



**28th**

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**ANNUAL REPORT**

---

**2012-2013**

**Link**

**Pharma Chem Limited**

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# LINK PHARMA CHEM LIMITED

## 28<sup>th</sup> Annual Report

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**BOARD OF DIRECTORS**

B. V. RETAREKAR	CHAIRMAN
S. G. THAKUR	MANAGING DIRECTOR
S. B. DHATRAK	DIRECTOR
M. V. KELKAR	DIRECTOR
D. U. SHAH	DIRECTOR

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**REGISTERED OFFICE**

162, G.I.D.C. NANDESARI IND. ESTATE,  
NANDESARI - 391 340.  
DIST. : VADODARA

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**MANUFACTURING FACILITY AT**

161/1,162,163,164, G.I.D.C. IND. ESTATE,  
NANDESARI-391 340.  
DIST. : BARODA.

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**AUDITORS**

KHEDKAR & CO.

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**BANKERS**

BANK OF INDIA

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**REGISTRARS AND  
TRANSFER AGENT**

LINK INTIME INDIA PVT. LTD.  
B -102 & 103, Shangrila Complex,  
First Floor,Opp. HDFC Bank,  
Near Radhakrishna Char Rasta,  
Akota, Vadodara - 390020.  
Tel. No. 0265 - 2356573/2356794  
Fax : (0265) 2250246

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**NOTICE**

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of LINK PHARMA CHEM LIMITED will be held at Plot No.163/164, Nandesari Ind. Estate, Nandesari – 391 340, Dist. Vadodara on Saturday, 31<sup>st</sup> August, 2013 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

01. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2013 and the Profit and Loss Account for the year ended on that date together with the reports of the Directors' and the Auditors' thereon.
02. To appoint a Director in place of Shri Suresh Dhatriak who retires by rotation and being eligible, offers himself for re-appointment.
03. To appoint auditors and fix their remuneration.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 29<sup>th</sup> August, 2013 to Saturday 31<sup>st</sup> August, 2013 (both days inclusive).
3. The Company has implemented the, "Green Initiative" as per the 'Go Green Initiative'. Members are requested to support this green initiative by registering/ updating their e-mail addresses, in respect of shares held in dematerialised form with their respective Depository Participant and in respect of shares held in physical form, shareholders can register their e-mail address with the Company at linkpharmachem@hotmail.com mentioning their name(s) and folio number or send the details to the Company's Registrars and Transfer Agent, Link Intime India Private Limited.

By the Order of Board of Directors of  
**LINK PHARMA CHEM LIMITED**

PLACE : VADODARA                      B. V. RETAREKAR  
DATE : 30.05.2013                      CHAIRMAN

**Notes:**

Note:

1. A MEMBER ENTITLED TO ATTEND THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING AND THE PROXY NEED NOT BE A MEMBER.

**DIRECTORS' REPORT**

To,  
Members of **LINK PHARMA CHEM LIMITED**

Your Directors are pleased in present the 28th Annual Report together with Audited Statement of Accounts for the period ended March 31, 2013:-

**1) FINANCIAL RESULTS : (Rs. In Lacs)**

	<b>FOR THE YEAR ENDED 31-3-2013</b>	<b>FOR THE YEAR ENDED 31-3-2012</b>
SALES	1806.31	1917.16
OTHER INCOME	14.90	28.19
PROFIT BEFORE INTEREST, DEPRECIATION AND TAX	233.37	203.75
INTEREST	122.92	86.86
DEPRECIATION	60.19	48.34
PROVISION FOR TAXATION (DEFERRED & CURRENT TAX)	21.43	18.93
PROFIT AFTER TAXATION	28.83	49.62

**2) OPERATING RESULTS :**

During the year under review, the turnover of your Company has decreased to Rs.1806.31 lacs from Rs.1917.16 lacs of the previous year. Your company has made profit of Rs. 28.83 lacs as against profit of Rs.49.62 lacs of the previous year. in view of increase in interest and depreciation due to the implementation of new project.

**3) DIVIDEND :**

In view of meagre profit your Directors do not recommend any dividend for the year under review.

**4) FUTURE OUTLOOK :**

In view of changed international scenario, your Company plans to export its existing products. Necessary permission from competent authorities for manufacturing bulk drug products is awaited.

**5) DEPOSITS :**

The Company has neither received nor accepted any deposit from public in terms of Section 58A of the Companies Act, 1956.

**6) PARTICULARS REGARDING CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Pursuant to the applicable Rules read with Section 217(1)(e) of the Companies Act, 1956, details relating to Conservation of Energy, Technology Absorption, Foreign Exchange earning and out-go are given in the Annexure forming part of this Report.

**7) PERSONNEL :**

During the year under review, none of the Employees was in receipt of remuneration of Rs. 60,00,000/- per annum when employed through out the year or Rs. 5,00,000/- per month when employed for part of the year and therefore the provisions of Section of 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are not attracted.

**8) DIRECTORS :**

Shri Suresh Dhattrak retires by rotation and being eligible, offers himself for re-appointment. Members are requested to reappoint him at the ensuing annual general meeting of the Company.

**9) AUDITORS AND AUDITORS' REPORT :**

M/s. Khedkar & Co. Chartered Accountants, Vadodara, Statutory Auditors of the company who retires at the ensuing Annual General Meeting of the Company, have given their

consent to be reappointed as Statutory Auditors of the Company. Your Directors recommend their appointment as Statutory Auditors for the year 2013-14. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

Government Authorities, the larger family of shareholders and last but not the least, the contribution made by the dedicated employees of the company at all levels.

For and on Behalf of Board of Directors of  
LINK PHARMA CHEM LIMITED

**10) COMPLIANCE CERTIFICATE :**

The Compliance certificate in terms of Section 383A of the Companies Act 1956, issued by a practicing Company Secretary is annexed to this report as Annexure "B".

PLACE : BARAODA  
DATE : 30.05.2013

B. V. RETAREKAR  
CHAIRMAN

**11) DIRECTORS' RESPONSIBILITY STATEMENT :**

As required under Section 217 (2AA) of the Companies Act, the Directors hereby confirm that :

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis.

**12) ACKNOWLEDGEMENTS :**

Your Directors place on record their sincere appreciation for the continued co-operation received from the Central, State and Local

**ANNEXURE - A**  
**INFORMATION AS PER SECTION 217 (1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2013.**

**1. CONSERVATION OF ENERGY :**

- a) Energy conservation measures taken :
  - i) The company has proposed the condensation recovery system for the boiler, so that water consumption will reduce & also fuel consumption will reduce.
  - ii) All vessels and pipeline are properly insulated to get energy conservation.
  - iii) Annual energy audit is being carried out by the Company.
  - iv) The Company has started use of bio coal in boiler which is environment friendly.
- b) Additional Investment :

Additional Investment is done in the plant for the manufacturing of some products on contract basis.

Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :

It has resulted in achieving lesser energy consumption thereby reducing cost of production.

