



Samrat Pharmachem Limited

**21st Annual Report
2012-2013**



Mr. Lalit Mehta
Chairman & Managing Director

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BOARD OF DIRECTORS

Mr. Lalit Mehta	Chairman & Managing Director
Mr. Rajesh Mehta	Executive Director
Mr. Mahendra Pipalia	Director
Mr. Samir Kothary	Director
Mr. Hitendra Shah	Director

STATUTORY & REGISTERED OFFICE & FACTORY

Plot no. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat

CORPORATE OFFICE

701/702, Business Square, M. A. Road, Andheri (West), Mumbai - 400 058

STATUTORY AUDITORS

Shah, Shah & Shah

Chartered Accountants

502, Damji Shamji Trade Centre, Vidyavihar (West), Mumbai - 400 086

PRINCIPAL BANKER

ICICI Bank Ltd.

Sagar Avenue, S. V. Road, Andheri (West), Mumbai - 400 058

CITI Bank N. A.

Kalpachandra, S. V. Road, Andheri (West), Mumbai – 400 058

CO-BANKERS

HDFC Bank Ltd.

Jamuna Apts, S. V. Road, Andheri (West), Mumbai - 400 058

State Bank of India

Rahul Apartments, S. V. Road, Andheri (West), Mumbai - 400 058

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Pvt Ltd

C/13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTY-FIRST ANNUAL GENERAL MEETING** of the Members of the Company will be held on Saturday, the 28th September, 2013 at 1.00 p.m. at the Registered Office of the Company at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the Profit and Loss Account of the company for the year ended as on that date, together with Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Mahendra Pipalia, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Samir Kothary, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors' and fix their remuneration. The retiring auditors, M/s. Shah, Shah & Shah, Chartered Accountants, Mumbai are eligible for re-appointment.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER OR MEMBERS, AS THE CASE MAY BE, OF THE COMPANY.
2. Proxies, if any, in order to be effective, must be received at the Registered Office of the Company at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, not less than 48 hours before the commencement of the meeting. Proxies shall not have any right to speak at the meeting.
3. An explanatory statement as required U/s. 173(2) of the Companies Act, 1956, is annexed to the notice in respect of Item No. 5 of agenda of notice.
4. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of 15 days from 14th September, 2013 to 28th September, 2013 (both days inclusive).
5. Members are requested to kindly notify to the Registrar and Transfer Agent of the company M/s. Link Intime India Pvt Ltd. (Kind Attn : Mr. Sharad Patkar), C/13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078, immediately of any change in their addresses.
6. Information pursuant to Clause 49 of the Listing Agreement for re-appointment of Directors.

Name of the Director	Date of Birth	Date of Appointment	Qualification	Directorship in Other companies in India	Chairman/ Member of other committees of other companies
Mr. Mahendra Pipalia	09/11/1963	17/03/2003	B.Com, CA	No	No
Mr. Samir Kothary	10/10/1962	30/07/2003	B.Sc., DBM	No	No

7. Members are requested to DEMAT their shares in order to facilitate easy & faster trading in equity shares.
8. Members are requested to quote their Folio / DP Id No. in all their correspondence.
9. Members desirous of having any information regarding accounts are requested to write to the Company at least 7 days in advance of the date of Annual General Meeting so as to enable the Management to keep the information ready.
10. Members are requested to bring their copies of the Annual Report to the Meeting.
11. Members are requested to bring with them the attendance slip and hand it over at the entrance duly signed by them.
12. **Note on Green Initiative :**

As per the circular bearing no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs, the companies are requested to send Annual Reports to the shareholders. According to the said circular the company is requesting all shareholders to send their email address to the company at its registered office or to the Registrar & Transfer Agent for necessary processing.

**By Order of the Board of Directors
For Samrat Pharmachem Limited**

**Place: Mumbai
Date: 30th May 2013**

**Lalit Mehta
Managing Director**

DIRECTORS' REPORT**TO THE MEMBERS**

Samrat Pharmachem Limited
Ankleshwar.

The Directors are pleased to present the Twenty-First Annual Report on the business and operations of the company and the financial accounts for the year ended 31st March, 2013.

FINANCIAL PERFORMANCE

Particulars	31 March 2013 Rs.	31 March 2012 Rs.
Turnover	705,211,732	695,431,124
Profit before tax	5,815,646	57,990,290
Provision for tax	-1,184,889	-19,994,495
Net Deferred Tax Liability for current year	-489,591	-181,905
Profit after tax	4,141,166	37,813,890
<u>Profit & Loss account</u>		
Balance brought forward	94,069,455	56,296,594
Profit of the current year after tax	4,141,166	37,813,890
Tax adjustment of previous year	-138,216	-41,029
Balance carried to Balance Sheet	98,072,405	94,069,455

OPERATIONS

Your company has performed reasonably well during the year. In a highly competitive business environment, your Company achieved a turnover of Rs. 7052.11 Lakhs as against Rs. 6954.31 Lakhs achieved last year - a increase of around 1%. Production of 238.08 tons of pharmaceutical chemicals was achieved during the year.

DIVIDEND

In order to conserve the resources, your Directors do not recommend payment of Dividend for the current year.

EXPORTS

During the year 2012-2013 your company's export division registered sales of Rs. 1,788.56 Lacs, down from Rs. 2,532.21 Lacs last year. Your Company has initiated several export promotion measures to increase exports. The products of your Company have been well accepted in the international market and the Company expects better export turnover in the coming year.

DEMATERIALISATION

The equity shares of the Company have been dematerialized by joining the depositories viz. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). The ISIN (International Securities Identification Number) No. allotted to the Company is INE103E01016.

CORPORATE GOVERNANCE

Certificate of auditor of your company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with stock exchange, is enclosed. Your Company has been practicing the principles of good corporate governance over the years. The Board of Directors supports the broad principles of corporate governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity. The company has adopted Code of Conduct for Directors and Employees of the Company as stipulated in revised Clause 49 of the Listing Agreement effective from 1st January, 2006.

Your company is following all norms of Corporate Governance as laid down in Clause 49 of the listing agreement. The company has not carried out the Corporate Governance Voluntary Guidelines 2009 in the financial year 2012-13. The company will fulfill the requirement as laid down under Corporate Governance Voluntary Guidelines 2009 in due course of time.

LISTING OF SHARES

The Company's shares are listed on the Bombay Stock Exchange Ltd, Ahmedabad Stock Exchange Ltd, Vadodara Stock Exchange Ltd, Saurashtra Kutch Stock Exchange Ltd & Pune Stock Exchange Ltd. It has paid the listing fees of all the exchanges except Saurashtra Kutch Stock Exchange for the period upto 31st March, 2013. The listing fees of Saurashtra Kutch Stock Exchange was not paid due to non-receipt of invoice or intimation for payment of listing fees from the said exchange. The same will be paid on receipt of any communication from the stock exchange. Your Company has not been delisted on any of these exchanges for non-payment of listing fees.

INSURANCE

The assets of the company have been adequately insured against all possible risks with ICICI Lombard General Insurance Co Ltd., United India Insurance Co. Ltd & The Oriental Insurance Co. Ltd.

WEBSITE

Your company's website address is www.samratpharmachem.com. The performance of the Company will be regularly updated and be made available on this website. Also the website provides other vital information about the Company.

FAMI QS / FSSAI CERTIFICATION

Your company has received FAMIQs Certificate issued by Swiss Cert Pvt. Ltd. for implementing and maintaining Feed Safety Management System including Good Manufacturing Practice (GMP) w.e.f. 29th September, 2012.

Your company has received FSSAI Certificate issued by Ministry of Health & Family Welfare for implementing and maintaining Food Safety Management System w.e.f. 31st December, 2012.

SAFETY, HEALTH & ENVIRONMENT (SHE) POLICY

As a responsible corporate citizen, the Company is fully alive to its responsibilities for protection of the environment and to provide its employees a safe and hazard free work place. The Company has adopted a Safety, Health & Environment Policy that applies to all employees and activities. The work culture encourages total involvement and commitment of the employees to the SHE Policy.

Some of the activities carried out during the year are as follows.

Safety:

- Providing necessary equipments and apparatus required for the safe operation of the manufacturing activities
- Observing the rules and regulations with regard to safety & precaution
- Consulting emergency control management team to monitor the safety of the plant

- Conducting regular safety audit
- Encouraging the workforce to use protective equipments and maintain cleanliness
- Conducting seminars to impart knowledge to employees on safe operations
- Organising safety week to create safety awareness

Health:

- Conducting medical health check up for all the employees of the Company periodically
- Conducting lecture meetings for providing guidance and counseling on matters of health, diet and exercise
- Conducting seminars to impart knowledge on meditation, yoga and anti-stress therapy

Environment:

- Ensuring smooth functioning of the effluent treatment plant with respect to air, water and solid waste.
- Updating the ETP plant to make it more nature friendly
- Proper monitoring of the pollution levels in and around the plants
- Planting trees in and around the factory
- Complying with the prescribed norms of pollution control

PERSONNEL

As on 31st March 2013, the total number of employees on the payroll of the company was 30. Industrial relations with employees at various levels continue to be cordial.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Mahendra Pipalia & Mr. Samir Kothary retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

The Auditors of the Company M/s. Shah, Shah & Shah, Chartered Accountants, Mumbai hold office till the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS REPORT

The report of auditors is self explanatory and do not require any further elucidation.

PARTICULARS OF EMPLOYEES

The company does not have any employee whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.

DISCLOSURE OF PARTICULARS

Information as per section 217(1)(e) of the Companies Act, 1956 read with The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure forming part of this report.

SECRETARIAL COMPLIANCE CERTIFICATE

Secretarial Compliance Certificate as required u/s 383A of the Companies Act 1956 for the financial year ended 31st March, 2013 has been obtained from the practicing company secretary and is attached to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 as amended with respect of Directors responsibility statement, it is hereby confirmed :-

1. That the preparation of accounts for the Financial Year ended 31st March 2013, the applicable accounting standards have been followed along-with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and the Profit or Loss of the Company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 as amended for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors' have prepared the accounts for the financial year ended 31st March 2013 on a going concern basis.

ACKNOWLEDGEMENTS

Your Directors are thankful to you, our customers, suppliers, bankers, employees, consultants and to all those who have extended their committed support to the progress of your Company.

**By Order of the Board of Directors
For Samrat Pharmachem Limited**

**Place: Mumbai
Date: 30th May 2013**

**Lalit Mehta
Managing Director**

**ANNEXURE TO THE DIRECTORS' REPORT
FOR THE YEAR ENDED 31st MARCH, 2013**

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo Section 217(1)(e) of the Companies Act, 1956

The Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

Your Company continues to explore & implement measures that will help in conservation and saving of energy.

Measures taken & benefits derived are as follows:

- Hot water coming from steam traps is recycled & used as boiler feed water.
- Using economiser effectively to pre-heat boiler feed water.
- Timely & routine preventive maintenance of boiler.
- Improvement in unit operations leading to reduction in processing time in reactor, centrifuge, drier & other equipments to minimize use of electricity.
- Both the boilers run on gas.

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION
(A) POWER & FUEL CONSUMPTION

	Particulars	Current year ended March 2013	Previous year ended March 2012
1.	ELECTRICITY		
	a) Purchased Units (kwh)	291,352	251,685
	Total Amount (Rs.)	1,903,951	1,565,141
	Rate per Unit (Rs.)	6.53	6.22
	b) Own Generation (Through Diesel Generator)		
	Units (kwh)	0	0
	Total Amount (Rs.)	0	0
	Units per Litre of Diesel	0	0
	Cost per Unit (Rs.)	0	0
	Total Units	291,352	251,685
	Total Amount	1,903,951	1,565,141
	Average Rate Per Unit	6.53	6.22
2.	DIESEL OIL		
	Unit (Litres)	0	0
	Total Amount (Rs.)	0	0
	Rate per Unit (Rs.)	0	0
3.	NATURAL GAS		
	Unit (cubic metre)	124,536	79,297
	Total Amount (Rs.)	2,816,861	1,838,256
	Rate per cubic metre (Rs.)	22.62	23.18

4.	CONSUMPTION PER KILOGRAM (kg)		
	Production of Pharmaceutical Chemicals (Kg)	238,081	300,050
	Electricity Rs. per kg	8.00	5.22
	Diesel Oil Rs. per kg	0.00	0.00
	Natural Gas Rs. per kg	11.83	6.13

B. TECHNOLOGY ABSORPTION

The management has focused on productivity and quality improvement in order to optimize manufacturing costs. This has helped in achieving optimum manufacturing costs, improved quality of products and consequently enhanced customer satisfaction. The company uses indigenous technology.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earned **Rs. 178,856,151**
F.O.B. Value of export of finished goods
(Previous year Rs. 253,220,689)

Foreign exchange used **Rs. 563,632,955**
Import of raw materials
(Previous year Rs. 553,904,569)

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members,

M/s. Samrat Pharmachem Limited

Plot no. A2/3445, GIDC, Phase 4, Ankleshwar – 393 002, Gujarat.

