & Spares		2,42,664		5,16,923
<b>PER BALANCE SHEET</b>		<b>7,53,84,842</b>		<b>6,10,68,787</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-17	As at 31-Mar-16
	(₹)	(₹)
<b>Unsecured, considered good</b>		
Outstanding for more than six months	3,04,874	86,23,477
Other Debts	12,23,42,320	13,54,38,473
<b>PER BALANCE SHEET</b>	<b>12,26,47,194</b>	<b>14,40,61,950</b>



**15 CASH AND BANK BALANCES**

Particulars	As at 31-Mar-17		As at 31-Mar-16	
	(₹)	(₹)	(₹)	(₹)
<b>Cash &amp; Cash Equivalents</b>				
Cash Balances	23,786		1,76,116	
Balances with Banks	10,52,843		13,43,170	
Fixed Deposit with Bank	4,00,00,000	4,10,76,629	1,00,00,000	1,15,19,286
<b>Other Bank Balances</b>				
Unclaimed Dividend		7,76,407		5,87,162
<b>PER BALANCE SHEET</b>		<b>4,18,53,036</b>		<b>1,21,06,448</b>

**Disclosure on Specified Bank Notes (SBNs) :**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 30<sup>th</sup> March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. The denomination wise SBNs and other notes as per the notification is given below:

Particulars	(₹)	(₹)	(₹)
	Specified Bank Notes (SBNs)	Other Denomination Notes (ODNs)	Total
Closing cash in hand as on 08/11/2016	5,38,500	87,158	6,25,658
(+) Permitted receipts	--	2,60,000	2,60,000
(-) Permitted payments	--	71,841	71,841
(-) Amount deposited in Banks	5,38,500	--	5,38,500
Closing cash in hand as on 30/12/2016	--	2,75,317	2,75,317

**16 SALE OF PRODUCTS**

Particulars	2016-17	2015-16
	(₹)	(₹)
Sale of Products	50,92,87,276	53,78,27,425
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>50,92,87,276</b>	<b>53,78,27,425</b>
Formulations	50,92,11,458	49,74,72,935
API/ Intermediates	--	3,39,36,247
Others	75,818	64,18,243
<b>Total</b>	<b>50,92,87,276</b>	<b>53,78,27,425</b>

**17 OTHER OPERATING REVENUE**

Particulars	2016-17	2015-16
	(₹)	(₹)
Empty containers & closure sale	42,847	3,01,314
Miscellaneous income from operations	7,41,887	28,84,209
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>7,84,734</b>	<b>31,85,523</b>

**18 OTHER INCOME**

Particulars	2016-17	2015-16
	(₹)	(₹)
Dividend Income	18,92,071	5,59,571
Interest Income	7,50,273	34,79,682
Profit on sale of Assets	474	1,13,365
Other non-operating income	18,72,280	20,30,965
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>45,15,098</b>	<b>61,83,583</b>

**19 COST OF MATERIALS CONSUMED**

Particulars	2016-17		2015-16	
	(₹)	(₹)	(₹)	(₹)
<b>Raw Materials Consumed</b>				
Opening Stock	<b>1,40,59,604</b>		1,50,08,275	
Add : Purchases ( Net of Discount )	<b>15,33,64,300</b>		14,27,73,190	
Less : Closing Stock	<b>1,61,71,460</b>	<b>15,12,52,444</b>	1,40,59,604	14,37,21,861
<b>Packing Materials Consumed</b>				
Opening Stock	<b>37,55,850</b>		22,98,150	
Add : Purchases ( Net of Discount )	<b>1,97,02,895</b>		1,94,01,636	
Less : Closing Stock	<b>29,48,411</b>	<b>2,05,10,334</b>	37,55,850	1,79,43,936
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>17,17,62,778</b>		<b>16,16,65,797</b>

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

Paracetamol IP	<b>4,34,86,237</b>		4,44,56,088	
M.A.P.A	--		80,89,307	
Alpha Beta Arteether	<b>1,16,21,339</b>		1,37,75,556	
Chloroquine Phosphate	<b>1,89,21,561</b>		1,36,82,576	
Others (None of which individually forms more than 10% of the total consumption.)	<b>7,72,23,307</b>		6,37,18,334	
<b>Total</b>	<b>15,12,52,444</b>		<b>14,37,21,861</b>	