Total energy consumption & energy consumption per unit of production is given as per Form-A of the rules :

**FORM - A**

(See Rule 2)

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

**A. Power and Fuel Consumption :**

	2012-2013 <u>Current Year</u>	2011-2012 <u>Previous Year</u>
<b>1. Electricity :</b>		
(a) Purchased Unit	16,57,516	18,36,316
Total Amount (Rs.)	1,05,39,782	1,06,08,136
Rate/Unit (Rs.)	6.36	5.78
(b) Own Generation :	Nil	Nil
(i) Through Diesel Generation Unit	-	-
Unit per lit. of diesel Oil Cost/Unit	-	-
(ii) Through Steam turbine/generator	Nil	Nil
Units	-	-
Units per Lit. of Fuel-	-	-
Oil/Gas	-	-
Cost/Units	-	-

**2. Coal (Specify Quality and where used)**

	2012-2013	2011-2012
Quantity (Tonnes)	9,67,714	11,13,710
Total Cost	57,81,227	58,75,117
Average Rate	5.97	5.28

**3. Furnace Oil (LDO)**

	Nil	Nil
Quantity	Nil	Nil
Total Amount	Nil	Nil
Average Rate	Nil	Nil

**4. Other Generation (Gas)**

	Nil	Nil
Quantity (Cu.Mt.)	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil

**B. CONSUMPTION PER UNIT OF PRODUCTION :**

Product (With Details)	<u>Consumption per M.T.</u>	
	Current Year <u>2012-2013</u>	Previous Year <u>2011-2012</u>
ALL PRODUCTS		
Electricity (Units)	2833.36	3060.52
GAS (Cu.m.)	Nil	Nil

**II TECHNOLOGY ABSORPTION :**

Efforts made in the Technology Absorption in Form B are as given below:

**FORM - 'B'**

**RESEARCH & DEVELOPMENT :**

- i) Specific areas in which in house R & D activities carried out by the company :  
Efforts have been made to improve the quality of existing products & certain new products are under development.
- ii) Benefits derived as a result of the above R & D activities:  
Quality has been improved of existing products to achieve more customer Satisfaction.
- iii) Future Plan of action:  
The Company intends to concentrate on product development for forward integration purpose.
- iv) Expenditure on R & D.

(Rs. in Lacs)

	2012-2013	2011-2012
Capital	1.54	6.63
Recurring	7.50	7.86
Total	<b>9.04</b>	<b>14.49</b>
Total R & D expenditure as a percentage of total turnover	0.50	0.76

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

NOT APPLICABLE

**III. FOREIGN EXCHANGE EARNING & OUTGO**

(Rs.in lacs)

	2012-2013 <u>Current Year</u>	2011-2012 <u>Previous Year</u>
A. Activities relating to exports	Nil	Nil
B. Foreign Exchange Earning	1.44	Nil
C. Foreign Exchange Outgo	Nil	1.01

**COMPLIANCE CERTIFICATE****CIN: L24230GJ1984PLC007540****Authorized Share Capital: Rs. 500 Lacs**

To, The Members of

**LINK PHARMA CHEM LIMITED**

We have examined the registers, records books and papers of LINK PHARMA CHEM LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

01. The company has kept and maintained all registers as stated in Appendix 'A' to this certificate, as per the provisions and the rules made there under and all entries have been duly recorded.
02. The company has filed forms and returns as stated in the Appendix 'B' to this certificate with the Registrar of Companies, Regional Director, the Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
03. The company being Public Limited company, comments are not required.
04. The Board of Directors met 11 times on 12<sup>th</sup> April, 2012, 30<sup>th</sup> June, 2012, 13<sup>th</sup> August, 2012, 04<sup>th</sup> September, 2012, 28<sup>th</sup> September, 2012, 19<sup>th</sup> October, 2012, 06<sup>th</sup> November, 2012, 31<sup>st</sup> December, 2012, 14<sup>th</sup> February, 2013, 18<sup>th</sup> March, 2013 and 31<sup>st</sup> March, 2013 in respect of which meetings notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
05. The company closed its Register of Members from 24.09.2012 to 28.09.2012 (Both days inclusive) and necessary compliance of Section 154 of the Act has been made.
06. The annual general meeting for the financial year ended on 31.03.2012 was held on 28.09.2012 after giving notice to the members of the company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
07. No Extra Ordinary General Meeting was held during the financial year.
08. The company has not advanced any loans to its directors or person or firm or companies referred to under section 295 of the Act.
09. The company has entered into contracts falling within the purview of section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As 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.
12. The company has not issued any duplicate share certificates during the financial year.
13.
  - i) There was no allotment. The company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
  - ii) The company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) The company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - iv) There was no amount in the unpaid dividend account, applications money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and hence transferring of the same to Investor Protection Fund does not arise.
  - v) The company has 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 directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole Time Director/ Manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was required to obtain any approval of the Regional Director under section 297 of the Companies Act, which is not obtained. Except this the Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares or 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 transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31<sup>st</sup> March, 2013 are within the borrowing limits of the company and that necessary resolution as per section 293 (1) (d) of the Act have been passed in the general meeting.
25. The company has not made any loans or advances or given guarantees 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 of the company with respect to situation of the company's registered office from one State to another during the financial year.
27. The company has not altered the provisions of the Memorandum of Association of the company with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum of Association of the company with respect to name of the company during the financial year.
29. The company has not altered the provisions of the Memorandum of Association of the company with respect to Share Capital of the company during the year.
30. The company has not altered its Articles of Association during the financial year.
31. There was/were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on 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 deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

PLACE: VADODARA  
DATE: 24.05.2013

FOR VIJAY BHATT & CO.  
COMPANY SECRETARIES

**V. J. BHATT**  
PROPRIETOR  
CP: 2265

**APPENDIX 'A'**

Registers as maintained by **LINK PHARMA CHEM LIMITED:**

01. Register of charges u/s 143 of the Companies Act, 1956.
02. Register of Members u/s 150 of the Companies Act, 1956.
03. Index of Members u/s 151 of the Companies Act, 1956.
04. Registers and Returns u/s 163 of the Companies Act, 1956.
05. Register of particulars of contracts in which directors are interested u/s 301 of the Companies Act, 1956.
06. Register of Directors, Managing Director etc. u/s 303 of the Companies Act, 1956.
07. Register of Directors' Shareholding u/s 307 of the Companies Act, 1956.
08. Register of transfers.

**APPENDIX 'B'**

Forms and Returns as filed by the **LINK PHARMA CHEM LIMITED** with the Registrar of Companies during the financial year ending on 31<sup>st</sup> March 2013.

01. Annual Return filed u/s 163 of the Companies Act, 1956 in Form 20B on 07.02.2013 vide MCA Challan No. Q06488753 for the Annual General Meeting held on 28.09.2012.
02. Compliance Certificate filed u/s 383A of the Companies Act, 1956 in Form 66 on 12.10.2012 vide MCA Challan No. P90126087 for the Financial year ended on 31<sup>st</sup> March 2012.
03. Annual Accounts filed u/s 220 of the Companies Act, 1956 in Form 23AC XBRL & 23ACA XBRL on 08.08.2012 vide MCA Challan No. P88310834 for the year ended 31<sup>st</sup> March, 2011 adopted at the Annual General Meeting of the company held on 29.09.2011.
04. Annual Accounts filed u/s 220 of the Companies Act, 1956 in Form 23AC XBRL & 23ACA XBRL on 06.02.2013 vide MCA Challan No. Q06458681 for the year ended 31<sup>st</sup> March, 2012 adopted at the Annual General Meeting of the company held on 28.09.2012.
05. Form No.8 filed u/s 125/127/135 of the Companies Act, 1956 on 19.12.2012 vide MCA Challan No. B64199375 for modification of charge in favour of Bank of India.
06. Form No.8 filed u/s 125/127/135 of the Companies Act, 1956 on 21.12.2012 vide MCA Challan No. B64382203 for modification of charge in favour of Bank of India.
07. Form No. 23C filed u/s 233B of the Companies Act, 1956 vide MCA Challan No. S20192969 on 07.02.2013 for the appointment of cost auditor for the year 2012-2013.

Place : VADODARA  
Date : 24-05-2013

FOR VIJAY BHATT & CO.  
COMPANY SECRETARIES

**V. J. BHATT**  
PROPRIETOR  
CP : 2265

**REPORT ON CORPORATE GOVERNANCE**

(Pursuant to Clause 49 of the Listing Agreement)

The following is a report on Corporate Governance code as implemented by your Company.

**A. MANDATORY REQUIREMENTS**
**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Link Pharma Chem Limited has over the years followed the best business practices. The Company believes that good Corporate Governance is essential to achieve long-term corporate goals and to enhance stakeholders' value. In this pursuit, the company is committed to conducting business in accordance with the highest legal and ethical standard, superior product quality and services to its customers. All employees are bound by a Code of Conduct, which sets forth Company's policies on important issues, including relationship with customers, vendors and the Government.