I have examined the registers, records, books and papers of **M/s. Samrat Pharmachem Limited** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended 31st March, 2013 (financial year). In my opinion and to the best of my information and according to the examination carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder.
3. The Company being a public limited Company, comments are not required.
4. The Board of Directors duly met 6 times on 30/05/2012, 14/08/2012, 17/09/2012, 12/11/2012, 14/02/13 & 30/03/2013 in respect of which meetings proper notices were given and the proceeding were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members and Transfer Books from 15th September, 2012 to 29th September, 2012 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 29/09/2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary general meeting was held during the year.
8. The Company has not advanced any loan to its Directors or persons or firms or companies referred to in section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of section 297 of the Act.
10. The Company has maintained a Register of Contracts as required under Section 301 of the Companies Act 1956.
11. There were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificate during the financial year.
13. That the company :
 - (a) Has delivered all certificates on transfer/transmission of securities during the financial year etc. in accordance with the provisions of the Act and listing agreement.
 - (b) Has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.

- (c) Was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (d) Has not declared any dividend and there were no deposit matured, or matured debentures and the interest accrued thereon etc. the provision of transfer of unclaimed or unpaid Accounts to the Investors Education and Protection Fund does not apply to the Company.
 - (e) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Directors, alternate Director and Directors to fill casual vacancy during the financial year.
 15. The Company has appointed a Managing Director and a Whole-time Director and has paid them remuneration as per the provisions of the Companies Act, 1956.
 16. The Company has not appointed any sole selling agent during the financial year.
 17. The Company has obtained approval of the Central Government for appointment of Cost Auditors under section 233B(2) of the Companies Act, 1956 for maintenance of Cost Accounting Records required for organic and inorganic industry, for the financial year 2011-12, 2012-13. Besides that, company was not required to obtain any approval of Company Law Board, Registrar of Companies or such other authorities as prescribed under various provision of the Act.
 18. The Directors have disclosed their interest in the firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. The Company has not issued any shares/debentures/other securities during the financial year.
 20. The Company has not bought back any shares during the financial year.
 21. There was no redemption of preference shares or debentures during the financial year.
 22. There were no transaction necessitating the Company to keep in abeyance the right to dividend, right shares and bonus shares pending registration of the shares.
 23. The Company has not invited/accepted any public deposits within the provisions of Section 58A during the financial year.
 24. The Company has made borrowing from banks and its borrowing was within the limit mentioned in resolution passed U/S 293(1) (d) of the Companies Act, 1956.
 25. The Company has not made any loan or advances or given guarantee or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
 26. The Company has not altered the provisions of the Memorandum of Association with respect to the situation of the Registered Office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum of Association with respect to the object of the Company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny.

30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecution(s) initiated against or show cause notices received by the Company, during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has made contribution to Provident fund as per the rules of the Provident Fund during the financial year.

**For A. A. Mulla & Associates
Company Secretaries**

**Place : Mumbai
Date : 30th May 2013**

**Aqueel A. Mulla
Partner
FCS NO. 2973
C.P. No.3237**

ANNEXURE 'A'
Samrat Pharmachem Limited
Statutory Registers

1. Register of Member U/s 150
2. Register of Directors, Managing Director, Manager and Secretary U/s 303
3. Register of Directors shareholdings U/s 307
4. Transfer Register
5. Charges Register
6. Minutes Book of all Board Meetings and general Meetings U/s 193 of the Act

ANNEXURE 'B'
Samrat Pharmachem Limited

1. Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year 31st March, 2013.

Sr. No.	Form No.	Filed U/S	For	Service Request Number	Date of Filing	Whether filed on time Yes/No	If delay in filing whether requisite additional fee paid Yes/ No	Filing Authority
1	25C	269(2)	Appointment of Managing Director	B38078374	30/04/2012	No	Yes	Registrar of Companies
2	23B	224(1A)	Information by Auditor to Registrar	S14822811	18/10/2012	Yes	No	Registrar of Companies
3	8	132 / 135	Modification of Charge on Property	B62528450	27/11/2012	Yes	No	Registrar of Companies
4	8	132 / 135	Modification of Charge on Property	B62630538	28/11/2012	No	Yes	Registrar of Companies
5	23	192	Registration of resolutions and agreements	B63152813	05/12/2012	No	Yes	Registrar of Companies
6	20B	159	Annual Return having share capital	Q03913340	05/12/2012	No	Yes	Registrar of Companies
7	66	383A	Form for Submission of Compliance Certificate	Q03914074	05/12/2012	No	Yes	Registrar of Companies
8	23C	233B(2)	Form for application of appointment of Cost Auditor	S20124848	31/01/2013	No	Yes	Central Government
9	23C	233B(2)	Form for application of appointment of Cost Auditor	S20126777	31/01/2013	No	Yes	Central Government

10	23ACXBRL/ 23ACAXBRL	220	Form for filing Balance Sheet and other documents	Q07056856	27/02/2013	Yes	No	Registrar of Companies
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**For A. A. Mulla & Associates
Company Secretaries**

**Place : Mumbai
Date : 30th May 2013**

**Aqueel A. Mulla
Partner
FCS NO. 2973
C.P. No.3237**

MANAGEMENT DISCUSSION AND ANALYSIS**INDUSTRY STRUCTURE AND DEVELOPMENTS**

Your Company is a producer of pharmaceutical chemicals. The intermediates produced are used in pharmaceutical and chemical industries. Your Company is amongst the manufacturers who produce for local and international needs of the pharmaceuticals and chemicals industry. The pharmaceutical and chemical industry is growing at a rapid pace every year. This results into growth of the support or intermediate industry like us.

OPPORTUNITIES AND THREATS

The company looks forward optimistically for all round growth in turnover & profitability in the ensuing years. Your company has taken effective steps to realize the dream performance in the years to come. The company intends to double its turnover in a short period of time. The company has taken effective measures to improve quality of products and its productivity to outwit competitor from domestic and international market.

The profit margin has come down drastically over the years and unless the quantitative volume of sales is increased it would be difficult to achieve the target of profitability set by the directors. The company should also plan to widen the product range by increasing the basket of products thereby enlarging the customer and sales base.

PRODUCT PERFORMANCE

The company has two plants producing varied items. The basic purpose of producing in two different plants is to improve efficiency and manageability. Your Company shall achieve sustainable growth in both plants by modernization and automation of operations. According to your Directors, these plants facilitate better division of labour, enable us to develop expertise in each plant and their respective items, and hence improve productivity and profitability of the Company.

OUTLOOK

According to Yes Bank Report titled "Indian Pharmaceutical Industry : Vision 2015", the Indian Pharmaceutical & Chemical industry is projected to grow at an annual rate of 14.2%. Currently valued at USD 10 Billion, the projected turnover to touch USD 50 Billion by the year 2015.

RISKS AND CONCERNS

Currency Risk : The year 2012-2013 saw some volatility on the currency exchange front. Imports constitute a major portion of our business activity. The company does selective hedging from time to time. However it is difficult to fully contain such adverse fluctuations, the management shall continue to take remedial steps to reduce its severity from time to time.

Competition Risk : We feel that the major business risks are the stiff competition due to low priced products from countries like China and also from domestic manufacturers for certain products. However the company is trying to expand its range of products to cater to different segment of customers and market in order to absorb fall in sales and margins.

Credit Risk : We have been able to reduce the irrecoverable amounts to a very negligible level, notwithstanding the inevitability of having some debts which are not recoverable. Due to strict monitoring and disciplined distribution channels, we do not foresee any material risk on this count.

Dead Stocks/Slow moving items/Rejections Risk : Sometimes the quality of finished product becomes bad or is rejected by a customer. The Company has taken every step in the raw material procurement stage, production stage, packing stage, testing stage and delivery stage to minimize the risk of rejection. If due to some unforeseen reasons the goods are rejected or are not as per our in-house standards, the company has made a system to reprocess all such failed material. Minimum cost is incurred to make them into acceptable standards again. Further the products

that have irregular demand or are sold in lesser quantities round the year are manufactured as per customers order only. Thus the company is successful in handling dead stocks, slow moving items and rejections.

Fire, Theft & Explosion Risk : The Company has been quite conscious of the inherent risk in our business. A lot of measures to safeguard the fixed assets and stocks in the factory are taken. The management has been regularly updating the risk profile and take necessary corrective steps like educating workers, insisting workers to wear gum boots, gloves, eye goggles, helmets etc, installing fire fighting equipments, putting sign boards, banning smoking in the premises, keeping hazardous materials in a safe and protected place etc. Apart from these measures, the company has also underwritten the various risks like fire, theft & burglary, earthquake, floods, riots, sale/purchase in transit etc with ICICI Lombard General Insurance Co Ltd, United India Insurance Co. Ltd & The Oriental Insurance Co. Ltd. for appropriate values.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has instituted adequate internal controls, managed by professionals. The control mechanism duly supported by efficient integrated software ensures a proper documentation, accounting, reporting and safeguarding of assets. The Company has also well defined and established system of internal audit, which is periodically reviewed by the audit committee and steps taken to strengthen the control measures. The management and audit committee of the Board periodically reviews the observations and findings of the statutory auditors and ensures adherence to the well laid down policies, guidelines and procedures forming part of the internal control system.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

A satisfactory business performance with average volume growth in key products and business units, combined with productivity improvement, cost management and working capital management have contributed to the good operating results for the year. Also sharp focus on cost and margins has resulted in enhanced operational efficiency.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONTS

The industrial relations have been satisfactory in the Registered Office Cum Factory and at the Corporate Office. There was no loss of man-days during the year. A lot of initiatives have been undertaken by the Human Resource Department during the year. Apart from improvement in the system to align the compensation to the performance of the employees, steps are being taken by the management to provide training both in-house and at recognized institutes to enhance the effectiveness of the employees. Steps are also being taken to focus on managerial and behavioral competence across the organization. Information Technology has been a focused area for improving the operational efficiency and as a tool for decision-making.

CAUTIONARY STATEMENT

Statement in the report of Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning applicable securities laws or regulations. These statements are based on certain assumptions and expectations for future events. Actual results could differ materially from those of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand supply, finished goods prices in the domestic and overseas market in which the Company operates, raw materials cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise and forward looking statements, on the basis of any subsequent development, information or events.

**By Order of the Board of Directors
For Samrat Pharmachem Limited**

**Place: Mumbai
Date: 30th May 2013**

**Lalit Mehta
Managing Director**

CORPORATE GOVERNANCE REPORT

(As per Clause 49 of the Listing Agreement with the Stock Exchanges)

We at Samrat believe that for a Company to succeed it must maintain global standards of Corporate Conduct towards its customers, suppliers, employees, bankers, shareholders and the society at large. The Company believes that it is rewarding to be better managed and governed and to identify and align its activities with national interest. To that end we as a Company have always focused on Good Corporate Governance - which is a key driver of sustainable corporate growth and long term value & wealth creation.

Above all else, Corporate Governance must balance individual interest with Corporate Goals and operate within accepted norms of propriety, equity, fair play and a sense of justice. Achieving this balance depends upon how accountable and transparent companies are. Accountability improves decision-making and thereby builds stakeholders confidence.

Corporate Governance is not merely compliance - it is an ongoing measure of superior delivery of company's objects with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to consumer need, shareholders benefit and employee growth, thereby delighting all its stakeholders while minimizing risks.

Your Company has implemented the mandatory requirements of Corporate Governance as set out in Revised Clause 49 of the Listing Agreement with the Stock Exchanges.

COMPANY'S PHILOSOPHY

Samrat Pharmachem Limited is committed to the best practices in the area of Corporate Governance. The company believes that proper corporate governance facilitates effective management and control of business. This in turn, enables the company to maintain a high level of business ethics and to optimize the value of all its stakeholders. The objectives can be summarized as under:

- To enhance shareholders value.
- To protect interest of shareholders and other stakeholders including customers, suppliers, banks, employees and society at large.
- To ensure transparency and integrity in communication and to make available full, accurate and clear information to all concerned.
- To ensure accountability for performance and to achieve excellence at all levels.
- To provide corporate leadership of highest standards for other to follow.

Samrat Pharmachem Limited is committed to:

- Ensuring that the Board of Directors of the Company meet regularly, provide effective leadership, exercise control over management and monitor executive performance.
- Establishing a framework of strategic control and continuously reviewing its efficacy.
- Establishing clearly documented and transparent management processes for policy development, implementation and review, decision-making, monitoring, control and reporting.
- Providing free access to the Board to all relevant information, advices and resources as are necessary to enable it to carry out its role effectively.
- Ensuring that all employees are responsible for compliance issues with all applicable statutes, regulations, code of conduct, policies as laid down by the Board and report deviation or misconduct, if any, to the Board.