**2 Details of Indigenous and Imported Consumption**

	(₹)	Percentage	(₹)	Percentage
Raw Materials :				
Imported	--	--	1,68,067	0.12
Indigenous	<b>15,12,52,444</b>	<b>100.00</b>	14,35,53,794	99.88
<b>Total</b>	<b>15,12,52,444</b>	<b>100.00</b>	<b>14,37,21,861</b>	<b>100.00</b>

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

Particulars	2016-17		2015-16	
	(₹)	(₹)	(₹)	(₹)
<b>Inventory Adjustments - WIP</b>				
Work In progress at Opening	<b>44,10,392</b>		61,73,868	
Less : Work In progress at Closing	<b>32,34,430</b>	<b>11,75,962</b>	44,10,392	17,63,476
<b>Inventory Adjustments - FG</b>				
Stock at Commencement	<b>3,83,26,018</b>		6,84,31,254	
Less : Stock at Closing	<b>5,27,87,877</b>	<b>(1,44,61,859)</b>	3,83,26,018	3,01,05,236
<b>Variation in Excise duty on:</b>				
Closing Stock of finished goods	<b>14,45,957</b>		8,83,968	
Less : Opening Stock of finished goods	<b>8,83,968</b>	<b>5,61,989</b>	15,13,897	(6,29,929)
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>(1,27,23,908)</b>		<b>3,12,38,783</b>
<b>Details of Finished Goods</b>				
Formulations	<b>5,27,87,877</b>		3,83,26,018	
<b>Total</b>	<b>5,27,87,877</b>		<b>3,83,26,018</b>	

**21 EMPLOYEE BENEFITS**

<u>Particulars</u>	<u>2016-17</u>	<u>2015-16</u>
	(₹)	(₹)
Salaries, Bonus, Perquisites, etc	5,94,87,842	6,91,77,157
Contribution to Employees welfare funds	27,79,248	31,42,904
Leave Encashment	12,25,516	11,66,586
Leave Travel Assistance	5,92,967	7,20,441
Gratuity Fund Contributions	5,69,961	16,77,527
Recruitment and Training	80,345	80,357
Staff Welfare expenses	10,66,833	11,23,101
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b><u>6,58,02,712</u></b>	<b><u>7,70,88,073</u></b>

**22 FINANCE COST**

<u>Particulars</u>	<u>2016-17</u>	<u>2015-16</u>
	(₹)	(₹)
Interest expense	27,76,683	32,00,518
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b><u>27,76,683</u></b>	<b><u>32,00,518</u></b>

**23 DEPRECIATION & AMORTIZATION EXPENSES**

<u>Particulars</u>	<u>2016-17</u>	<u>2015-16</u>
	(₹)	(₹)
Depreciation	1,05,08,053	1,22,21,630
Amortisation	3,36,021	2,79,961
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b><u>1,08,44,074</u></b>	<b><u>1,25,01,591</u></b>

**24 OTHER EXPENSES**

<u>Particulars</u>	<u>2016-17</u>		<u>2015-16</u>	
	(₹)	(₹)	(₹)	(₹)
Consumption of Stores		62,83,889		58,09,930
Outside Manufacturing Charges		1,93,76,614		1,47,89,581
Power, Fuel, Gas & Water Charges		1,44,12,256		1,99,18,757
Repairs :				
- Building	17,51,740		14,26,077	
- Machinery	36,89,782		33,33,075	
- Others	1,87,053	56,28,575	2,54,567	50,13,719
Insurance		12,59,688		15,14,539
Rent		11,87,572		14,17,193
Rates and Taxes		33,76,134		26,72,261
Freight, Forwarding and Transportation		1,30,69,457		1,33,88,666
Commission on sales		2,79,49,407		2,97,71,102
Field Staff expenses		76,21,972		85,75,722
Auditors' Remuneration :				
- Audit Fees	1,71,750		1,70,394	
- Taxation Matters	74,550		68,625	
- Other Services	45,900		34,086	
- Reimbursement of expenses	53,053	3,45,253	70,681	3,43,786
Loss on Sale of Assets		3,781		21,11,633
Bad Debts Written off		1,56,168		25,15,010
Marketing & Sales Administrative expenses		22,67,948		22,21,838
Professional Charges		19,05,741		15,68,183
Security Charges		13,37,449		18,57,831
Excise Duty expenses		37,55,252		17,11,759
Analytical Charges		36,04,076		32,65,589
Communication expenses		5,34,906		8,01,525
Printing & Stationery		6,77,373		6,80,278
Bank charges		19,766		3,62,461
Miscellaneous expenses		13,67,796		13,21,908
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b><u>11,61,41,073</u></b>		<b><u>12,16,33,271</u></b>