**2. BOARD OF DIRECTORS**

Non-Independent - 2 – Chairman and Managing Director  
 Independent - 3 Directors

During the Financial Year ended on 31<sup>st</sup> March, 2013, 11 Board Meetings were held viz. 12<sup>th</sup> April, 2012, 30<sup>th</sup> June, 2012, 13<sup>th</sup> August, 2012, 04<sup>th</sup> September, 2012, 28<sup>th</sup> September, 2012, 19<sup>th</sup> October, 2012, 06<sup>th</sup> November, 2012, 31<sup>st</sup> December, 2012, 14<sup>th</sup> February, 2013, 18<sup>th</sup> March, 2013, and 31<sup>st</sup> March, 2013. The attendance of each director at Board Meetings and the last Annual General Meeting (AGM) is as under:

**Composition of the Board of Directors and Attendance of them:**

Name of Director	Category of Directorship	No. of Board Meetings		Attendance at the last AGM	Remarks
		Held during the year	Attended during the year		
Mr. B.V. Retarekar	Non-Independent	11	11	Yes	-
Mr. S.G. Thakur	Non-Independent	11	11	Yes	-
Mr. S.B. Dhatriak	Independent	11	4	Yes	-
Mr. Milind Kelkar	Independent	11	4	Yes	-
Mr. Devang U. Shah	Independent	11	4	Yes	-

**3. Committees:**
**A. Audit Committee:**
**BROAD TERMS OF REFERENCE**

The terms of reference of the Audit Committee include:

- To review the Company's financial reporting process and its financial statements
- To review the accounting and financial policies and practices
- To review the efficacy of the internal control mechanism and monitor risk management policies adopted by the company and ensure compliance with regulatory guidelines
- To review reports furnished by the internal and statutory auditors and ensure that suitable follow-up action is taken
- To recommend appointment/removal of auditors and fix/approve fees and other payments audit Committee was formed in the Board Meeting of 5<sup>th</sup> March, 2003 and comprise of 2 Independent Directors and 1 non-independent director.

Name of member	Status	No. of meetings held	No. of meetings attended
Mr. S. B. Dhatriak	Chairman	4	4
Mr. D. U. Shah	Member	4	4
Mr. B. V. Retarekar	Member	4	4

Managing Director Mr. S. G. Thakur and Internal Auditor Mr. Jitendra Jain of Jitendra K. Jain &amp; Associates. are invitees.

**B. REMUNERATION COMMITTEE :**

As per Clause 49 of the Listing Agreement, constitution of remuneration committee is non-mandatory. However, company formed the remuneration committee on 30<sup>th</sup> January, 2004 with S. B. Dhatrik as Chairman, Mr. Milind Kelkar and Mr. Devang Shah as Members.

The Board of Directors determines the remuneration of whole time/executive directors within the framework as approved by the shareholders/the Central Government.

**DETAILS OF REMUNERATION:**
**(a) Pecuniary Relationships:**

None of the Non-Executive Directors of your company have any pecuniary relationships or material transactions with the company except for sitting fees and traveling expenses paid to them for attending Board Meetings thereof.

In compliance with the requirements of Accounting Standard 18 (AS-18) issued by ICAI, transactions with related parties have been furnished under Notes to the Accounts of the Financial Statements.

**(b) The remuneration of Executive Directors for the year 2012-2013 is as under:**

Name of the Director	Salary(Rs.)	Perquisites(Rs.)	Contribution to PF and other fund (Exempted Perks) (Rs.)
Mr. B.V. Retarekar	15,00,000	Nil	18,720
Mr. S. G. Thakur	15,00,000	Nil	18,720

**C. Investors / Shareholders Grievance Committee :**

The Committee was formed on 5<sup>th</sup> March, 2003 and comprised of two directors to specifically look in to issue relating to investors including share related matters.

Name of the Director	Status	No. of Meetings held	No. of Meetings attended
Mr. S. B. Dhatrik	Chairman	4	4
Mr. B.V.Retarekar	Member	4	4
Mr.S.G.Thakur	Member	4	4

**4. General Body Meeting :**

The location and time of the General Meetings held during the last three years is as follow :

AGM/EGM	Date	Venue	Time	No. of Special Resolutions Passed
AGM	28.09.2012	163/164, G.I.D.C., Industrial Estate, Nandesari, Dist. Baroda - 391 340	11.00 A.M.	Nil
AGM	29.09.2011	163/164, G.I.D.C., Industrial Estate, Nandesari, Dist. Baroda - 391 340	11.00 A.M.	Nil
EGM	08-03-2011	163/164, G.I.D.C., Industrial Estate, Nandesari, Dist. Baroda-391 340	11.00 A.M.	2
AGM	29-09-2010	163/164, G.I.D.C., Industrial Estate, Nandesari, Dist. Baroda - 391 340	11.00A.M.	1

- Whether Special resolutions were put through postal ballot last year - N.A.
- Person who conducted the postal ballot exercise - N.A.
- Whether Special resolutions are proposed to be conducted through postal ballot - None.

Resolutions are generally passed on a show of hands.

## **5. Disclosure**

- There are no materially significant related party transactions entered into by the Company with its Promoters, Directors of Management their subsidiaries of relatives etc. that may have potential conflict with the interests of the Company at large.
- Transactions with the related parties are disclosed in Clause 13 of Notes to the Accounts of Schedule 22 to the financial statements in the Annual Report.
- During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

## **6. Means Of Communication:**

- a. Quarterly and Half-yearly results to shareholders are intimated through newspapers as per the requirements.
- b. The Quarterly and Half-yearly results are published in the Gujarati & English edition of Western Times.
- c. Presentations made to institutional investors or to the analyst – None

Management Discussion and Analysis forms part of the Annual Report which is posted to the shareholders of the company.

## **7. Particulars of Directors seeking re-appointment at the ensuing 28<sup>th</sup> Annual general Meeting of the Company**

### **(a) Details of Directors who retire by rotation and seek re-appointment :**

#### **(i) Mr. Suresh B Dhattrak**

Name of the director	Suresh B Dhattrak
Date of Birth	1 <sup>st</sup> September, 1952
Education Qualification	M.com, Master of Management Science, Dip. In Busines Management
Specific Functional Area	Accounting and Financial Management
Other Directorships held	Nil
Other Committees of Directors were memberships held	None

**8. General Shareholder information:**

- a) AGM date, time and venue : Saturday, 31st August 2013 at 11:00 A.M. at 163/164, G.I.D.C., Nandesari, Dist. Vadodara.
- b) Financial Calendar for Financial Year 2013-2014
- 1st quarter results : On or before 15<sup>th</sup> August, 2013
- 2nd quarter & half yearly results : On or before 15<sup>th</sup> November, 2013
- 3<sup>rd</sup> quarter results : On or before 15<sup>th</sup> February, 2014
- 4<sup>th</sup> quarter & audited Accounts : On or before 31<sup>st</sup> May, 2014
- c) Date of Book Closure : Thursday, 29<sup>th</sup> August 2013 to Saturday, 31st August 2013 (both days inclusive)
- d) Dividend Payment Date : Not Applicable
- e) Listing on Stock Exchange : The Bombay Stock Exchange Ltd.  
Demat connectivity : National Securities Depository Ltd.  
Central Depository Services (I) Ltd.
- f) Stock Code :
- The Bombay Stock Exchange Limited : 524748  
NSDL/CDSL : ISIN:INE302F01011
- g) Stock Market price data for the year 2012-2013 of the company on BSE:

Month	Month's low price	Month's high price	Sensex	
			High	Low
April-2012	5.77	7.40	17664.10	17010.16
May-2012	4.60	6.77	17432.33	15809.71
June-2012	4.82	6.33	17448.48	15748.98
July-2012	4.81	5.88	17631.19	16598.48
August-2012	5.02	6.36	17972.54	17026.97
September-2012	5.05	6.11	18869.94	17250.80
October-2012	4.71	6.46	19137.29	18393.42
November-2012	5.11	6.08	19372.70	18255.69
December-2012	5.11	6.67	19612.18	19149.03
January-2013	5.18	10.16	20203.66	19508.93
February-2013	6.66	8.40	19966.69	18793.97
March-2013	5.95	8.98	19754.66	18568.43

- h) Registrars & Transfer Agents : LINK INTIME INDIA PVT. LTD.  
(Common Agency for Physical & demat Segment) B - 102 & 103, Shangrila Complex, First Floor,  
Off : HDFC Bank, Near Radhakrihna Char Rasta, Akota. Vadodara-390 020.  
Phone: 0265 - 2356573/2356794  
Fax: (0265) 2250246

**i) Share Transfer System :**

Share Transfer requests received in physical mode are normally registered within 30 days from the date of receipt and demat requests are normally confirmed within an average of 15 days from the date of receipt.