The concept of Corporate Governance hinges on the total transparency, integrity and accountability of the management team. Even before the code become mandatory, the Company has been following the Corporate Governance practices like striking out reasonable balance in the composition of Board of Directors and setting up business committees, adequate disclosure and business to be deliberated by the Board etc. Your Company is committed to follow good corporate governance practices and improve upon them year after year.

BOARD OF DIRECTORS
a) Composition of the Board

The Company is fully compliant with the revised Corporate Governance norms in terms of constitution of the Board, headed by its Executive Chairman Mr. Lalit Mehta. The Board comprising of 5 Directors has 2 Executive Directors' and 3 Non-executive Directors, representing the optimum mix of professionalism, knowledge and experience.

b) Directors' attendance record and Directorship held:

See table 1 for details.

Table 1 : Details about Samrat Pharmachem's Board of Directors'

Name of Director	Position	Board meetings held during the year	Board meetings attended during the year	Whether attended last AGM?	Directorship in other public limited companies in India *
Lalit Mehta	Chairman & Managing Director	6	6	Yes	-
Rajesh Mehta	Executive Director	6	6	Yes	-
Mahendra Pipalia	Non Executive Director	6	4	Yes	-
Samir Kothary	Non Executive Director	6	4	Yes	-
Hitendra Shah	Non Executive Director	6	4	Yes	-

Notes : * Figures in () indicates listed companies.

Independent Director means a Director who apart from receiving a Director's remuneration does not have any other material pecuniary relationship or transactions with the Company, its promoters, its management, or its subsidiaries, which in the judgment of the board may affect the independence of the judgment of the Director.

None of the Directors is a member of more than 10 Board-level committees, or a Chairman of more than 5 such committees, as required Under Clause 49 of the Listing Agreement.

c) Number of Board Meetings

See table 2 for details.

Table 2 : Samrat Pharmachem Limited held 6 Board meetings during the year ended 31st March 2013.

Sr. No.	Date of Board Meeting	Lalit Mehta	Rajesh Mehta	Mahendra Pipalia	Samir Kothary	Hitendra Shah
1.	30 th May, 2012	1	1	1	1	1
2.	14 th August, 2012	1	1	1	1	1
3.	17 th September, 2012	1	1	-	-	-
4.	12 th November, 2012	1	1	1	1	1
5.	14 th February, 2013	1	1	1	1	1
6.	30 th March, 2013	1	1	-	-	-
Total Meetings Attended		6	6	4	4	4

The maximum interval between 2 board meetings was not more than 4 calendar months.

d) Information supplied to the Board

Among others, this includes:

- Review of annual operating plan of businesses, capital budgets, updates,
- Quarterly results of the company,
- Minutes of the meeting of audit committee and other committees,
- Information on recruitment and remuneration of senior officers just below the Board level,
- Materially important show cause notices, demand notices, prosecution and penalty notices,
- Fatal or serious accidents or dangerous occurrences,
- Any material significant effluent or pollution problems,
- Any material relevant to default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company,
- Any issue which involves possible public or product liability claims of a substantial nature,
- Details of any joint venture or collaboration agreement,
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property,
- Significant labour problem and their proposed solutions,
- Significant development in human resources and industrial relations fronts,
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business,
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement and
- Non-compliance of any regulatory or statutory provision of listing requirements as well as shareholder services such as non-payment of dividend and delay in share transfer.

The Board of Samrat Pharmachem Limited is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as a part of agenda papers well in advance of Board meetings or are tabled in the course of the Board meetings.

e) Materially significant related party transactions

There have been no materially significant related party transactions, pecuniary transaction or relationships between Samrat Pharmachem Limited and its Directors for the year ended 31st March, 2013 that may have a potential conflict with the interest of the Company at large.

f) Remuneration of Directors: sitting fees, salary, perquisites and commissions

Table 3 gives the details of the remuneration package of Directors and their relationship with each other.

Table 3 : Remuneration paid or payable to Directors during the Fin. Year 2012-2013

Name of Director	Relation with other directors	Sitting Fees (Rs.)	Comm. on Profits	Salary p.a. (Rs.)	PF	Perquisites	Total
Lalit Mehta	Father of Rajesh Mehta	-	-	15,00,000	-	-	15,00,000
Rajesh Mehta	Son of Lalit Mehta	-	-	14,40,000	-	-	14,40,000
Mahendra Pipalia	-	30,000	-	-	-	-	30,000
Samir Kothary	-	30,000	-	-	-	-	30,000
Hitendra Shah	-	30,000	-	-	-	-	30,000
Total		90,000	-	29,40,000	-	-	30,30,000

g) Committees of the Board
Audit Committee

- Overseeing the company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval for payment of any other services;
- Reviewing with the management the annual financial statement before submission to the Board;
- Reviewing with the management and external and internal auditors, the adequacy of internal control systems;
- Reviewing the adequacy of internal audit system;
- Discussing with internal auditors any significant finding and follow up on such issues;
- Reviewing the findings of any internal investigation by internal auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and then reporting such matter to the Board;
- Discussing with the external auditors before the audit commences on the nature and scope of audit as well as having post-audit discussion to ascertain any area of concerns;
- Reviewing the Company's financial and risk management policies and
- Examining reasons for substantial default in the payment to depositors, bankers, shareholders (in case of non-payment of declared dividends) and creditors, if any.

The Company continues to derive immense benefit from the deliberation of the Audit Committee presently comprising 3 non-executives and independent Directors, Mr. Mahendra Pipalia (Chairman), Mr. Samir Kothary and Mr. Hitendra Shah, who are eminent professionals knowledgeable in project finance, accounts and company law. Minutes of each audit committee meeting are placed before and discussed in the full Board.

The audit committee met four times during the year on 31st March, 2013. Table 4 gives attendance record.

Table 4 : Attendance record of audit committee members

Name of Director	No. of Meetings held	Meetings attended
Mahendra Pipalia	4	4
Samir Kothary	4	4
Hitendra Shah	4	4

In addition to the above, Samrat Pharmachem Limited's audit committee looks into controls and security of the Company's critical IT applications, the internal and control assurance audit report of all major profit centers and deviation from the code of business principles, if any.

Remuneration and Compensation Committee

Samrat Pharmachem's remuneration policy is based on 3 tenets: pay for responsibility, pay for performance and potential and pay for growth. The Company's remuneration committee is vested with all necessary powers and authority to ensure appropriate disclosure on the remuneration of Whole-time Directors' and to deal with all elements of remuneration package of all such Directors.

As for the non-whole-time Directors, their appointment is for the benefit of their professional expertise in their individual capacity as independent business executives. Accordingly, the service contract, notice period and severance fees, if any of the company are not applicable to such non-whole-time Directors. However as a company's policy, upon attaining the age of 70 years, the non-whole-time Directors' seek retirement by not offering themselves for re-appointment at the Annual General Meeting of the Company.

Table 5 gives the attendance record of the members of the remuneration committee.

Table 5 : Attendance record of the remuneration committee members

Name of Director	No. of Meetings held	Meetings attended
Mahendra Pipalia	4	4
Samir Kothary	4	4
Hitendra Shah	4	4

Shareholder / Investor Grievance Committee

The Shareholder/Investor grievances committee specially looks into redressing of shareholders and investors' complaints such as transfer of shares, non-receipt of shares, non-receipt of declared dividend and to ensure expeditious share transfer process.

The committee presently comprising of 3 non-executive and independent directors - Mr. Hitendra Shah (Chairman), Mr. Mahendra Pipalia and Mr. Samir Kothary met 4 times during the year ended 31st March, 2013. Table 6 gives the attendance record.

Table 6 : Attendance record of investor grievance committee members

Name of Director	No. of Meetings held	Meetings attended
Mahendra Pipalia	4	4
Samir Kothary	4	4
Hitendra Shah	4	4

A summary of complaints received, resolved & pending during the year ended 31st March, 2013 is given below :

Nature of Complaints	Received	Resolved	Pending
Non-receipt of share certificates duly transferred	0	0	0
Non-receipts of refund orders	0	0	0
Non-receipts of dividend warrants	0	0	0
Non-receipt of rejected DRF	0	0	0
Non-receipt of Demat Credit	0	0	0
Non-receipt of Annual Report	0	0	0
Miscellaneous	0	0	0
Letters from SEBI	0	0	0
Letters from Stock Exchanges	0	0	0

MANAGEMENT

a) Management discussion and analysis

The Directors' Report includes details of Management Discussion and Analysis of various businesses of the Company.

b) Disclosures by management to the Board

All details relating to financial and commercial transactions where Directors' may have a pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

GENERAL SHAREHOLDERS INFORMATION

a) Disclosure regarding appointment and re-appointment of Directors

According to the Articles of Association of Samrat Pharmachem Limited, all Directors except Mr. Lalit Mehta retire by rotation every year and, if eligible offer themselves for re-election at every Annual General Meeting. All the Directors are eligible and offering themselves for re-election.

Given below are the abbreviated resumes of the Directors of Samrat Pharmachem Limited.

Mr. Lalit Mehta aged 76 years is the Chairman & Managing Director of Samrat Pharmachem Limited. Mr. Lalit Mehta is a science and law graduate from University of Mumbai. He is a promoter Director of the Company. Mr. Lalit Mehta started his career with Air India. His enthusiasm, hard work, vision & business sense landed him in the chemical business. Mr. Lalit Mehta has vast and varied experience of the chemical & pharmaceuticals industry. He is in the chemical & pharmaceutical line for the last 51 years. He looks after the entire administration of the Company.

Mr. Rajesh Mehta aged 48 years is the Executive Director of Samrat Pharmachem Limited. Mr. Rajesh Mehta is a commerce graduate from University of Mumbai and an Associate Member of the Institute of Chartered Accountants of India. He is a promoter Director of the Company. Mr. Rajesh Mehta has wide experience of the chemical and pharmaceutical industry. He is in chemical and pharmaceutical industry since last 24 years. He looks after financial, technical, marketing and administrative matters of the Company.

Mr. Mahendra Pipalia aged 49 years is the Non-executive Director of the Company. Mr. Mahendra Pipalia is a commerce graduate from the University of Mumbai and a fellow member of the Institute of Chartered Accountants of India. Mr. Mahendra Pipalia has wide experience in internal audit, finance and taxation as also development of software systems for various industries. He advises the Company in accounts, finance, taxation, audit matters & control systems.

Mr. Samir Kothary aged 50 years is the Non-executive Director of the Company. He is engaged in the business of trading of pharmaceuticals and chemicals. He has experience of more than 20 years in the pharmaceutical and chemical industry. He advises the Company in procurement of raw materials from India and abroad and in national and international consumer marketing.

Mr. Hitendra Shah aged 45 years is the Non-executive Director of the Company. Mr. Hitendra Shah is a Commerce Graduate from the University of Mumbai. He is a share sub- broker of Mumbai Stock Exchange and National Stock Exchange. Moreover he is actively involved in investment consultancy. He advises the Company on several issues pertaining to investments, share transfer activities and raising funds for the company.

b) Communication to shareholders

Samrat Pharmachem has its own web site and all vital information relating to the Company and its performance has been put on the web site. The web site address is www.samratpharmachem.com.

The quarterly and annual results are published in leading newspapers circulated in Vadodara, Gujarat.

c) Investors grievances

As mentioned earlier in this chapter, the Company has constituted a Shareholders'/Investors' Grievance Committee for redressing shareholders' and investors' complaints. The status on complaints is reported to the Board of Directors as an agenda item.

d) Share transfer

All share transfers are handled by the Registrar and Share Transfer Agent M/s. Link Intime India Pvt Ltd, having office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400078 (Phone: 022-25963838, Fax: 022-25946969, Email : sharad.patkar@linkintime.co.in, Kind Attn : Mr. Sharad Patkar). All transfers and queries relating to share transfer, demat and other matters may be referred to the Registrar directly at the above noted address.

e) Details of non-compliance

Company has been fully compliant with all matters relating to the capital market and the listing agreements.

f) General body meetings

Details of the last 3 annual general meetings are given in the Table 7.

Table 7 : Date, time & venue of the last 3 AGMs :

AGM No.	Financial Year	Date	Time	Venue
18 th AGM	31 st March, 2010	25 th Sept., 2010	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat
19 th AGM	31 st March, 2011	24 th Sept., 2011	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar – 393 002, Gujarat
20 th AGM	31 st March, 2012	29 th Sept., 2012	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar – 393 002, Gujarat

g) Postal ballot:

During the year company was not required to take any postal ballot for passing resolutions as per Section 192A of the Companies Act, 1956 as amended.

h) Extra-Ordinary General Meeting:

No Extra-ordinary general meeting was held during the year.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, the auditor's certificate is given as an annexure to the Directors' Report.