## 24 OTHER EXPENSES (Contd...)

### Disclosures:

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

	(₹)	Percentage	(₹)	Percentage
Imported	--	--	--	--
Indigenous	62,83,889	100.00	58,09,930	100.00
<b>Total</b>	<b>62,83,889</b>	<b>100.00</b>	<b>58,09,930</b>	<b>100.00</b>

#### 2 Details of expenditure on R&D is included in respective heads of accounts as under

Particulars	2016-17		2015-16	
	(₹)	(₹)	(₹)	(₹)
Employee Benefit Expenses	21,492	--	--	--
Consumption of Stores	25,226	--	--	--
Analytical Charges	61,091	--	--	--
Depreciation	1,13,294	--	--	--
<b>Total</b>	<b>2,21,103</b>	--	--	--

#### 25 CIF Value of Imports

Particulars	2016-17		2015-16	
	(₹)	(₹)	(₹)	(₹)
Raw Materials	--	--	1,38,103	--
Finished Goods	--	--	16,04,423	--
Capital Goods	39,20,635	--	16,54,225	--

#### 26 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.

#### 27 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	2016-17		2015-16	
	(₹)	(₹)	(₹)	(₹)
Profit after tax (before exceptional item)	2,72,97,469	--	2,30,60,947	--
Profit after tax (after exceptional item)	3,52,06,088	--	2,30,60,947	--
Equity Shares Outstanding (Nos)				
Opening	49,16,980	--	49,16,980	--
Issued during the year	--	--	--	--
Closing	--	49,16,980	--	49,16,980
Weighted Average no. of shares outstanding (Nos.) - Basic / Diluted		49,16,980		49,16,980
Nominal value of equity share (₹)		₹ 10/- each		₹ 10/- each
Earnings per share (₹)				
Basic/Diluted (before exceptional item)		5.55		4.69
Basic/Diluted (after exceptional item)		7.16		4.69

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

<b>Relationships:</b>	<b>Country</b>
<b>A. Entities where control exists :</b>	
<b>Shareholders of Makers Laboratories Ltd.</b>	
Kaygee Investments Pvt. Ltd.	<b>India</b>
(Promoter holding together with its subsidiary more than 20%)	
<b>B. Key Management Personnel</b>	
Mrs. Purnima Jain - Wholetime Director	<b>Indian</b>
Mr. Saahil Parikh - Wholetime Director	<b>Indian</b>
<b>C. Associates</b>	
Ipca Laboratories Ltd.	<b>India</b>
<b>D. Other Related Parties (Entities in which Directors or their Relatives have significant influence)</b>	
Mr. Umesh Parikh	<b>Indian</b>
<b>Details of related party transaction are given in Statement - 1</b>	

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

<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
	(₹)	(₹)
i Counter Guarantees given to Banks in respect of guarantees given by the bank on behalf of the Company to Government Authorities.	<b>10,60,000</b>	60,000
ii Estimated amount of contracts remaining to be executed on capital account.(Net of Capital Advances)	<b>8,75,000</b>	24,40,105
iii Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company.	--	--