**j) Distribution and Shareholding Pattern as on March 31, 2013 :**

No. of equity shares Held	No. of Share Holders	% of Share holders	Share holding	% of Share holding
1 – 500	5215	90.09	713990	16.08
501 – 1000	234	4.04	201852	4.55
1001 – 2000	180	3.11	262155	5.90
2001 – 3000	58	1.00	145294	3.27
3001 – 4000	15	0.26	51624	1.16
4001 – 5000	26	0.45	126443	2.85
5001 – 10000	28	0.48	206921	4.66
10001 & above	33	0.57	2732289	61.53
<b>TOTAL</b>	<b>5789</b>	<b>100.00</b>	<b>4440568</b>	<b>100.00</b>

**Categories of Shareholders as on 31<sup>st</sup> March, 2013 :**

Category	Folios & Demat A/cs	Shares held	% of Total Shares
Other Bodies Corporate	67	262225	5.91
Clearing Member	7	9986	0.22
Directors	2	1055119	23.76
Mutual Fund	1	700	0.01
Non Resident Indians	30	90546	2.04
Non Resident ( Non Repatriable)	3	1547	0.04
Promoters	8	143630	3.23
Relatives of Directors	17	986647	22.22
Public / Others	5654	1890168	42.57
<b>TOTAL</b>	<b>5789</b>	<b>4440568</b>	<b>100.00</b>

**K) Dematerialisation of shares and liquidity :** At the end of the year 3669241 shares which come to 82.63% of total shares have been dematerialised. Trading in equity shares is permitted in dematerialised form only.

**l) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, its conversion date and likely impact on equity:** Not Applicable

**m) Plant Locations :** 1) Plot No. 161/1, 162, G.I.D.C., Nandesari, Dist. Baroda.

**n) Address for correspondence :** Share Department -  
 Link Pharma Chem Limited,  
 504, Center Point, Alkapuri, Vadodara – 390 007.  
 Phone : (0265) 3295723 Fax : (0265) 3054194  
 E-mail: [linkpharmachem@hotmail.com](mailto:linkpharmachem@hotmail.com)

Or its Registrars & Share : Link Intime India Pvt. Ltd.  
Transfer Agents B - 102 & 103, Shangrila Complex, First Floor,  
Opp. HDFC Bank, Near Radhakrishna Char Rasta,  
Akota,  
Vadodara - 390020.  
Tel. No. 0265 - 2356573/2356794  
Fax : (0265) 2250246

Shareholders holding share in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

### **AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

**To,  
The Members of  
Link Pharma Chem Limited**

I have examined the compliance of the conditions of Corporate Governance by Link Pharma Chem. Limited for the year ended 31<sup>st</sup> March, 2013, as stipulated in Clause 49 of the listing Agreements of the said Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, I certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

FOR KHEDKAR & CO.  
CHARTERED ACCOUNTANTS  
(Firm Registration No.130838W)

Date : 30/05/2013  
Place : Vadodara

D. R. KHEDKAR  
PROPRIETOR  
M.No.34963.



**INDEPENDENT AUDITORS' REPORT**

To,

The Shareholders,

We have audited the accompanying financial statements of Link Pharma Chem Limited, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting 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.

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.

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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
  2. As required by section 227(3) of the Act, we report that:
    - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    - b) in our opinion proper books of account as required by law have been kept by the Company so far as 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 March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, 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.

Place : VADODARA  
Date: 30<sup>th</sup> May 2013

**For KHEDKAR & Co.**  
CHARTERED ACCOUNTANTS

(D.R.KHEDKAR)  
Proprietor  
M.No: 34963.

**ANNEXURE TO THE AUDITOR'S REPORT  
(Referred in paragraph (1) of report of even date)**

- i) a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets were physically verified during the period by the Management in accordance with a regular programme of verification which, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to me, no material discrepancies were noticed on such verification.
- c. The fixed assets disposed off during the period, in my opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in my opinion, not affected the going concern status of the Company.
- ii) In respect of its inventory:
- a. As explained to me, the inventories, excluding materials in transit and materials lying with third parties were physically verified during the period by the Management at reasonable intervals.
- b. In my opinion and according to information and explanations given to me, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
- c. In my opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) (a) According to the information and explanations given to us, the company has not granted any loan to firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence clause iii) (b), (c), (d) is not applicable.
- (e) The company has taken loans, Unsecured from companies, firm or other parties covered in the register maintained Under section 301 of the Act. The No. of Parties involved in the transactions are 4 and amount involved is Rs.1,23,71,570/-, and
- (f) The Rate of interest and other terms and conditions of loan taken by the company, are prima facie not prejudicial to the interest of the company, and
- (g) The payment of interest and whenever required, principal amount are regular, and
- iv) In our opinion and according to the information and explanations given to me, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of my audit, I have not observed any major weakness in such internal control system.
- v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to me:
- a. The particulars of contracts or arrangements referred to in section 301 that were required to be entered in the Register maintained under the said section have been so entered.
- b. The transaction in pursuance of contracts or arrangements have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.
- vi) According to the information and explanations given to me, the company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under. According to the information and explanations given to me, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

- vii) In my opinion, the company has an adequate internal audit system, commensurate with the size and nature of its business.
- viii) According to the information and explanations given to us, the Central Government of India has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, for any of the products of the company.
- ix) According to the information and explanations given to me in respect of statutory dues:
- a. The company has generally been regular in depositing undisputed dues, including Provident Fund, investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b. There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2013 for a period of more than six month from the date they became payable.
- x) The Company has not incurred cash losses during the financial year covered by our Audit and its immediate preceding financial year.
- xi) In my opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions.
- xii) According to the information and explanations given to me, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In my opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) order, 2003 are not applicable to the company.
- xiv) In my opinion, the company is not dealing in or trading in shares securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the companies ( Auditor's Report) Order, 2003 are not applicable to the company.
- xv) In my opinion, the company has not given any guarantee for loans taken by other from banks or financial institutions.
- xvi) In my opinion, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to me, and on an overall examination of the balance sheet of the company, I report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except for permanent working capital.
- xviii) According to the information and explanations given to me, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) According to the information and explanation given by the management, the company has not raised money through public issue during the year under audit.
- xx) According to the information and explanations given by the management no fraud on or by the company has been noticed or reported during the course of my audit.

Place : VADODARA  
Date : 30<sup>th</sup> May, 2013

For KHEDKAR & Co.  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 130838W

(D. R. KHEDKAR)  
Proprietor  
M.No: 34963.