Additional Shareholder Information

AGM No.	21st Annual General Meeting
Date	28 th September, 2013
Time	1:00 pm
Venue	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat

Financial Calendar

Financial Year	1 st April, 2012	— to —	31 st March, 2013
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For the year ended 31st March 2013, results were announced on:

1st Quarterly Results (Un-audited)	14 th August, 2012
2nd Quarterly Results (Un-audited)	12 th November, 2012
3rd Quarterly Results (Un-audited)	14 th February, 2013
4th Quarterly Results (Audited)	30 th May, 2013

For the financial year 2013-2014, results will be announced on:

1st Quarterly Results (Un-audited)	Mid of August 2013
2nd Quarterly Results (Un-audited)	Mid of November 2013
3rd Quarterly Results (Un-audited)	Mid of February 2014
4th Quarterly Results (Audited)	End of May 2014

Book Closure

The annual book closure period is from & to following dates, inclusive of both days.

Book Closure From Date	Book Closure To Date
14 th September, 2013	28 th September, 2013

Listing

The Company's shares are listed and traded on the stock exchanges at Vadodara, Ahmedabad, Rajkot, Pune and Mumbai.

Stock Codes

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited	530125
Vadodara Stock Exchange Limited	530125
Saurashtra Kutch Stock Exchange Limited	Samrat Pharmachem
Ahmedabad Stock Exchange Limited	530125
Pune Stock Exchange Limited	530125
ISIN No. (International Securities Identification No.)	INE103E01016

The International Securities Identification Number of Samrat Pharmachem Limited (or demat number) on both the NSDL (National Securities Depository Limited) and CDSL (Central Depository Services India Limited) is **INE103E01016**.

Stock Data

Table 8 gives monthly high and low prices of Samrat Pharmachem Limited at The Stock Exchange, Mumbai (BSE) for the year ended 31st March, 2013.

Table 8 : Monthly share price at BSE

Month	High Price	Date	Low Price	Date
April 2012	34.45	04/04/2012	27.50	30/04/2012
May 2012	35.35	08/05/2012	24.35	28/05/2012
June 2012	28.00	01/06/2012	21.40	14/06/2012
July 2012	34.30	13/07/2012	25.00	09/07/2012
August 2012	32.00	14/08/2012	22.25	31/08/2012
September 2012	31.00	09/08/12 & 17/09/12	22.35	06/09/2012
October 2012	33.00	31/10/2012	25.40	08/10/2012
November 2012	34.50	23/11/2012	27.25	01/11/2012
December 2012	33.70	04/12/2012	29.10	31/12/2012
January 2013	37.00	09/01/13 & 10/01/13	28.65	07/01/2013
February 2013	32.60	01/02/2013	21.10	25/02/2013
March 2013	25.70	08/03/2013	19.00	11/03/2013

Table 9 : Distribution of shareholding by size, class as on 31st March, 2013

Holdings	Shareholders		Shares	
	Number	% of total	Shares	% of total
1-500	1898	82.85	419375	13.57
501-1000	216	9.43	171083	5.54
1001-2000	75	3.27	117198	3.79
2001-3000	34	1.48	84987	2.75
3001-4000	15	0.65	53695	1.74
4001-5000	13	0.57	61266	1.98
5001-10000	18	0.79	132231	4.28
10001-and above	22	0.96	2049865	66.35
Grand Total	2291	100.00	3089700	100.00

Table 10 : Shares held in physical and dematerialized form as on 31st March, 2013

Sr. No.	Particulars	No. of shares	% of total capital	No. of accounts
1.	Central Depository Services (I) Ltd	360,130	11.66%	450
2.	National Securities Depository Ltd	2,287,560	74.04%	862
	Total Dematerialised	2,647,690	85.69%	1312
3.	Physical	442,010	14.31%	979
	Grand Total	3,089,700	100.00%	2291

Table 11 : Distribution of shareholdings by ownership as on 31st March, 2013

Category Code	Category of Shareholder	Number of shareholders	Total Number of Shares	Number of shares held in Dematerialized Form	Total Shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As Percentage of (A+B) ¹	As Percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV) *100
(A)	Shareholding of Promoter and Promoter Group²							
(1)	Indian							
(a)	Individuals/Hindu Undivided Family	9	1445431	1445431	46.78	46.78	0.00	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A)(1)	9	1445431	1445431	46.78	46.78	0.00	0.00
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/foreign individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00

Category Code	Category of Shareholder	Number of shareholders	Total Number of Shares	Number of shares held in Dematerialized Form	Total Shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As Percentage of (A+B) ¹	As Percentage of (A+B+C)	Number of shares	As a Percentage
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(e)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A)(2)	0	0	0	0.00	0.00	0	0.00
	Total Share holding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	9	1445431	1445431	46.78	46.78	0.00	0.00
(B)	Public Shareholding							
(1)	Institutions							
(a)	Mutual Funds/UTI	0	0	0	0.00	0.00	0	0.00
(b)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	0.00
(c)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	1	100000	0	3.24	3.24	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(i)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (B) (1)	1	100000	0	3.24	3.24	0	0.00
(2)	Non-Institutions							
(a)	Bodies Corporate	45	145086	143586	4.70	4.70	0.00	0.00

Category Code	Category of Shareholder	Number of shareholders	Total Number of Shares	Number of shares held in Dematerialized Form	Total Shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As Percentage of (A+B) ¹	As Percentage of (A+B+C)	Number of shares	As a Percentage
(b)	Individual							
	i) Individual shareholders holding nominal share Capital up to Rs.1 lakh	2197	951705	639995	30.80	30.80	200.00	0.02
	ii) Individual shareholders holding nominal shares capital in excess of Rs.1 lakh	10	395059	395059	12.79	12.79	0.00	0.00
(c)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(d)	Any Other (specify)							
	i) Clearing Member	13	7019	7019	0.23	0.23	0.00	0.00
	ii) NRIs (REPAT)	14	43800	15000	1.42	1.42	0.00	0.00
	iii) NRIs (NON REPAT)	2	1600	1600	0.05	0.05	0.00	0.00
	Sub-Total (B) (2)	2281	1544269	1202259	49.98	49.98	200.00	0.01
	Total Public shareholding (B) = (B)(1) + (B)(2)	2282	1644269	1202259	53.22	53.22	200.00	0.01
	TOTAL (A) + (B)	2291	3089700	2647690	100.00	100.00	200.00	0.01
(C)	Shares held by custodians and against which depository Receipts have been issued							
1.	Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
2.	Public	0	0	0	0.00	0.00	0	0.00
	Sub Total (C)	0	0	0	0.00	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	2291	3089700	2647690	100.00	100.00	200.00	0.01

Details of public funding obtained for last 3 years

Not applicable, Samrat Pharmachem Limited has not obtained any public funding in the last 3 years.

Investor Services

All transfers and related operations are conducted by the Registrar and Share Transfer Agent M/s. Link Intime India Pvt Ltd having office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 (Phone : 022-25963838, Fax : 022-25946969, Email: sharad.patkar@linkintime.co.in). Concerned Officer incharge of the Registry is Mr. Sharad Patkar.

All correspondence relating to transfer, mandate & change of address may be directly addressed to the Registrar and Share Transfer Agent.

The members may address their other queries to the Company at its Registered Office Address at:

Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Phone : (02646) 220774

Fax : (02646) 251291

Email : samrat@bom4.vsnl.net.in

Website : www.samratpharmachem.com

Plant Locations

- 1) Plot No. A2/3445, GIDC, Phase 4, Ankleshwar-393 002, Gujarat, India.
- 2) Plot No. A2/3444, GIDC, Phase 4, Ankleshwar-393 002, Gujarat, India.

Declaration for compliance with Code of Conduct

Pursuant to Clause 49(1D)(ii) of the listing agreement, I hereby declare that all the Board Members and senior management personnel are aware of the provisions of the Code of Conduct laid down by the Board and made effective from 1st January, 2006. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

**By Order of the Board of Directors
For Samrat Pharmachem Limited**

**Place: Mumbai
Date: 30th May 2013**

**Lalit Mehta
Managing Director**

CERTIFICATION BY CHIEF EXECUTIVE OFFICER

30th May, 2013

**The Board of Directors
Samrat Pharmachem Limited**

Plot No. A2/3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat.

I, Mr. Lalit Mehta, Chairman & CEO of Samrat Pharmachem Limited certify to the Board in terms of the requirements of Clause 49 (V) of the Listing Agreement, that I have reviewed the financial statement and cash flow statement of the company for the financial year ended 31st March, 2013.

1. To the best of my knowledge, I certify that:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading,
 - (b) 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, and
 - (c) there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
2. For the purposes of financial reporting, I accept the responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I accept the responsibility to the auditors and the audit committee, and further state that there were no deficiencies in the design or operation such internal control.
3. I do further certify that there has been:
 - (a) no significant changes in internal controls during the year,
 - (b) no significant changes in accounting policies during the year, and
 - (c) no instances of fraud, of which I am aware during the period.
4. I further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

**Lalit Mehta
Chairman & CEO**

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**To the Members of Samrat Pharmachem Limited**

We have examined the compliance of conditions of corporate governance by **Samrat Pharmachem Limited** for the year ended **31st March 2013**, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the clause 49 of the above-mentioned Listing Agreement.

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

For Shah, Shah & Shah
Chartered Accountants

Mehul Shah

Partner

Mumbai : 30th May 2013

M. No. 049361

FRN: 116457W

INDEPENDENT AUDITOR'S REPORT

To
The Members,
Samrat Pharmachem Limited

We have audited the accompanying financial statements of **SAMRAT PHARMACHEM LIMITED** as at **31st March 2013**, which comprise of the Balance Sheet as at **March 31, 2013**, and the Statement of Profit and Loss, and Cash Flow Statement of the Company for the year ended on that date annexed thereto, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 management, 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 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:

- (i) in case of the Balance Sheet, of the state of affairs of the Company as at **31st March 2013**;
- (ii) in case of Statement of Profit and Loss, of the **profit** of the Company for the year ended on that date.
- (iii) in case of cash flow statement, of cash flow of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

As required by section 227(3) of the Act, we report that:

- (a) we have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) the Balance Sheet, Statement of Profit and Loss, and Cash flow Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- (e) on the basis of written representations received from the Directors, as on the date of balance sheet, and taken on record by the board of directors, we report that none of the directors is disqualified as on the said date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;
- (f) since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956, nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company;

For Shah, Shah & Shah
Chartered Accountants

Mehul Shah

Partner

Mumbai : 30th May 2013

M. No. 049361

FRN: 116457W

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE
IN CASE OF **SAMRAT PHARMACHEM LIMITED**

- (i) (a) The Company is maintaining proper records showing full particulars of, including quantitative details and situation, of fixed assets.
- (b) The management at reasonable intervals has verified the fixed assets. We have been informed that, no material discrepancies on such verification have been noticed.
- (c) The Company has not disposed substantial portion of its fixed assets during the year; accordingly the going concern status of the Company is not affected.
- (ii) (a) As per the records maintained, the management has conducted verification of inventory at reasonable intervals.
- (b) In our view, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our view, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to the book records have been properly dealt with in the books of account on a periodical intervals.
- (iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
- (b) Since no loans are granted, the sub-clause dealing with rate of interest and other terms and conditions of loans given by the company are not applicable.
- (c) Since no loans are granted, the sub-clause dealing with receipt of the principal amount and interest on regular basis is not applicable.
- (d) Since no loans are granted, the sub-clause dealing with overdue amount more than rupees one lakh is not applicable.
- (e) The Company has not taken unsecured loans from Parties covered in the register maintained under section 301 of the Companies Act 1956.
- (f) Since no loans are taken, the sub-clause dealing with rate of interest and other terms and conditions of loans given by the company are not applicable.
- (g) Since no loans are taken, the sub-clause dealing with payment of the principal amount and interest on a regular basis is not applicable.
- (iv) In our view, there is an adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventory and fixed assets, and for sale of goods and services. In our view, there has been no continuing failure to correct major weakness in internal control systems of the Company.
- (v) (a) According to the information and explanation given to us and on the basis of representation received from the Management, particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- (b) According to the information and explanation given to us and on the basis of representation received from the Management, each of these transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from public within the meaning of the provisions of section 58A and section 58AA or any relevant provisions of the Companies Act, 1956 and the rules made there under. We have been informed by the management that there has been no order passed by the Company law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company with respect to compliance of the provisions of section 58A or 58AA or any other provisions of the Companies Act 1956.
- (vii) On the basis of internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit functions carried out by an Internal Audit Department of the Company is adequate and commensurate with the size of the Company and nature of its business.