**30** 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.

**31** 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, 2017

**32** 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  
Membership. No.32973  
Mumbai  
11<sup>th</sup> May, 2017

**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)

**KHYATI DANANI** - Company Secretary  
(ACS 21844)

## STATEMENT - 1 (Refer Note No.28)

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		Associates		Other Related		Total			
	Shareholders	Others	Personnel				Parties					
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16		
<b>Purchase of goods and services:</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	2,48,44,963	2,23,66,187	--	--	2,48,44,963	2,23,66,187
<b>Total</b>	--	--	--	--	--	--	2,48,44,963	2,23,66,187	--	--	2,48,44,963	2,23,66,187
<b>Sales of goods and services:</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	8,17,93,462	12,86,80,539	--	--	8,17,93,462	12,86,80,539
<b>Total</b>	--	--	--	--	--	--	8,17,93,462	12,86,80,539	--	--	8,17,93,462	12,86,80,539
<b>Purchase of fixed assets:</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	4,04,037	--	--	--	4,04,037	--
<b>Total</b>	--	--	--	--	--	--	4,04,037	--	--	--	4,04,037	--
<b>Sale of fixed assets:</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	--	6,32,093	--	--	--	6,32,093
<b>Total</b>	--	--	--	--	--	--	--	6,32,093	--	--	--	6,32,093
<b>Excise duty and other expenses paid:</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	83,61,623	51,33,762	--	--	83,61,623	51,33,762
<b>Total</b>	--	--	--	--	--	--	83,61,623	51,33,762	--	--	83,61,623	51,33,762
<b>Salaries paid:</b>												
Others	--	--	--	--	--	--	--	--	16,20,906	17,05,771	16,20,906	17,05,771
<b>Total</b>	--	--	--	--	--	--	--	--	16,20,906	17,05,771	16,20,906	17,05,771
<b>Excise duty &amp; other expenses recovered:</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	1,48,41,420	78,76,561	--	--	1,48,41,420	78,76,561
<b>Total</b>	--	--	--	--	--	--	1,48,41,420	78,76,561	--	--	1,48,41,420	78,76,561
<b>Dividend Income :</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	--	1,01,480	--	--	--	1,01,480
<b>Total</b>	--	--	--	--	--	--	--	1,01,480	--	--	--	1,01,480
<b>Rent Income</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	20,57,152	20,39,556	--	--	20,57,152	20,39,556
<b>Total</b>	--	--	--	--	--	--	20,57,152	20,39,556	--	--	20,57,152	20,39,556
<b>Remuneration to Directors</b>												
Purnima Jain	--	--	--	--	38,65,467	34,95,542	--	--	--	--	38,65,467	34,95,542
Saahil Parikh	--	--	--	--	32,90,787	28,25,436	--	--	--	--	32,90,787	28,25,436
<b>Total</b>	--	--	--	--	71,56,254	63,20,978	--	--	--	--	71,56,254	63,20,978
<b>Balance as on 31<sup>st</sup> March</b>												
<b>Receivables:</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	2,48,68,098	5,35,98,129	--	--	2,48,68,098	5,35,98,129
<b>Total</b>	--	--	--	--	--	--	2,48,68,098	5,35,98,129	--	--	2,48,68,098	5,35,98,129
<b>Payables:</b>												
Ipca Laboratories Ltd	--	--	--	--	--	--	59,21,917	39,10,516	--	--	59,21,917	39,10,516
<b>Total</b>	--	--	--	--	--	--	59,21,917	39,10,516	--	--	59,21,917	39,10,516

## STATEMENT - 2 (Refer Note No. 10)

Details of Loans given, Investments made and Guarantees given covered u/s 186/(4) of the Companies Act, 2013  
The following is the details as of 31st March, 2017

Sr.No.	Name of the Party	Nature	Relation	Purpose	Amount (₹)	
					2016-17	2015-16
1	Ellora Organics Pvt.Ltd.	Equity Shares	Others	Investments	1,61,405	1,61,405
2	Mexin Medicaments Pvt Ltd	Equity Shares	Shareholders	Investments	1,31,89,000	1,31,89,000
3	Ipca Laboratories Ltd	Equity Shares	Associate	Investments	1,01,71,516	1,01,71,516
					2,35,21,921	2,35,21,921