**BALANCE SHEET AS AT 31ST MARCH, 2013**

PARTICULARS	SCHEDULE NO.	(Amount in Rupees)	
		FIGURES FOR THE YEAR ENDED ON 31-03-2013	FIGURES FOR THE YEAR ENDED ON 31-03-2012
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	44,405,680	44,405,680
(b) Reserve & Surplus	2	57,094,612	54,211,208
		<u>101,500,292</u>	<u>98,616,888</u>
<b>(2) Non-current Liabilities</b>			
(a) Long-term borrowings	3	47,756,913	29,123,931
(b) Deferred Tax liabilities (Net)	25	6,110,185	5,613,180
(c) Other long term liabilities	4	1,000,000	1,000,000
		<u>54,867,098</u>	<u>35,737,112</u>
<b>(3) Current Liabilities</b>			
(a) Short - Term Borrowings	5	41,635,618	32,339,271
(b) Trade payables	6	19,961,342	24,827,789
(c) Other Current liabilities	7	29,314,463	34,768,686
(d) Short-term provision	8	4,000,841	4,052,045
		<u>94,912,264</u>	<u>95,987,790</u>
<b>Total</b>		<u><b>251,279,653</b></u>	<u><b>230,341,790</b></u>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	138,187,710	51,913,644
(ii) Capital Work in Progress		15,263,943	101,598,407
(b) Non-current investments	10	244,780	244,780
(c) Long term loans and advances	11	2,439,183	2,293,812
(d) Other non-current assets	12	5,00,000	30,00,000
		<u>156,635,617</u>	<u>159,050,643</u>
<b>(2) Current Assets</b>			
(a) Inventories	13	53,292,854	37,984,265
(b) Trade Receivables	14	32,083,781	23,731,104
(c) Cash and cash equivalents	15	1,873,229	1,158,200
(d) Short-term loans and advances	16	3,510,150	5,395,787
(e) Other current assets	17	3,884,023	3,021,791
		<u>94,644,037</u>	<u>71,291,146</u>
<b>Total</b>		<u><b>251,279,653</b></u>	<u><b>230,341,790</b></u>

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith. In terms of our report attached

For and on behalf of the Board.

FOR KHEDKAR & CO.  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 130838W

**B. V. RETAREKAR** Chairman  
**S. G. THAKUR** Managing Director

(D. R. KHEDKAR)  
PROPRIETOR  
M.No: 34963.

PLACE : VADODARA  
DATE : 30<sup>th</sup> May 2013

PLACE : VADODARA  
DATE : 30<sup>th</sup> May 2013

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2013.**

PARTICULARS	SCHEDULE NO.	(Amount in Rupees)	
		FIGURES FOR THE YEAR ENDED ON 31-03-2013	FIGURES FOR THE YEAR ENDED ON 31-03-2012
I. Revenue from operations	18	180,631,083	191,715,755
Less: Excise Duty		16,981,895	16,572,604
Net Revenue from Operati		163,649,188	175,143,151
II. Other Income	19	1,489,874	2,819,354
<b>Total Revenue</b>		<b>165,139,062</b>	<b>177,962,505</b>
III. Expenses			
a) Cost of Materials consumed	20	79,015,872	87,876,046
b) Change in inventories of finished goods			
Working-in-progress and stock-in-trade	21	(4,700,278)	703,356
c) Employee benefits expense	22	26,266,389	25,785,589
d) Other expenses	23	41,440,321	43,222,415
<b>Total Expenses</b>		<b>142,022,304</b>	<b>157,587,406</b>
<b>Earnings before interest, depreciation, tax and amortization</b>		<b>23,116,758</b>	<b>20,375,100</b>
a) Financial Costs	24	12,071,232	8,685,942
b) Depreciation and amortization expenses	9	6,019,353	4,834,065
<b>IV. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>5,026,174</b>	<b>6,855,093</b>
V. Exceptional items			-
<b>VI. Profit before extraordinary item &amp; Tax(V-VI)</b>		<b>5,026,174</b>	<b>6,855,093</b>
VII. Extraordinary Items			-
<b>VIII Profit before Tax (VII-VIII)</b>		<b>5,026,174</b>	<b>6,855,093</b>
IX. Tax Expenses:			
(1) Current Tax		1,645,765	2,318,652
(2) For Prior Periods			
(3) Deferred Tax (See Note 25)		4,97,005	(426,052)
<b>X. Profit for the period from continuing operations (VIII-IX)</b>		<b>2,883,404</b>	<b>4,962,493</b>
XI. Earnings per equity share:			
(1) Basic	33	0.65	1.12
(2) Diluted		0.65	1.12

Notes referred to above form an integral part of the Statement of Profit and Loss and should be read in conjunction therewith. In terms of our report attached

For and on behalf of the Board.

FOR KHEDKAR & CO.  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 130838W

**B. V. RETAREKAR** Chairman  
**S. G. THAKUR** Managing Director

(D. R. KHEDKAR)  
PROPRIETOR  
M.No: 34963.

PLACE : VADODARA  
DATE : 30<sup>th</sup> May 2013

PLACE : VADODARA  
DATE : 30<sup>th</sup> May 2013

**Notes forming part of the Accounts for the year ended on 31<sup>st</sup> March, 2013.****Note No. 1: Significant Accounting Policies:****1) Accounting Conventions :**

These accounts are prepared under historical cost convention, with revenues recognized and expenses accounted on their accrual including provisions / adjustments for committed obligations and amounts determined as receivable or payable during the year as a going concern and in accordance with the accounting standards referred to in section 211(3C) of the Companies Act, 1956.

**2) Fixed Assets :**

All fixed assets, except Land, are stated at cost net of Modvat less accumulated Depreciation. Land is valued at cost. Fixed Assets include all expenditure of capital nature, pre operation expenses including interest and financial cost of borrowing during the period of construction.

**3) Depreciation :**

Depreciation is provided on straight Line Method at the rate prescribed in Schedule XIV to the Companies Act, 1956 and rounded off to nearest 15 days. For the purpose of charging depreciation on Plant & Machinery falling in the category of "Continuous Process Plant " the company has identified such plants on the basis of technical opinion obtained and depreciation has been provided at special rates prescribed in Schedule XIV to the Companies Act, 1956.

**4) Income Recognition:**

The company recognizes sales on the basis of actual delivery of goods. Sales are recorded at invoice values net of trade discounts. The purchases are recorded at the invoice value. All expenses and income to the extent considered payable and receivable respectively are accounted for on accrual basis except encashment of leave salary and interest on income tax refunds, which are accounted on cash basis.

**5) Inventories :**

Raw materials are stated at cost or net realisable value, whichever is lower. Cost includes expenses for procuring the same and is computed on first in first out basis.

Stocks of finished goods have been valued at cost or net realisable value, whichever is lower. The cost includes manufacturing expenses and appropriate overheads.

Stock of by-products and waste have been valued at net realisable value.

Packing material, stores and spares are stated at cost or net realisable value, whichever is lower. Cost is computed on first in first out basis.

Work in process is valued at proportionate value of finished goods upto the stage of completion of the work in progress.

**6) Investments :**

Current investments are valued at cost or market value which ever is less. Long term investments are stated at cost, and where applicable provision is made for erosion in its valuation.

**7) Foreign Currency Transactions :**

Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Foreign Currency Assets and Liabilities are stated at the exchange rates prevailing at the date of Balance Sheet and at forward contract rates, wherever so covered. Exchange difference relating to Fixed Assets is adjusted to the cost of Fixed Assets. Any other exchange difference is dealt in the Profit and Loss Account. Premium in respect of forward contract is recognized over the life of the contract. Any income or expense on account of exchange difference on settlement is recognized in the Profit and Loss Account.

**8) Borrowing Costs :**

The company capitalizes interest and foreign exchange rate difference on credit acquired for the construction of plant and installation of machinery as part of the cost of assets. The capitalization of interest and foreign exchange rate differences discontinued when the plant construction and machinery installation are completed and are ready for their intended use.

**9) Retirement Benefits :**

The gratuity liabilities is funded through a scheme administered by the Life Insurance Corporation of India, on the basis of LIC's demand (on the basis of actuarial valuation of liabilities) which specifies the contribution to be made by the company, the same is charged to Profit and Loss account. However, the actuarial valuation is for the period from 1st June to 31 May of each year and consistently accounted for same period on payment basis. The liabilities in respect of unutilized leave due to employees is accounted for as and when become payable.