- (viii) We are informed by the management that, the Central Government has prescribed the method of maintenance of cost records u/s. 209 (1) (d) of the Companies Act, 1956 to the industry to which the Company pertains; and the Company has maintained the necessary accouts and records; and the same have been subjected to cost audit for the year ended March 31, 2012.
- (ix) (a) We have been informed by the management that, the Company is generally regular in depositing all undisputed statutory dues, with the appropriate authorities and there have been no material arrears of outstanding dues as at the last day of this financial year for more than six months from the date they became payable except the State profession tax of Company and Advance Income Tax that have not been paid by the Company.
- (b) In our opinion and according to the information and explanation given to us, there are no dues of Income tax, Sales tax, Wealth Tax, Service tax, Custom Duty, Excise Duty or Cess, as applicable to it which have not been deposited on account of any dispute.
- (x) There are no accumulated losses at the end of the financial year. Also, the Company has not reported any cash losses during the year or immediately preceding financial year.
- (xi) As informed to us by the management, the Company has not defaulted in repayment of any dues to financial institution or banks; whereas there are no debenture holders.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities; accordingly, there is no necessity as to maintaining documents and records in this respect.
- (xiii) The provisions of any special statute in respect of chit fund, nidhi, mutual benefit funds or societies are not applicable to the Company.
- (xiv) The Company has not dealt or traded in shares, securities, debentures and other investments; hence maintenance of records for the same does not arise.
- (xv) The management has informed us that, the Company has not given any guarantee for loans taken by others from any bank or financial institutions.
- (xvi) As per the explanation given by the management, the term loans were applied for the purposes for which they were obtained.
- (xvii) As explained to us by the management, there were no funds that were raised on a short-term basis, which have been applied for long-term investment. The management has explained that expansion on account of capital assets is being done from internal accruals, and the short term funds are primarily used to cater to the needs of working capital.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956.
- (xix) The Company has not issued any debentures; hence no security or charges have been created in respect of the same.
- (xx) The Company has not made any public issues of shares during the year; hence disclosure requirement as to end utilization of public issue money is not required.
- (xxi) As informed by the management, there has not been noticed or reported any fraud on or by the Company during the year.

For Shah, Shah & Shah
Chartered Accountants

Mehul Shah

Partner

Mumbai : 30th May 2013

M. No. 049361

FRN: 116457W

BALANCE SHEET AS AT 31st MARCH, 2013

	Particulars	Note No.	31/03/2013		31/03/2012	
			Rs.	Rs.	Rs.	Rs.
A.	<u>EQUITY AND LIABILITIES</u>					
1	Shareholders' Funds					
	(a) Share capital	1	30,897,000		30,897,000	
	(b) Reserves and surplus	2	98,072,405		94,069,455	
	(c) Money received against share warrants		0	128,969,405	0	124,966,455
2	Share application money pending allotment			0		0
3	Non-current liabilities					
	(a) Long-term borrowings	3	10,088,087		13,201,828	
	(b) Deferred tax liabilities (Net)	4	2,991,315		2,501,724	
	(c) Other Long term liabilities		0		0	
	(d) Long-term provisions		0	13,079,402	0	15,703,552
4	Current liabilities					
	(a) Short-term borrowings	5	32,956,470		21,006,397	
	(b) Trade payables	6	159,689,683		138,552,857	
	(c) Other current liabilities	7	4,344,646		381,407	
	(d) Short-term provisions	8	0	196,990,799	14,545,678	174,486,339
	Total			339,039,606		315,156,345
B.	<u>ASSETS</u>					
1	Non-current assets					
	(a) Fixed assets	9				
	(i) Tangible assets		37,451,603		36,296,844	
	(ii) Intangible assets		299,337		18,163	
	(iii) Capital work-in-progress		35,146,188		27,599,961	
	(iv) Intangible assets under development		0		0	
			72,897,127		63,914,969	
	(b) Non-current investments		0		0	
	(c) Deferred tax assets (net)		0		0	
	(d) Long-term loans and advances	10	1,336,500		1,027,000	
	(e) Other non-current assets	11	1,707,473	75,941,100	1,376,360	66,318,329
2	Current assets					
	(a) Current investments		0		0	
	(b) Inventories	12	97,296,673		73,673,238	
	(c) Trade receivables	13	117,677,315		105,012,987	
	(d) Cash and Bank Balances	14	25,625,199		44,487,082	
	(e) Short-term loans and advances	15	300,000		216,000	
	(f) Other current assets	16	22,199,318	263,098,505	25,448,709	248,838,016
	Total			339,039,606		315,156,345
	Contingent Liabilities & Commitments	17				
	NOTES ON ACCOUNT	25				

AS PER OUR REPORT OF EVEN DATE

For Shah, Shah & Shah
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Lalit Mehta
Managing Director

Rajesh Mehta
Executive Director

Mehul Shah
Partner
Membership No. : 49361
FRN : 116457W

Mahendra Pipalia
Director

Samir Kothary
Director

Hitendra Shah
Director

Place : Mumbai

Date : 30th May 2013

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2013

	Particulars	Note	31/03/2013		31/03/2012	
			No.	Rs.	Rs.	Rs.
I.	Revenue from operations	18		705,211,732		695,431,124
II.	Other income	19		5,268,113		2,507,599
III.	Total Revenue			710,479,845		697,938,723
IV.	Expenses					
	Cost of Material Consumed	20	668,782,326		649,748,483	
	Changes in the inventories of finished goods and WIP	21	-16,008,998		-58,877,095	
	Employee benefits expense	22	8,540,133		7,987,718	
	Finance costs	23	9,505,913		6,159,734	
	Depreciation and amortization expense	9	2,415,362		1,927,678	
	Other expenses	24	31,429,464		33,001,915	
	Total expenses			704,664,199		639,948,433
V.	Profit before exceptional and extraordinary items and tax (III-IV)			5,815,646		57,990,290
VI.	Exceptional items			0		0
VII.	Profit before extraordinary items and tax (V - VI)			5,815,646		57,990,290
VIII.	Extraordinary Items			0		0
IX.	Profit before tax (VII- VIII)			5,815,646		57,990,290
X.	Tax expense:					
	Provision for Taxation					
	- Current Tax		1,184,889		19,994,495	
	- Taxation of Earlier Years		138,216		41,029	
	- Deferred Tax		489,591		181,905	
				1,812,696		20,217,429
XI.	Profit (Loss) for the period from continuing operations (VII-VIII)			4,002,950		37,772,861
XII.	Profit/(loss) from discontinuing operations			0		0
XIII.	Tax expense of discontinuing operations			0		0
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			0		0
XV.	Profit (Loss) for the period (XI + XIV)			4,002,950		37,772,861
XVI.	Earnings per equity share:					
	(1) Basic			1.30		12.23
	(2) Diluted			1.30		12.23
	NOTES ON ACCOUNT	25				

AS PER OUR REPORT OF EVEN DATE
For Shah, Shah & Shah
Chartered Accountants
Mehul Shah
Partner
Membership No. : 49361
FRN : 116457W
Place : Mumbai
Date : 30th May 2013
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
Lalit Mehta
Managing Director
Mahendra Pipalia
Director
Samir Kothary
Director
Rajesh Mehta
Executive Director
Hitendra Shah
Director

Note 1 : SHARE CAPITAL

Disclosure pursuant to Note no. 6(A)(a, b & c) of Part I of Schedule VI to the Companies Act, 1956

Share Capital	31 March 2013		31 March 2012	
	Number	Rs.	Number	Rs.
Authorised Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
Issued Equity Shares of Rs. 10 each	3,089,700	30,897,000	3,089,700	30,897,000
Subscribed & Paid up Equity Shares of Rs. 10 each fully paid	3,089,700	30,897,000	3,089,700	30,897,000
Subscribed but not fully Paid up Equity Shares of Rs. 10 each, not fully paid up	-	-	-	-
Total	3,089,700	30,897,000	3,089,700	30,897,000

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956

Particulars - Equity Shares	31 March 2013		31 March 2012	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	3,089,700	30,897,000	3,089,700	30,897,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,089,700	30,897,000	3,089,700	30,897,000

Particulars - Preference Shares	31 March 2013		31 March 2012	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

NIL Equity Shares (NIL Previous year) are held by None, the holding company.

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (more than 5%)

Name of Shareholder	31 March 2013		31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lalit D. Mehta	417,198	13.50%	404,957	13.11%
Rajesh L. Mehta	372,853	12.07%	367,055	11.88%
Premal L. Mehta	174,281	5.64%	174,281	5.64%

Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956

(Following disclosure should be made for each class of Shares)

Particulars	Year (Aggregate No. of Shares)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-
Convertible Shares Warrents	-	-	-	-	-
Preference Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Disclosure pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 1956

Unpaid Calls	Rs.
By Directors	-
By Officers	-
Others	-

Disclosure pursuant to Note no. 6(A)(l) of Part I of Schedule VI to the Companies Act, 1956

Particulars - Equity Shares	31 March 2013		31 March 2012	
	Number	Rs.	Number	Rs.
Forfeited shares (amount originally paid up)	-	-	-	-

Particulars - Preference Shares	31 March 2013		31 March 2012	
	Number	Rs.	Number	Rs.
Forfeited shares (amount originally paid up)	-	-	-	-

Disclosure pursuant to Note no. 6 (A) (e, h, j) of Part I of Schedule VI to the Companies Act, 1956

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

Particulars	31 March 2013		31 March 2012	
	Number	Description	Number	Description
Equity Shares	3,089,700	Parri Pasu	3,089,700	Parri Pasu
Restrictions on the distribution of dividends		None		None
Voting rights or with differential voting rights as to dividend		All shares have equal Voting Rights		All shares have equal Voting Rights

Particulars	Number	Description	Number	Description
Preference Shares	-		-	
Preferential rights in respect of payments of fixed dividend and repayment of capital.	-	Not Applicable	-	Not Applicable
Voting rights or with differential voting rights as to dividend		Not Applicable		Not Applicable
Full or partial participating rights in surplus profits or surplus capital		Not Applicable		Not Applicable
Cumulative, noncumulative, redeemable, convertible, non-convertible		Not Applicable		Not Applicable

Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment, including the terms and amounts.

Particulars	31 March 2013		31 March 2012	
	Number	Description	Number	Description
Equity Shares	-	-	-	-
Preference Shares	-	-	-	-

Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.

Particulars	31 March 2013		31 March 2012	
	Number	Description	Number	Description
Equity Shares	-	-	-	-
Preference Shares	-	-	-	-
Warrants / Bonds	-	-	-	-
Debentures				

Note 2 : RESERVES AND SURPLUS

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31/03/2013	31/03/2012
	Rs.	Rs.
a. Capital Reserves		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
b. Capital Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-

c. Securities Premium Account		
Opening Balance	-	-
Add: Securities premium credited on Share issue	-	-
Less: <u>Premium Utilised for various reasons</u>	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares	-	-
For Other Reasons (Please indicate)	-	-
Closing Balance	-	-
d. Debenture Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
e. Revaluation Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
f. Share Options Outstanding Account		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
g. Other Reserves (Specify nature and purpose)		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
h. Surplus		
Opening Balance	94,069,455	56,296,594
(+) Net Profit/(Net Loss) for the current year	4,002,950	37,772,861
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	98,072,405	94,069,455
Total Reserves & Surplus	98,072,405	94,069,455

Note 3 : LONG-TERM BORROWINGS

Disclosure pursuant to Note no. 6(C) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31/03/2013	31/03/2012
	Rs.	Rs.
Secured		
(a) Bonds/debentures		
NIL (Previous Year: NIL) NIL % Debentures of Rs. NIL each redeemable at Par on N.A.(secured by N. A.) (of the above, Rs. NIL is guaranteed by Directors and / or others) Details of redeemed bonds/debentures which the company has power to reissue: None	-	-
(b) Term loans		
<u>From Banks</u>		
HDFC Bank (Secured against fixed assets) Terms of Repayment Repayable under EMI Period of Maturity Oct-16 Number and amount of balance emi (incl interest) 19 7,266,835 Rate of Interest 12%	10,088,087	13,201,828
Other significant terms	-	-
<u>From other parties</u>		
(Secured against Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment : Not Applicable	-	-
(c) Deferred payment liabilities		
(Secured by Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(d) Deposits		
(Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(e) Loans and advances from related parties		
(Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable.	-	-
(f) Long term maturities of finance lease obligations		
(Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(g) Other loans and advances (Specify Nature if any)		
(Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable.	-	-
Total Secured Long Term Borrowings	10,088,087	13,201,828
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)</u>		
1. Period of default - None		
2. Amount - NIL		

Unsecured		
(a) Bonds/debentures		
NIL (Previous Year: NIL) NIL % Debentures of Rs. NIL each redeemable at Par on N.A. (of the above, Rs. NIL is guaranteed by Directors and / or others) Details of redeemed bonds/debentures which the company has power to reissue: None	-	-
(b) Term loans		
From banks From other parties (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable	-	-
(c) Deferred payment liabilities		
(of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(d) Deposits		
(of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(e) Loans and advances from related parties		
(of the above, Rs. None is guaranteed by Directors) Terms of Repayment : Not Applicable	-	-
(f) Long term maturities of finance lease obligations		
(of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(g) Other loans and advances (specify nature if any)		
(of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable	-	-
Total Unsecured Long Term Borrowings	-	-
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)</u> 1. Period of default - None 2. Amount - NIL		
Total Long Term Borrowings	10,088,087	13,201,828