**Makers Laboratories Limited**

Registered Office: 54D, Kandivli Industrial Estate, Kandivli (W), Mumbai - 400067 Tel: 022-2868 8544 Fax: 022-2868 8544  
CIN: L24230MH1984PLC033389, Email: investors@makerslabs.com, Website: www.makerslabs.com

**ATTENDANCE SLIP**

**32<sup>ND</sup> ANNUAL GENERAL MEETING ON THURSDAY, 27<sup>TH</sup> JULY, 2017 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 **32<sup>ND</sup> ANNUAL GENERAL MEETING** of the Company held at Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai – 400 067 on Thursday, 27<sup>th</sup> July, 2017 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: 022-2868 8544 Fax: 022-2868 8544  
CIN: L24230MH1984PLC033389, Email: investors@makerslabs.com, Website: www.makerslabs.com

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

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> ANNUAL GENERAL MEETING of the Company to be held at Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai – 400 067 on Thursday, 27<sup>th</sup> July, 2017 at 11.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent the Resolution (AGAINST)
<b>Ordinary Business:</b>				
1	Adoption of Audited Financial Statements, Report of the Board of Directors and Auditors for the financial year ended 31 <sup>st</sup> March, 2017.			
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	Re-appointment of Mr. Saahil Parikh (DIN 00400079) as Wholetime Director and remuneration payable to him.			
6	Remuneration payable to Cost Auditors.			

Signature of Shareholder(s): ..... Signed this..... day of ..... 2017

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 32<sup>nd</sup> Annual General Meeting.









## MAKERS LABORATORIES LIMITED

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2017

Sr. No.	Name of the Employee	Designation	Age (Years)	Qualification	Date of Joining	Remuneration (₹)	Experience (Years)	Last Employment held before joining the Company	% of equity shares held in the Company
1	Purnima Jain	Wholetime Director	66	B Com, LLB	09.01.1989	38,65,467	28.03	Jayant Vitamin Pvt.ltd.	0.01
2	Saahil Parikh	Wholetime Director	42	B Sc, DMS	01.07.1996	32,90,787	20.10	-	0.01
3	John Kuriakose	Sr.V.P- Marketing	59	B Sc, PGDMM	03.01.2011	46,46,605	34.09	Cricket Studio , Director	-
4	Umesh S Parikh	General Manager - Operations	69	B Com	05.04.1983	15,45,906	34.00	-	0.22
5	Khyati Hemang Danani	Company Secretary	34	B Com, CS, LLB	09.08.2016	6,62,638	05.09	Firstsource Solutions Ltd., Manager - Corporate Secretarial	-
6	Sandeep N Kadam	Manager - Accounts	50	B Com	26.12.1996	6,63,650	28.10	ATV Projects India Ltd, Accounts Assistant	-
7	Rekha M Kotia	Manager - Q A	53	B Pharm	10.10.2011	6,24,231	23.06	Chandrabhagat Pvt Ltd , Q.A. Manager	-
8	M S Satish Srinivasan	Sales Head - South & East	49	BA	01.04.2016	5,88,843	24.01	Adventia Innopharma Pvt Ltd , Director	-
9	Rajesh B Patel	Manager - Production	47	B Sc	10.01.1992	5,50,705	25.03	-	-
10	Vaishali A Upare	Manager- Accounts	40	B Com	01.06.2008	5,39,910	08.11	Saumya Constructions Pvt. Ltd.	-

**Notes:**

- All the employees have adequate experience to discharge the responsibilities assigned to them.
- Nature of employment is contractual for all employees.
- Except Mr. Umesh Parikh, father of Mr. Saahil Parikh, Wholetime Director, none of the other employees are related to any Director of the Company.
- Remuneration includes Salary, Commission, Allowances, Leave Travel Assistance, Ex-Gratia, Leave Encashment, Medical Reimbursement, Gratuity, Company's contribution to the employees' Provident Fund, National pension scheme, Family Pension Fund and Superannuation Funds.
- Perquisites are valued as per Income Tax Rules.

Mumbai, 11<sup>th</sup> May, 2017

For and on behalf of the Board

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director





## **Makers Laboratories Limited**

Registered Office:

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

CIN : L24230MH1984PLC033389

Ph : 022 - 2868 8544

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

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