**10) Research and Development Expenditure :**

All revenue expenditure on research and development are charged to the Profit and Loss Account. Fixed Assets used for research and development are capitalized.

**11) Taxes on Income :**

The company provides for income tax on estimated taxable income and based on expected outcome of assessments appeals, in accordance with the provisions of the Income Tax Act, 1961 and rules framed there under.

Consequent to the issuance of the Accounting Standard 22 - 'Accounting for Taxes on Income' by the Institute of Chartered Accountants of India which states that deferred tax should be recognized based on timing differences between the accounting income and the estimated taxable income for the year and quantify the same using the tax rates and laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognized and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

Signature to schedules.

As per our report of even date attached.

FOR KHEDKAR & Co.  
CHARTERED ACCOUNTANTS.

For & on behalf of Board of Directors,

(D.R.KHEDKAR)  
PROPRIETOR  
M.No: 34963.  
Firm Reg. no. 130838W

B. V. RETAREKAR  
Chairman

S. G. THAKUR  
Managing Director

Date : 30<sup>th</sup> May 2013  
Place : Vadodara.

Date : 30<sup>th</sup> May 2013  
Place : Vadodara.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013.**

Sr. No. Particulars	For the year ended 31-3-2013	For the year ended 31-3-2012
<b>NOTE NO. 1 SHARE CAPITAL :</b>		
1 Authorised Capital		
5,000,000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
2 Issued Capital		
44,40,568 Equity Shares of Rs.10/- each	44,405,680	44,405,680
3 Subscribed & fully paid up Capital		
44,40,568 Equity Shares of Rs.10/- each	44,405,680	44,405,680
4 Subscribed & not fully paid up Capital	-	-
<b>TOTAL</b>	<b>44,405,680</b>	<b>44,405,680</b>
<b>Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>		
1 At the beginning of the year	44,405,680	44,405,680
Add: Issue of share during the year	-	-
Less: Cancellation, Forfited or Buy Back of Share During the year	-	-
Outstanding at the end of the period	<b>44,405,680</b>	<b>44,405,680</b>
<b>NOTE NO.2 RESERVE &amp; SURPLUS :</b>		
1 Share Premium Account	28,712,527	28,712,528
2 General Reserve		
Opening Balance	25,498,681	20,536,188
Add :- Profit/(Loss)Tfr from Profit & Loss Account	2,883,404	4,962,493
<b>TOTAL</b>	<b>57,094,612</b>	<b>54,211,208</b>
<b>NOTE NO. 3 LONG-TERM BORROWINGS:</b>		
<b>SECURED LOANS</b>		
<b>2 TERM LOAN :-</b>		
- Reliance Capital Ltd - Loan A/c	-	1,508,635
- Bank of India	33,876,708	1,57,15,009
<i>(Loan from bank and secured by way of charge created on all the fixed assets &amp; Personal Guarantee of Directors)</i>		
<b>Total</b>	<b>33,876,708</b>	<b>17,223,644</b>
<b>UNSECURED LOANS</b>		
1 Unsecured Loan Taken from Directors :-	707,349	924,859
2 Unsecured Loan Taken from Relatives :-	11,664,221	10,527,276
3 Unsecured Loan from others	1,508,635	448,152
<b>Total</b>	<b>13,880,205</b>	<b>11,900,287</b>
<b>TOTAL</b>	<b>47,756,913</b>	<b>29,123,931</b>
<b>* Securities:</b>		
Principal:		
- 1st Equitable Mortgage charge on Land & Building situated at Plot No. 161 & 162, GIDC, Ind. Estate, Nandesari.		
- 1st equitable Mortgage charge on Land & Building at Plot No. 163 & 164, GIDC, Ind. Estate, Nandesari.		
- Hypothication charge on Stocks and Book Debts.		
Collateral:		
- EQM of office premises situated at office no. 6-B-2, 6th floor, Ramkrishna chambers, Productivity Road, aikapuri, Vadodara.		



Sr. No.	Particulars	For the year ended 31-3-2013	For the year ended 31-3-2012
<b>NOTE NO. 4 OTHER LONG TERM LIABILITIES :</b>			
1	Advance From Customers	1,000,000	1,000,000
	<b>TOTAL</b>	<u>1,000,000</u>	<u>1,000,000</u>
<b>NOTE NO. 5 SHORT TERM BORROWING</b>			
	Secured Loan		
1	Bank of India	41,635,618	32,339,271
	<b>TOTAL</b>	<u>41,635,618</u>	<u>32,339,271</u>
<b>NOTE NO. 6 TRADE PAYABLES :</b>			
1	Creditors for Trade Goods	16,239,976	20,749,898
2	Minor , Smail & Med Enterprise	3721366	4,077,891
	<b>TOTAL</b>	<u>19,961,342</u>	<u>24,827,789</u>
<b>NOTE NO.7 OTHER CURRENT LIABILITIES :</b>			
1	Creditors for Stores & Others	22,231,507	13,767,590
2	Creditors for Capital Goods	2,177,031	3,516,341
3	Statutory Liabilities:	4,905,925	5,960,410
4	Short term Borrowing	-	11,524,345
	<b>TOTAL</b>	<u>29,314,463</u>	<u>34,768,686</u>
<b>NOTE NO. 8 SHORT-TERM PROVISIONS :</b>			
1	Provision for income tax	16,45,765	23,18,652
2	Other employee benefite	200,000	1,50,000
3	Other expenses	2,155,076	15,83,393
	<b>TOTAL</b>	<u>4,000,841</u>	<u>4,052,045</u>

NOTE NO. 9 TANGIBLE ASSETS :

Sr.No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2012	Addition during the year	Deduction/ disposals	As on 31.03.2013	As at 01.04.2011	Addition during the year	Deduction/ disposals	Balance As on 31.03.2013	Balance as at 31.03.2013	Balance as at 31.03.2012
1	2.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	3,753,740	-	-	3,753,740	-	-	-	-	3,753,740	3,753,740
2	Factory Building	15,920,233	68,650,239	-	84,570,473	5,445,542	1,675,054	-	7,120,596	77,449,877	10,474,692
3	Office Building	828,045	-	-	828,045	190,042	13,497	-	203,539	6,24,506	638,003
4	Plant & Machinery	67,749,137	22,922,755	14,131,894	76,533,998	34,536,603	3,434,493	12,470,651	25,500,446	51,039,553	33,212,534
5	Pollution Control Equipments	229,496	-	-	229,496	106,035	12,117	-	1,18,153	111,343	123,460
6	Laboratory Equipments	2,300,481	2,131,006	-	4,431,487	1,256,031	178,211	-	1,434,243	2,997,245	1,044,456
7	Safety Equipments	402,372	-	-	402,372	206,870	21,245	-	228,116	174,257	195,502
8	Office Equipments	2,833,729	82,125	-	2,915,894	2,749,568	144,767	-	2,894,335	21,519	84,162
9	Furniture & Fixtures	724,723	168,537	-	8,93,260	518,606	51,128	-	569,734	3,23,527	206,118
10	Vehicles	5,145,681	-	-	5,145,681	2,964,697	488,840	-	3,453,536	1,692,145	2,180,984
<b>TOTAL</b>		<b>99,887,638</b>	<b>93,954,663</b>	<b>14,131,894</b>	<b>179,710,407</b>	<b>47,973,995</b>	<b>6,019,353</b>	<b>12,470,651</b>	<b>41,522,697</b>	<b>138,187,710</b>	<b>51,913,644</b>