Note 4 : DEFERRED TAX ASSET (NET)

The Company has accounted for taxes on income in accordance with AS-22 – Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India. Consequently, the net incremental deferred tax (liability) / asset is charged / credited to Profit and Loss Account. The year end position of taxes on income is as under:

Particulars	31/03/2013	31/03/2012
	Rs.	Rs.
Deferred tax liability		
Fixed Assets : Impact of Difference between tax depreciation and depreciation / amortisation charged for financial reporting	3,472,314	3,123,634
Others	-	-
Gross deferred tax liability	3,472,314	3,123,634
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-

Unabsorbed Depreciation as per Tax	-	-
Difference in stock value as per accounts and as per tax	480,999	621,910
Reserve for doubtful debts	-	-
Gross deferred tax asset	480,999	621,910
Net deferred tax liability / (asset)	2,991,315	2,501,724

Note 5 : SHORT-TERM BORROWINGS

Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31/03/2013	31/03/2012
	Rs.	Rs.
Secured		
(a) Loans repayable on demand		
From banks	-	-
from other parties		
(Secured By None)		
(b) Loans and advances from related parties		
(Secured By Not Applicable)		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		
(c) Deposits		
(Secured By Not Applicable)		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		
(d) Other loans and advances		
Cash Credit from ICICI bank	29,842,729	18,256,752
(Secured by hypothecation of Stock, Book Debts, and first charge over Fixed Assets. As a collateral security, the promoter directors Mr. Lalit Mehta and Mr. Rajesh Mehta have given their personal guarantee)		
Period of Maturity	Cash Credit Account	
Number and amount of Installments due	Not Applicable	
Rate of Interest	14.25%	
Other significant terms	-	
Principal of Term Loan falling due within a year	3,113,741	2,749,645
Total Secured Short Term Borrowings	32,956,470	21,006,397
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)</u>		
1. Period of default - None		
2. Amount - NIL		
Unsecured		
(a) Loans repayable on demand		
from banks		
from other parties		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		
(b) Loans and advances from related parties		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		
(c) Deposits		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		

(d) Other loans and advances (specify nature) (of the above, Rs. NIL is guaranteed by Directors and / or others)	-	-
Total Unsecured Short Term Borrowings <u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)</u>	-	-
1. Period of default - None	-	-
2. Amount - NIL	-	-
Total Short Term Borrowings	32,956,470	21,006,397

Note 6 : TRADE PAYABLES

Disclosure pursuant to Note no. 6(D) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31/03/2013	31/03/2012
	Rs.	Rs.
(a) Trade Payables	159,689,683	138,552,857
(b) Others	-	-
Total Trade Payables	159,689,683	138,552,857

Note 7 : OTHER CURRENT LIABILITIES

Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31/03/2013	31/03/2012
	Rs.	Rs.
(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	-	-
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance	-	-
(f) Unpaid dividends	-	-
(g) Application money received for allotment of securities and due for refund interest accrued on (g) above Number of shares proposed to be issued: _____ Amount of premium (if any): - _____ Terms and conditions of shares proposed to be issued: Date by which shares shall be allotted: _____ Whether the company has sufficient authorized capital to cover the share capital amount resulting from allotment of shares out of such share application money The period overdue from the last date of allotment is _____; reason being _____	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables (specify nature)	-	-
- Advances Received Against Order/Goods	-	-
- Statutory Liability	4,344,646	381,407
Total Other Current Liabilities	4,344,646	381,407

Note 8 : SHORT TERM PROVISIONS

Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31/03/2013	31/03/2012
	Rs.	Rs.
(a) Provision for employee benefits		
Salary & Reimbursements	-	-
Contribution to PF	-	-
Gratuity (Unfunded)	-	-
Leave Encashment (funded)	-	-
Superannuation (funded)	-	-
ESOP/ESOS	-	-
(b) Others	-	-
(b) Others (Specify nature)		
Provision for Taxation	-	14,545,678
Total Short Term Provisions	-	14,545,678

Note 9 : FIXED ASSETS

Disclosure pursuant to Note no. I (i), (ii), (iii); Note no. J (i),(ii); Note no. J and Note no. L of Part of Schedule VI to the Companies Act, 1956

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	31/03/12	Additions	Disposal	31/03/13	31/03/12	For Year	on Disposal	31/03/13	31/03/12	31/03/13
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Tangible Assets										
Land	891,494	-	-	891,494	-	-	-	-	891,494	891,494
Building	15,415,426	-	-	15,415,426	2,331,325	514,876	-	2,846,201	13,084,101	12,569,225
Plant And Machinery	27,652,915	3,065,313	-	30,718,228	8,370,001	1,639,551	-	10,009,552	19,282,914	20,708,676
Office Equipment	3,206,369	276,740	-	3,483,109	1,546,612	47,094	-	1,593,706	1,659,757	1,889,403
Furniture And Fixtures	1,459,164	121,400	-	1,580,564	154,215	143,783	-	297,998	1,304,949	1,282,566
Vehicles	194,170	61,870	-	256,040	120,540	25,261	-	145,801	73,630	110,239
Others (specify nature)	-	-	-	-	-	-	-	-	-	-
Assets under lease (specify nature)	-	-	-	-	-	-	-	-	-	-
Total (Current Year)	48,819,538	3,525,323	-	52,344,861	12,522,694	2,370,565	-	14,893,258	36,296,844	37,451,603
Total (Previous Year)	36,038,293	12,849,745	68,500	48,819,538	10,644,728	1,912,064	34,099	12,522,694	25,393,565	36,296,844
(b) Intangible Assets										
Goodwill	-	-	-	-	-	-	-	-	-	-
Brands / trademarks	-	-	-	-	-	-	-	-	-	-
Computer software	96,060	325,971	-	422,031	77,897	44,797	-	122,694	18,163	299,337
Mastheads and publishing titles	-	-	-	-	-	-	-	-	-	-
Mining rights	-	-	-	-	-	-	-	-	-	-
Copyrights, and patents and other intellectual property rights, services and operating rights	-	-	-	-	-	-	-	-	-	-
Recipes, formulae, models, designs and prototypes	-	-	-	-	-	-	-	-	-	-
Licenses and franchise	-	-	-	-	-	-	-	-	-	-
Total (Current Year)	96,060	325,971	-	422,031	77,897	44,797	-	122,694	18,163	299,337
Total (Previous Year)	96,060	-	-	96,060	62,283	15,614	-	77,897	33,777	18,163
(c) Capital Work-in-progress	27,599,961	7,546,226	-	35,146,188	-	-	-	-	27,599,961	35,146,188
Total (Current Year)	27,599,961	7,546,226	-	35,146,188	-	-	-	-	27,599,961	35,146,188
Total (Previous Year)	4,327,727	31,800,331	8,528,097	27,599,961	-	-	-	-	4,327,727	27,599,961
(d) Intangible assets under development	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to Note no.I (iv) and J (iii) of Part I of Schedule VI to the Companies Act, 1956

Where sums have been written off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets

Particulars	Year (Aggregate No. of Shares)				
	2008-09	2009-10	2010-11	2011-12	2012-13
	Rs.	Rs.	Rs.	Rs.	Rs.
Asset details:					
Balance as at 1st April	-	-	-	-	-
Impairment/ Revaluation	-	-	-	-	-
Balance as at 31st March	-	-	-	-	-

Note 10 : LONG TERM LOANS AND ADVANCES

Disclosure pursuant to Note no. L (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
a. Capital Advances				
Total (a)		-		-
b. Loans and advances to related parties				
Total (b)		-		-
c. Other loans and advances				
Secured, considered good	-	-	-	-
Unsecured, considered good				
Staff Loans	1,336,500	1,336,500	1,027,000	1,027,000
Doubtful	-	-	-	-
Less: Provision for	-	-	-	-
Total (c)		1,336,500		1,027,000
Total Long Term Loans and Advances		1,336,500		1,027,000

Disclosure pursuant to Note no. L (iv) of Part I of Schedule VI to the Companies Act, 1956

Loans and advances to related parties	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Directors *		-		-
Other officers of the Company *		-		-
Firm in which director is a partner *		-		-
Private Company in which director is a member		-		-

*Either severally or jointly

Note 11 : OTHER NON CURRENT ASSETS

Disclosure pursuant to Note no.M (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
a. Long term trade receivables				
Total (a)		-		-
b. Security Deposits				
Unsecured, considered good				
Deposits with various authorities	1,426,209	1,426,209	1,376,360	1,376,360
Total (b)		1,426,209		1,376,360
c. Income tax refund receivable				
Total (c)		281,264		-
d. Debts due by related parties				
Total (d)		-		-
Total Other Non-Current Assets		1,707,473		1,376,360

Disclosure pursuant to Note no. M (iii) (iii) of Part I of Schedule VI to the Companies Act, 1956

Details of debts due by related parties

Particulars	31/03/13	31/03/12
	Rs.	Rs.
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total debts due by related parties	-	-

*Either severally or jointly

Note 12 : INVENTORIES

Disclosure pursuant to Note no.O (i), (ii) and (ii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
a. Raw Materials and components (Valued at lower of cost or net realisable value)	12,356,067		4,592,876	
Goods-in transit	-	12,356,067	-	4,592,876
b. Work-in-progress (Valued at lower of cost or net realisable value)	23,712,230		12,147,842	
Goods-in transit	-	23,712,230	-	12,147,842
c. Finished goods (Valued at lower of cost or net realisable value)	60,725,332		56,280,722	
Goods-in transit	-	60,725,332	-	56,280,722
d. Stores and spares (Valued at lower of cost or net realisable value)	-		-	
Goods-in transit	-	-	-	-
e. Loose Tools (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
f. Packing Material (Valued at lower of cost or net realisable value)	503,044		651,798	
Goods-in transit	-	503,044	-	651,798
Total Inventories		97,296,673		73,673,238

Note 13 : TRADE RECEIVABLES

Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31/03/13	31/03/12
	Rs.	Rs.
A. Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	116,216,296	104,136,420
Unsecured, considered doubtful	-	-
	116,216,296	104,136,420
<u>Less: Provision for doubtful debts</u>	-	-
Sub Total (A)	116,216,296	104,136,420
B. Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,461,019	876,567
Unsecured, considered doubtful	-	-
	1,461,019	876,567
<u>Less: Provision for doubtful debts</u>	-	-
Sub Total (B)	1,461,019	876,567
Total Trade Receivables (A + B)	117,677,315	105,012,987

Details of Debts Due from Related Parties

Particulars	31/03/13	31/03/12
	Rs.	Rs.
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total Debts Due by Related Parties	-	-

*Either severally or jointly

Note 14 : CASH AND BANK BALANCES

Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
CASH AND CASH EQUIVALENTS				
A. Balances with banks*				
State Bank Of India	25,906		425,613	
ICICI Bank A/C 102	98,110		-	
Citi Bank N.A.	14,531		138,823	
In-Transit	62,339		633,182	
HDFC Bank	-1,508,471	-1,307,585	17,302,943	18,500,562
B. Cash on hand		414,326		784,919
C. Cheques, drafts on hand		-		-
		-893,259		19,285,481
D. OTHER BANK BALANCES				
Earmarked Balances (e.g. unpaid dividend a/c)	-		-	
Margin money	-		-	
Security against borrowings	-		-	
Guarantees	-		-	
Fixed deposit with banks (Maturity with less than 12 months)		-		-
Fixed deposit with banks (Maturity with more than 12 months)				
- Fixed Deposit With ICICI Bank	19,539,770		18,758,841	
- Fixed Deposit With Citi Bank	6,978,688		6,442,760	
	-	26,518,458	-	25,201,601
E. Others (specify nature)		-		-
Total Cash and Cash Equivalents (A+B+C+D)		25,625,199		44,487,082

Note 15 : SHORT TERM LOANS AND ADVANCES

Disclosure pursuant to Note no. R (i), (ii) & (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
A. Loans and advances to related parties (refer note 2)				
Secured, considered good		-		-
Unsecured, considered good		-		-
Doubtful	-		-	
Less: Provision for doubtful loans and advances	-	-	-	-
Sub Total (A)		-		-
B. Others				
Secured, considered good		-		-
Unsecured, considered good (Current portion of Staff Loans)		300,000		216,000
To be recoverable in cash or in kind for the value to be received		-		-
Doubtful	-		-	
Less: Provision for doubtful _____	-	-	-	-
Sub Total (B)		300,000		216,000
Total Short-term loans and advances (A + B)		300,000		216,000

Disclosure pursuant to Note no.R (iv) of Part I of Schedule VI to the Companies Act, 1956

Details of Loans and advances to related parties

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Directors *		-		-
Other officers of the Company *		-		-
Firm in which director is a partner *		-		-
Private Company in which director is a member		-		-
Total Loans and advances to related parties		-		-

*Either severally or jointly

Note 16 : OTHER CURRENT ASSETS

Disclosure pursuant to Note no.R (i), (ii) & (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Taxation	-		-	
Non-Taxation				
Central Excise Refund Receivable	12,676,385		20,228,215	
Cenvat Credit Balance	6,362,349		4,149,061	
Central Excise-Pla A/C	38,825		38,825	
Export Incentive Receivable	667,576		-	
Prepaid Expenses	90,665		414,378	
Advances For Fixed Assets	2,363,519	22,199,318	618,230	25,448,709
Total Other Current Assets		22,199,318		25,448,709

Note 17 : CONTINGENT LIABILITIES AND COMMITMENTS

Disclosure pursuant to Note no. 6(T) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
A. Contingent Liabilities				
(1) Claims against the company not acknowledged as debt	-		-	
(2) Guarantees	-		-	
(3) Other money for which the company is contingently liable LC issued by Company's bankers	44,240,257		123,714,322	
Sub Total (A)		44,240,257		123,714,322
B. Commitments				
(1) Estimated amount of contracts remaining to be executed on capital account and not provided for	500,000		2,000,000	
(2) Uncalled liability on shares and other investments partly paid	-		-	
(3) Other commitments (specify nature)	-		-	
Sub Total (B)		500,000		2,000,000
Total Contingent Liabilities and Commitments (A+B)		44,740,257		125,714,322

SPECIFIC DISCLOSURES
1. Disclosure pursuant to Note no. 6(U) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Total Rs.	Per share Rs.
Dividends proposed to be distributed to equity shareholders	-	-
Dividends proposed to be distributed to preference shareholders	-	-
Arrears of fixed cumulative dividends on preference shares	-	-

2. Disclosure pursuant to Note no. 6(V) of Part I of Schedule VI to the Companies Act, 1956

Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, Indicate below how such unutilized amounts have been used or invested.
Not Applicable

3. Disclosure pursuant to Note no. 6(W) of Part I of Schedule VI to the Companies Act, 1956

If, in the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated.

Name of Assets	Realisable Value	Value in Balance Sheet	Opinion of Board
		Not Applicable	

Note 18 : REVENUE FROM OPERATIONS
Disclosure pursuant to Note no. 2 of Part II of Schedule VI to the Companies Act, 1956

In respect of a company **other than a finance company** revenue from operations shall disclose separately in the notes revenue from

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Sale of products	782,831,542		750,553,831	
Sale of services	-		-	
Other operating revenues				
Foreign Exchange Fluctuation	1,559,949		3,770,496	
Gross Revenue		784,391,490		754,324,328
<u>Less:</u>				
Excise duty	63,806,130		44,781,342	
Sales tax	15,373,628	79,179,758	14,111,862	58,893,204
Net Revenue From Operations		705,211,732		695,431,124

In respect of a **finance company**, revenue from operations shall include revenue from

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Interest; and	-		-	
Other financial services	-		-	
Net Revenue From Operations		-		-

Note 19 : OTHER INCOME

Disclosure pursuant to Note no. 4 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Interest Income (in case of a company other than a finance company)				
Interest Received	2,586,190		2,405,292	
Interest on Deposits	25,200	2,611,390	25,269	2,430,561
Export Incentives	2,644,723		65,038	
Income From Sale Of Scrap	12,000	2,656,723	12,000	77,038
Net gain / (loss) on sale of investments		-		-
Other non-operating income (net of expenses directly attributable to such income)		-		-
Total Other Income		5,268,113		2,507,599

Note 20 : COST OF MATERIAL CONSUMED

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
<u>Materials Consumed</u>				
<u>Opening Stock</u>				
Raw Materials	4,592,876		20,855,273	
Packing Materials	651,798		399,379	
Consumables including Spare Parts	-		-	
		5,244,674		21,254,653
Add : Cost of Purchases		676,396,762		633,738,504
<u>Less : Closing Stock</u>				
Raw Materials	12,356,067		4,592,876	
Packing Materials	503,044		651,798	
Consumables including Spare Parts	-		-	
		12,859,111		5,244,674
Cost of Material consumed		668,782,326		649,748,483

Note 21 : (INCREASE) / DECREASE IN INVENTORIES

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Inventories at the end of the year				
Work-in-progress	23,712,230		12,147,842	
Finished Goods	60,725,332	84,437,562	56,280,722	68,428,564
Inventories at the beginning of the year				
Work-in-progress	12,147,842		796,592	
Finished Goods	56,280,722	68,428,564	8,754,877	9,551,469
Net (Increase) / Decrease in Inventories		-16,008,998		-58,877,095

Note 22 : EMPLOYEE BENEFIT EXPENSES

Disclosure pursuant to Note no. 5(1)(a) of Part II of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
(a) Salaries, Wages and bonus				
Other Employees		4,171,557		3,316,830
Directors' Remuneration		2,940,000		2,940,000
(b) Contributions to -				
Provident fund	398,820		323,180	
Profession tax	2,400		2,400	
Employee State Insurance Corporation	131,623		85,983	
Employee Insurance	13,259		15,925	
(c) Gratuity fund contributions	113,510		85,806	
(d) Social security and other benefit plans for overseas employees	-		-	
(e) Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-		-	
(f) Staff welfare expenses	768,964	1,428,576	1,217,594	1,730,888
Total Employee Benefit Expenses		8,540,133		7,987,718

Note 23 : FINANCE COST

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
<u>Interest Charges</u>				
Interest On term Loan	-		-	
Interest on other borrowings	2,664,604	2,664,604	1,103,446	1,103,446
<u>Other borrowing costs</u>				
Bank Charges and commission incl L/c, others	6,841,309		5,056,289	
Car hire Purchase Finance charges	-	6,841,309	-	5,056,289
Applicable net loss (gain) on foreign currency transactions and translation		-		-
Total Finance Cost		9,505,913		6,159,734

Note 24 : OTHER EXPENSES

Particulars	31 March 2013		31 March 2012	
	Rs.	Rs.	Rs.	Rs.
1.Manufacturing Expenses				
Contract labour	3,434,543		3,195,891	
Job Work Charges	339,150		1,412,600	
Power Charges	1,903,951		1,565,141	
Gas Charges	2,816,861		1,838,256	
Water Charges	204,022		270,902	
Analytical & Testing Charges	692,558		575,403	
Insurance Charges	179,857		185,265	
Central Excise Duty	4,233,039		-	
Repairs To Factory Building	1,741,415		6,596,887	
Repairs To Plant & Machinery	3,237,474		1,115,721	
Effluent Treatment & Pollution Control	343,331		459,694	
		19,126,200		17,215,760
2.Administrative & Other Expenses				
Directors' Sitting Fees	90,000		90,000	
Office Electricity	127,508		121,560	
Office Lease Rent	418,788		387,178	
Factory Cess & Taxes	-		90,545	
Legal & Professional Charges	3,027,572		3,787,722	
Printing, Stationery & Periodicals	669,562		778,984	
Conveyance - Local	259,914		207,151	
Vehicle Expenses	100,365		87,083	
Travelling - Outdoor	146,063		119,642	
Telephone & Telecommunication Expenses	717,110		655,049	
Postage & Courier Charges	204,138		416,155	
Auditor's Remuneration	243,478		100,000	
Stock Exchange & Custodial Fees	102,239		35,662	

Office Maintenance, Repairs & Renewals	219,529		457,715	
Insurance	63,362		61,068	
Advertisement (Statutory)	98,348		99,131	
Sundry Expenses	614,482		537,907	
		7,102,458		8,032,552
3. Selling & Distribution Expenses				
Export Expenses	3,098,862		3,463,908	
Advertisement & Publicity	275,228		1,103,219	
Business Promotion	286,763		220,634	
Bad Debts Written Off	-		53,659	
Reserve For Doubtful Debts	-		-	
Discount	-115,117		-27,075	
Commission & Brokerage	641,793		1,393,004	
Sales Tax	64,775		-	
Insurance - Goods-In-Transit (Sales)	174,836		302,879	
Delivery Charges	773,666		1,209,974	
		5,200,806		7,720,203
4. Loss on Disposal of Fixed Assets		-		33,401
Total Other Expenses		31,429,464		33,001,915

NOTE 25 : OTHER NOTES
1. SIGNIFICANT ACCOUNTING POLICIES:
ACCOUNTING CONCEPTS:

The Company follows mercantile system of accounting, and recognises income and expenses on accrual basis that are of significant nature. The financial statement have been prepared to comply in all material respect with the mandatory Accounting standards issued by the Institute of Chartered Accountants of India, in accordance with Indian Generally Accepted Accounting Policies and as per the provision of the Companies Act, 1956.

FIXED ASSETS:

Fixed Assets are stated at cost (net of Cenvat & VAT Credit) of acquisition/construction less accumulated depreciation and impairment loss. Cost includes direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use, net of CENVAT and VAT recoverable.

DEPRECIATION:

- Depreciation on the Fixed assets has been provided on Straight Line basis as per the provision of Section 205 of the Companies Act, 1956, at the rates and in the manner specified in Schedule XIV to the Companies Act 1956.
- Individual assets of value less than Rs. 5000 are depreciated in the year of purchase.

INVESTMENTS:

A current investment is an investment that is by its nature readily realizable and is intended to be held for not more than one year from the date on which such investment is made. A long term investment is an investment other than a current investment. An investment property is an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of, the investing enterprise. Long term investments and are stated at cost. The carrying amount for current investments is the lower of cost and fair value.

BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets, the assets that take substantial period of time to get ready for intended use, are capitalised as part of the cost of such assets.

INTANGIBLE ASSET:

An intangible asset is an identifiable non-monetary asset, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. Intangible Assets are stated at cost of acquisition less accumulated depreciation. All costs, including financing costs till commencement of commercial operations are capitalised.

INVENTORIES :

Inventories of finished goods, raw materials, and work in progress are carried at lower of cost or net realisable value. The cost of inventories of items that are not ordinarily interchangeable are assigned by specific identification of their individual costs. Other inventory items are recorded using first-in-first-out cost formula. The inventories include the relevant duties, taxes, and cess other than those subsequently recoverable by the enterprise from the taxing authorities that were incurred to bring the inventory to their present location and conditions.

FOREIGN EXCHANGE TRANSACTIONS :

- Initial Recognition: Transactions denominated in foreign currencies are recorded at daily bank rate for Sales and Custom rates for Purchases as on date of the transaction.
- Conversion: At the year-end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year-end exchange rates.
- Exchange Differences: Any exchange gain or losses arising out of fluctuations are accounted for in the books of the account as per Accounting Standard -11 "The Effects of Changes in Foreign Exchange Rates".

CASH FLOW STATEMENT :

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

REVENUE RECONGNITION :

Sales turnover for the year includes sales value of goods and other recoveries such as Octroi, Transportation Charges etc, but excludes excise duty and VAT. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

RETIREMENT BENEFITS :

The Company's contribution to Provident Fund and ESIC is accounted on accrual basis and charged to Profit and Loss Account. The Company accounts for liability for Gratuity of employees on the basis of Actuarial Valuation. Gratuity is payable to Employees after Retirement or Resignation of Employees; whereas there is no defined policy enabling the employees to avail encashment of leave.

IMPAIRMENT OF ASSETS :

An asset is treated as impaired when the carrying cost of the Asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. The Impairment loss recognized in prior accounting periods is increased / reversed where there has been change in the estimate of recoverable amount. The recoverable value is the higher of the net selling price and value in use.

USE OF ESTIMATES :

The preparation of financial statements requires management to make estimates and assumption that affect the reported amounts of assets and liabilities on the date of financial statements, the reported amount of revenues and expenses and the disclosures relating to contingent liabilities as on the date of financial statements. Actual results could differ from those of estimates. Any revision in accounting estimates is recognized in accordance with the respective accounting standard.

EARNINGS PER SHARE :

The Company reports basic and diluted earnings per share in accordance with AS-20 "Earnings Per Share". Basic earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of Equity Shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of Equity Shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares.

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Contingent liabilities as defined in AS-29 "Provisions, Contingent Liabilities and Contingent Assets" are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.

TAXES ON INCOME :

Tax expenses comprise both current & deferred taxes.

Current tax is determined as the tax payable in respect of taxable income for the year.

Deferred tax for the year is recognised on timing difference; being difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured assuming the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only if there is a reasonable / virtual certainty of realisation.

LEASES :

- Assets leased by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on a straight-line basis.