Sr. No.	Particulars	For the year ended 31-3-2013	For the year ended 31-3-2012
<b>NOTE NO. 10 NON-CURRENT INVESTMENTS :</b>			
<b>Quoted</b>			
1	Units of unit trust of India - master share 684 @ Rs.10 each	6,840	6,840
<b>Unquoted</b>			
1	Anyonya Sahakari Bank Ltd. Baroda (1866 Equity Shares @ Rs. 10 Each)	18,660	18,660
2	Enviro Technology Ltd. (20000 Equity Share @ Rs. 10 Each)	2,00,000	2,00,000
3	Bharuch Enviro Infrastructure Ltd. (378 Equity Share @ Rs 10 Each)	3,780	3,780
4	Center Point Association (05 Equity Share @ Rs 100 Each)	500	500
5	National Saving Certificate	15,000	15,000
<b>TOTAL</b>		<u><u>2,44,780</u></u>	<u><u>244,780</u></u>
<b>NOTE NO. 11 LONG TERM LOANS AND ADVANCES :</b>			
1	Security Deposit / E.M.D. etc. - Secured, Considered goods:	24,39,183	20,20,289
	- Unsecured, Considered goods:		
	- Doubtful		
2	Loan to Employees & Employees <i>Co Op. Credit Society</i> - Unsecured, Considered goods:	-	2,73,523
<b>TOTAL</b>		<u><u>24,39,183</u></u>	<u><u>22,93,812</u></u>
<b>NOTE NO. 12 OTHER NON-CURRENT ASSETS :</b>			
1	Deferred Revenue Expenditure (ISO 9001 Development Expenses) Less Written off	-	99,214 (99,214)
2	Other Assets	5,00,000	30,00,000
<b>TOTAL</b>		<u><u>5,00,000</u></u>	<u><u>30,00,000</u></u>
<b>NOTE NO. 13 INVENTORIES :</b>			
1	Raw Materials	1,66,77,038	77,98,814
2	Packing Materials	74,644	1,64,558
3	Stock in Process	2,29,76,000	2,27,47,000
4	Finised Goods	1,00,65,172	5,593,893
5	Stores & Spares	35,00,000	16,80,000
<b>TOTAL</b>		<u><u>5,32,92,854</u></u>	<u><u>3,79,84,265</u></u>
<b>NOTE NO. 14 TRADE RECEIVABLES :</b>			
1	Receivables outstanding for the period exceeding Six Months - Unsecured, Considered goods:	63,15,590	72,75,022
2	Receivables outstanding for the period below Six Months - Unsecured, Considered goods:	2,57,68,190	1,64,56,082
<b>TOTAL</b>		<u><u>3,20,83,781</u></u>	<u><u>2,37,31,104</u></u>

Sr. No. Particulars	For the year ended 31-3-2013	For the year ended 31-3-2012
<b>NOTE NO. 15 CASH AND CASH EQUIVALENTS :</b>		
1 Cash on Hand	536,220	444,780
2 Bank Balance :	1,258,009	713,420
3 Margine Money Deposits	79,000	-
<b>TOTAL</b>	<b><u>1,873,229</u></b>	<b><u>1,158,200</u></b>
<b>NOTE NO. 16 SHORT-TERM LOANS AND ADVANCES :</b>		
1 <b>List of Advances recoverable in Cash or in Kind or for which value to be received :-</b>		
- <i>Advances for Raw Materials</i>	2,664,099	2,594,868
- <i>Advances for Capital Goods</i>	846,051	927,510
- <i>Advances for Expenses</i>	-	873,410
<b>TOTAL</b>	<b><u>3,510,150</u></b>	<b><u>5,395,787</u></b>
<b>NOTE NO. 17 OTHER CURRENT ASSETS :</b>		
1 Interest accrued on Fixed Deposit with Bank & Others	3,884,023	3,021,785
<b>TOTAL</b>	<b><u>3,884,023</u></b>	<b><u>3,021,785</u></b>
<b>NOTE NO. 19 OTHER INCOME :</b>		
1 Interest Income	413,383	2,29,230
2 Dividend Income	32,770	27,300
3 Miscellaneous Income	1,043,721	25,62,824
<b>TOTAL</b>	<b><u>1,489,874</u></b>	<b><u>2,819,354</u></b>
<b>NOTE NO. 20 COST OF MATERIALS CONSUMED :</b>		
1 Opening Stock	7,963,372	4,896,044
Add : Purchases	<u>87,804,183</u>	<u>9,09,43,374</u>
Less : Closing Stock	16751682	7,963,372
<b>TOTAL</b>	<b><u>79,015,872</u></b>	<b><u>87,876,046</u></b>
<b>NOTE NO. 21 INCREASE / (DECREASE) IN STOCK (LOWER OF COST OR MARKET PRICE) :</b>		
<b>CLOSING STOCK</b>		
Work - in - Process	22,976,000	22,747,000
Finished Goods	10,065,172	5,593,893
<b>Total (a)</b>	<b><u>33,041,172</u></b>	<b><u>28,340,893</u></b>
<b>OPENING STOCK</b>		
Work - in - Process	22,747,000	24,941,700
Finished Goods	5,593,893	4,102,550
<b>Total (b)</b>	<b><u>28,340,893</u></b>	<b><u>29,044,250</u></b>
<b>Variation in Stock = (b) - (a)</b>	<b><u>(4,700,278)</u></b>	<b><u>703,356</u></b>

Sr. No.	Particulars	For the year ended 31-3-2013	For the year ended 31-3-2012
<b>NOTE NO. 22 EMPLOYEE BENEFITS EXPENSES :</b>			
1	Salary,& Wages	24,708,158	2,44,21,860
2	Contribution to Provident Fund / E.S.I.S	1,306,884	12,74,953
3	Staff Welfare Expenses	251,347	88,776
	<b>TOTAL</b>	<b><u>26,266,389</u></b>	<b><u>25,785,589</u></b>
<b>NOTE NO. 23 OTHER EXPENSES :</b>			
<b>Manufacturing Expenses</b>			
1	Factory Expenses	996,538	1,069,245
2	Power & Fuel	21,909,405	1,96,76,979
3	Rep. & Maint. (P & M)	2,162,042	3,413,130
4.	Other Manufacturing Expenses	8,098,948	1,40,45,797
	<b>Total (a)</b>	<b><u>33,166,933</u></b>	<b><u>38,205,151</u></b>
<b>Administrative Expenses :-</b>			
1	Telephone, Expenses	312,346	193,748
2	Professional Charges	1,384,852	877,052
3	Auditor's Remuneration	183,713	78,652
4	Printing & Stationery	170,314	149,065
5	Travelling Expenses	110,693	349,327
6	Repairs & Maintance (Others)	131,347	2,12,065
7.	Other's Expenses	3,431,740	8,68,184
	<b>Total (b)</b>	<b><u>57,25,005</u></b>	<b><u>3,728,093</u></b>
<b>Selling &amp; Distribution Expenses:</b>			
1	Transportation Expenses	25,198,45	1,071,508
2	Advertisement Exp.	285,83	17,421
2	Sales Commission	-	-
3	Other's selling Expenses	-	2,00,242
	<b>Total (c)</b>	<b><u>25,483,83</u></b>	<b><u>1,289,171</u></b>
	<b>TOTAL (a) + (b) + (c)</b>	<b><u>4,14,403,21</u></b>	<b><u>43,222,415</u></b>
<b>NOTE NO. 24 FINANCIAL CHARGES :</b>			
1	Interest :-		
	on Working Capital	4,157,794	5,475,170
	On Term Loan	<u>62,290.65</u>	<u>1,581,686</u>
3	Bank & other Financial Charges	1,684,373	16,29,086
	<b>TOTAL</b>	<b><u>1,20,712,32</u></b>	<b><u>8,685,942</u></b>

**Schedules forming part of the Accounts for the year ended 31<sup>st</sup> March, 2013.****Note 25:**

The Notes referred to in the Balance Sheet and Statement of Profit and Loss form an integral part of the accounts.

**Note 26:**

In the opinion of the Board and to the best of their knowledge and belief, the value on realization of loans and advances and current assets, in the ordinary course of business, will not be less than the amount at which they are stated in the balance sheet.