- The value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. According to the management, provision for all the known liabilities is adequate.
- Balances in Debtors, Creditors, loans, advances, and other current assets are subject to confirmation and reconciliation.
- Auditors' remuneration in accordance with paragraph 4B of part II of Schedule VI to the Companies Act, 1956 is as under:

Particulars	31 March 2013	31 March 2012
As Statutory Auditors	75,000	75,000
As Tax Auditors	25,000	25,000
As VAT Auditors	25,000	-
As Cost Auditors	25,000	-
Company Law Matters	-	-
Management Services	-	-
Other Services	93,478	-
Reimbursement of expenses	-	-
	243,478	100,000

5. Earning per share is calculated as under:

Particulars	31 March 2013	31 March 2012
Basic earning per share		
Net profit after Taxation	4,002,950	37,772,861
Number of shares issued (Nominal Value Rs. 10)	3,089,700	3,089,700
Basic earning per share	1.30	12.23
Diluted earning per share		
Net profit after Taxation	4,002,950	37,772,861
Number of shares issued (Nominal Value Rs. 10)	3,089,700	3,089,700
Diluted earning per share	1.30	12.23

6. Directors' Remuneration	31 March 2013	31 March 2012
Within the limits of Schedule XIII to the Companies Act 1956	2,940,000	2,940,000

7. "The Micro, Small and Medium Enterprise Development Act, 2006" has repealed the provision of interest on delayed payment to small scale and ancillary industrial undertaking Act, 1993. The management does not find it necessary to provide for interest on delayed payments to the suppliers covered by the said Act in view of insignificant amount and probability of its outgo.

8. Disclosure of Provisions as required by AS-29 is as under:

Particulars	Opening Balance	Additional provisions during the year	Amount Used & Unused amount reversed during the year	Closing Balance
		Rs.	Rs.	Rs.
Income tax provision	14,545,678	1,184,889	16,011,831	-281,264

9. Related Party Disclosures, as required by AS-18 are given below:

A. Relationships:

Category I: Holding Company NIL

Category II: Key management Personnel

Managing Director

Remuneration Rs. 1500000

Executive Director

Remuneration Rs. 1440000

Category III: Others (Relatives of Key Management Personnel and Entities in which the Key Management Personnel have control or significant influence)

B. Transactions with related Parties:

TRANSACTIONS DURING THE YEAR	Relationship	Current Year	Previous Year
		Rs.	Rs.
Opening Balances	Key Managerial Persons	-	-
	Others	-	-

Loans & Advances received during the year	Key Managerial Persons	-	-
	Others	-	-
Amounts repaid during the year	Key Managerial Persons	-	-
	Others	-	-
Interest paid on loans and advances	Key Managerial Persons	-	-
	Others	-	-
Remuneration & Reimbursements	Key Managerial Persons	2,940,000	2,940,000
	Others	-	-
Closing Balances	Key Managerial Persons	-	-
	Others	-	-

10. Value of imports calculated on C.I.F basis by the company during the financial year in respect of –

Particulars	31 March 2013	31 March 2012
i. Raw materials;	563,632,955	312,778,430
ii. Components and spare parts	-	-
iii. Capital goods	-	-
iv. Trading Goods	-	-

11. Other Expenses in Foreign Currency:

Particulars	31 March 2013	31 March 2012
i. Royalty, Know-how, Professional and Consultation fees, Interest, and Other matters	38,537	-
ii. Total value if all imported / indigenous raw materials, spare parts and components consumed and the percentage of each to the total consumption	-	-
iii. Amount remitted in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;	-	-
iv. Earnings in foreign exchange classified under the following heads, namely		
i. Export of goods calculated on F.O.B. basis	178,856,151	253,220,689
ii. Royalty, know-how, professional and consultation fees;	-	-
iii. Interest and dividend	-	-
iv. Other income, indicating the nature thereof	-	-

12. Information of major Raw Material Consumption

Particulars	31 March 2013		31 March 2012	
	Quantity	Rupees	Quantity	Rupees
Iodine Crude	153.88 MT	527,623,820	198.30 MT	526,466,666
Grand Total	153.88 MT	527,623,820	198.30 MT	526,466,666

13. The excise duty and sales tax, shown as deduction from turnover, are total tax on sale of goods for the year.

14. The disclosure of "Employee Benefits" as per Accounting Standard 15 are as follows;

(A) Defined contribution plans:

Provident fund:

The Company has recognized the following amounts in the Profit and Loss Account for the year:

(i) Contribution to Provident Fund (Employer's Contribution) Rs. 398820

(B) Defined Benefit Plans

(i) Disclosure of Gratuity Liabilities

The Company has accounted for provision of gratuity based on actuarial valuation done by Life Insurance Corporation of India amounting to total liability till date of Rs. NIL.

15. The Company has only one reportable business segment hence no further disclosure is required under Accounting Standard-17 on "Segment reporting".

16. Disclosure of Deferred Taxes

Deferred Tax Asset	31 March 2013	31 March 2012
Due to Accumulated Depreciation	-	-
Addition / Disallowance under the Income-tax creating timing difference	(480,999)	(621,910)
Sub Total	(480,999)	(621,910)
Due to Difference between tax Depreciation and book depreciation	3,472,314	3,123,634
Sub Total	3,472,314	3,123,634
Net Deferred Tax Liability	2,991,315	2,501,724

17. The management has made full inquiries and is of the view that assets of the Company in form of fixed assets and Inventories are good in nature, and are stated at appropriate value of the respective assts; and there is no necessity as to impairment / write down provision in the accounts.

18. Disclosures required under Accounting Standard-19 on "Leases".

Finance Lease - Assets Given on Lease

The Company has not given any of its assets on lease.

Operating Lease - Assets Taken on Lease	31 March 2013	31 March 2012
Total of future minimum lease payments under non-cancelable operating leases for each of the following periods:		
- Not later than one year;	-	-
- Later than one year and not later than five years;	-	-
- Later than five years;	-	-
Total of future minimum sublease payments expected to be received under non-cancelable subleases at the balance sheet date	-	-
Lease payments recognized in the statement of profit and loss for the period, with separate amounts for minimum lease payments and contingent rents	418,788	387,178

Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the period	0	0
General description of the lessee's significant leasing arrangements including, but not limited to, the following: Basis on which contingent rent payments are determined; Existence and terms of renewal or purchase options and escalation clauses; and Restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing.	Not Applicable	Not Applicable
Operating Lease - Assets Given on Lease	31 March 2013	31 March 2012
Gross carrying amount	-	-
Accumulated depreciation	-	-
Accumulated impairment losses	-	-
The depreciation recognized in the statement of profit and loss for the period	-	-
Impairment losses recognized in the statement of profit and loss for the period	-	-
Impairment losses reversed in the statement of profit and loss for the period;	-	-
Future minimum lease payments under non-cancelable operating leases in the aggregate and for each of the following periods	-	-
Not later than one year;	-	-
Later than one year and not later than five years;	-	-
Later than five years;	-	-
Total contingent rents recognized as income in the statement of profit and loss for the period	-	-

19. The previous year's figures have been regrouped / rearranged / reclassified wherever considered necessary to correspond with the figures of current year.

20. Notes 1 to 25 form an integral part of the accounts and have been duly authenticated.

AS PER OUR REPORT OF EVEN DATE

For Shah, Shah & Shah
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For Samrat Pharmachem Limited

Lalit Mehta
Managing Director

Rajesh Mehta
Executive Director

Mehul Shah
Partner
Membership No. : 49361
FRN : 116457W

Mahendra Pipalia
Director

Samir Kothary
Director

Hitendra Shah
Director

Place : Mumbai

Date : 30th May 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	31/Mar/13 Rs.	31/Mar/12 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	5,815,646	57,990,290
ADJUSTMENTS FOR :		
DEPRECIATION	2,415,362	1,927,678
PROFIT/LOSS ON SALE OF ASSETS	0	33,401
PROFIT/LOSS ON SALE OF INVESTMENTS	0	0
PRELIMINARY EXPENSES	0	0
INTEREST/DIVIDEND	6,919,723	3,754,442
	<u>9,335,084</u>	<u>5,715,522</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>15,150,730</u>	<u>63,705,812</u>
ADJUSTMENTS FOR :		
TRADE AND OTHER RECEIVABLES	-11,175,144	-28,665,032
INVENTORIES	-23,623,434	-42,867,117
TRADE PAYABLES	25,100,065	59,426,301
	<u>-9,698,513</u>	<u>-12,105,848</u>
CASH GENERATED FROM OPERATIONS	<u>5,452,217</u>	<u>51,599,963</u>
INTEREST PAID	-6,919,723	-3,754,442
DIRECT TAXES PAID	-16,150,047	-8,084,271
	<u>-23,069,770</u>	<u>-11,838,714</u>
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<u>-17,617,553</u>	<u>39,761,250</u>
EXTRAORDINARY ITEMS	0	0
NET CASH FROM OPERATING ACTIVITIES	<u>-17,617,553</u>	<u>39,761,250</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	-3,851,294	-12,849,745
SALE/REALIZATION OF FIXED ASSETS	0	1,000
CAPITAL WORK-IN-PROGRESS	-7,546,226	-23,272,234
SALE/REALIZATION OF INVESTMENTS	0	0
INTEREST/DIVIDEND RECEIVED	0	0
NET CASH USED IN INVESTING ACTIVITIES	<u>-11,397,520</u>	<u>-36,120,979</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM ISSUE OF SHARE CAPITAL	0	0
SUBSIDY FROM GOVERNMENT	0	0
PROCEEDS FROM LONG TERM BORROWINGS	-2,749,645	15,951,472
SHORT TERM BORROWINGS	11,585,977	1,933,012
NET CASH USED IN FINANCING ACTIVITIES	<u>8,836,333</u>	<u>17,884,484</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>-20,178,740</u>	<u>21,524,755</u>
CASH AND CASH EQUIVALENTS AT 1/Apr (Opening Balance)	19,285,481	-2,239,273
CASH AND CASH EQUIVALENTS AT 31/Mar (Closing Balance)	<u>-893,259</u>	<u>19,285,481</u>

For Shah, Shah & Shah
Chartered Accountants

Mehul Shah
Partner

Place : Mumbai
Date : 30th May 2013

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For Samrat Pharmachem Limited

Lalit Mehta
Managing Director

Mahendra Pipalia
Director

Samir Kothary
Director

Rajesh Mehta
Executive Director

Hitendra Shah
Director

Samrat Pharmachem Limited

Registered Office : Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the Meeting Hall.

L. F. No. (s) _____

NAME OF THE SHAREHOLDER/PROXY _____

ADDRESS _____

No. of shares held : _____

I/We hereby record our presence at the Twenty-First Annual General Meeting being held on Saturday, the 28th day of September, 2013 at 1.00 p.m. at the Registered Office of the Company at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.

SIGANATURE OF THE SHAREHOLDER / PROXY *

* Strike out whichever is not applicable.

Samrat Pharmachem Limited

Registered Office : Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat

PROXY FORM

Regd. Folio No./DP ID No. _____
No. of Shares held _____
Proxy No. _____

I/We _____

of _____

being a Member / Members of **SAMRAT PHARMACHEM LIMITED, Ankleshwar,**

hereby appoint _____

of _____ or failing him _____

_____ of _____

as my/our proxy to vote for me/us on my behalf, at the Twenty-First Annual General Meeting of the Company to be held on Saturday, the 28th day of September, 2013 at 1.00 p.m. at the Registered Office of the company and at any adjournment thereof.

Signed this _____ day of _____ 2013.

Please Affix One Rupee Revenue Stamp here
--

Signature of Member(s)
across the stamp

Note : The proxy must be deposited with the Registered Office of the Company at Plot No. A2/3445, GIDC Phase 4, Ankleshwar-393 002, GUJARAT not less than 48 hours before the time for holding the meeting.

www.samratpharmachem.com



Certificate

SWISS CERT Pvt. Ltd here by certifies that the company

SAMRAT PHARMACHEM LIMITED

**PLOT NO. A2/3444 & 3445, GIDC, PHASE - 4,
ANKLESHWAR - 393 002, GUJARAT, INDIA**

has implemented and maintains a Feed Safety Management System including Good Manufacturing Practice (GMP) in compliance with: FAMI-QS Code (Version 05, 2009-04-01).

and scope of supply detailed below

Category: Nutritional Additives, Functional Group: Compound of trace elements

Subject to the continued satisfactory operation of the client's FAMI-QS Management System, this Certificate is valid for a period of Three years from: 29-09-2012

This Certificate will be valid until: 28-09-2015
Certificate Number: 510001 Rev. No: 00
FAMI-QS Registration Number: 0639.

SWISS CERT PVT. LTD.


Director Operations

FAMIQS

SWISS CERT PVT. LTD.


Managing Director

507, PRAGATI TOWER, 26, RAJENDRA PLACE, NEW DELHI - 110008, INDIA
Phone No.: +91-11-41539720, Fax: +91-11-41539721
Email: info@swisoindia.com, Website: www.swisscert.co.in

A FAMIqs Certified Co.

Book-Post



If undelivered please return to :

Samrat Pharmachem Limited

Plot No. A2/3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat.

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