**Note 27:**

Previous year figures have been regrouped, rearranged and recast to correspond with the figures of the current year.

**Note 28:**

During the year company has provided for income tax of Rs.1,645,765/-

**Note 29:**

Research & Development Expenditure is as follows:-

(Rs.in Lacs.)

Particulars	2012-13	2011-12
Capital	7.50	6.63
Recurring	1.55	7.86
Capital W-I-P	Nil	Nil
<b>Total</b>	<b>9.05</b>	<b>14.49</b>
Total R & D expenditure as a % of Total Turnover	0.50	0.76

**Note 30:**

Names of Small Scale Industrial undertakings to which the company owes sums outstanding for more than 30 days as at the date of balance sheet are as under:

(Amount in Rs.)

Sr.No.	Particulars	2012-13	2011-12
1.	Yamuna Ice & Cold Storage.	8,31,550.00	6,70,596.00
2.	Prime Organics.	28,89,816.00	34,07,295.00

The above Information has been complied in respect of Parties to the extent to which they could be identified as Small Scale & Ancillary Undertakings on the basis of information available with the Company.

**Note 31:** Net Profit of Rs. 1,43,721.00 (Previous year Net Profit Rs. 1,01,027/-) on account of exchange difference has been considered under foreign exchange loss under the head of indirect Expenses in the profit and loss account.

**Note 32:** Auditors Remuneration is detailed here below:

(Amount in Rs.)

Particulars	2012-13	2011-12
Audit Fees	150,000.00	70,000.00
Out of pocket expenses	25,213.00	11,287.00
<b>Total</b>	<b>1,75,213.00</b>	<b>81,287.00</b>

**Note 33:** Disclosure of Earnings per Share (EPS) computation as per Accounting Standard- 20 of the Institute of Chartered Accountants of India:

(Amount in Rs.)

Particulars	2012-13	2011-12
Net Profit after Tax available for (Rupees) the Equity Shareholders(Rupees)	28,83,404.00	49,62,493.00
Weighted average number of Equity Shares	4,440,568.00	4,440,568.00
Nominal/Face Value of Equity shares (Rupees)	10.00	10.00
Basic and Diluted Earnings Per Share (Rupees)	0.65	1.12

**Note 34:** Managerial Remuneration for the year is as under, as per the provisions of the Companies Act, 1956.

(Amount in Rs.)

Particulars	2012-13	2011-12
Director's Remuneration	3,000,000.00	3,000,000.00
Contribution to Provident Fund and Superannuation Fund	18,720.00	18,720.00
<b>Total</b>	<b>30,18,720.00</b>	<b>30,18,720.00</b>

**Note 35:** In accordance with the requirements of AS-18 on related party disclosures, the names of the related parties where control exists and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are as under:

1. Key Managerial Personnel Executive Directors : B. V. Retarekar, S. G. Thakur
2. Relatives of Key Managerial Personnel : Mayaben S Thakur, Nehaben B Retarekar, Mayank B Retarekar, Rishikesh S Thakur
3. Firms in which the Key Managerial Personnel & their relatives are interested : Pharma Inter Chemie, Chloro Chem of India
4. Fellow / Subsidiary Associates : None

Figures in bracket represent Previous Year's figures.

During the year there is no write off or right back of any amount due from or payable to related parties. Transactions with Related parties during the period are as under.

(Rs.in Lacs.)

Sr. No.	Particulars	Associates	Key managerial Personnel	Total
1	<b>Purchase of Goods</b>	26.03(138.30)	0.00(0.00)	26.03(138.30)
2	<b>Sale of Goods</b>	519.64(489.41)	0.00(0.00)	519.64(489.41)
3	<b>Other Income</b>	9.00(9.00)	0.00(0.00)	9.00(9.00)
4	<b>Other Expenses</b>	0.00(0.00)	0.00(5.86)	0.00(5.86)
5	<b>Managerial Remuneration</b>	0.00(0.00)	30.00(30.00)	30.00(30.00)
6	<b>Receivable at the year end</b>	51.51(6.70)	0.00(0.00)	51.51(6.70)
7	<b>Payable at the year end</b>	0.00(0.69)	0.00(0.00)	0.00(0.69)

**Note 36:** As per AS-22 on Accounting for Taxes on Income issued by the ICAI, the deferred tax liability as at 31st March 2013 comprises of the following:

**Deferred Tax Computation :**

(Amount in Rs.)

Particulars	Accumulated Balance as at 1.4.2012	Charges/ Credits During the Year.	As at 31.3.2013
Deferred Tax Liability on Account of Depreciation. [A]	97,54,189		97,54,189.00
Deferred tax Assets.	—	—	—
Unabsorbed Depreciation.	25,33,230.00	497,005	2,036,225
Unabsorbed Losses.	16,07,780.00	-	16,07,780.00
[B]	41,41,010.00	497,005	3,644,005
<b>Total deferred Tax Liability (Net). (A-B)</b>	<b>5,613,180</b>	<b>497,005</b>	<b>6,110,185</b>

**Note 37:** Additional information pursuant to the provisions of paragraph 3 and 4 part II of schedule VI of the Companies Act, 1956.

- a) Particulars of Licensed and Installed Capacity and Actual Production (as certified by the management and accepted by the auditors without verification being a technical matter):

Description	Unit	Licensed Capacity		Installed Capacity		Actual Production	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Organic Intermediates	M.T.	N.A.	N.A.	625.00	540.00	585.00	600.00
By Products	M.T.	N.A.	N.A.	N.A.	N.A.	3079.00	2696.00

- b) Particulars of Turnover / Sales and Finished Goods Stocks :

Description	Unit	Particulars	2012-13		2011-12	
			Quantity	Value in Lacs.	Quantity	Value in Lacs.
Organic Intermediates	M.T.	Turnover/Sales	1194.456	1806.31	1311.57	1917.16
		Closing Stock	62.528	100.65	42.494	55.94
		Opening Stock	42.494	55.94	19.023	41.03

- c) Particulars of Raw Material Consumption and its Stocks and WIP Stocks :

Description	Unit	Particulars	2012-13		2011-12	
			Quantity	Value in Lacs.	Quantity	Value in Lacs.
Organic Intermediates	M.T.	Consumption	2045.750	790.16	2397.251	874.46
		Closing Stock	290.841	166.77	145.607	77.98
		Opening Stock	145.607	77.98	127.080	47.78
		WIP Closing Stock	72.522	229.76	72.065	227.47



d) Value of Raw Material and Stores / Spares Consumed and Percentage thereof :

Description	2012-13		2011-12	
	Amount in Lacs.	Percentage	Amount in Lacs.	Percentage
Consumption of Raw Material				
Imported	111.96	13.27%	21.96	2.51%
Indigenous	731.99	86.73%	852.50	97.49%
<b>Total</b>	<b>843.98</b>	<b>100.0%</b>	<b>874.46</b>	<b>100.0%</b>
Consumption of Stores / Spares etc.				
Imported	0.00	0.00%	0.00	0.00%
Indigenous	52.65	100.0%	56.06	100.0%
<b>Total</b>	<b>52.65</b>	<b>100.0%</b>	<b>56.06</b>	<b>100.0%</b>

e) C.I.F. value of Imports :

(Amount in Rs.)

Description	2012-13	2011-12
Raw Materials	111.96	21.96
Capital Goods	NIL	NIL
<b>Total</b>	<b>111.96</b>	<b>21.96</b>

f) Particulars of Earnings in Foreign Exchange :

(Amount in Rs.)

Description	2012-13	2011-12
Export of Goods / Services	1,43,721.00	NIL
<b>Total</b>	<b>1,43,721.00</b>	<b>NIL</b>

**Note 38:** During the last year the Company has Capitalized Rs. 54,66,317/- towards interest, as borrowing Cost but during the current year company has not incurred any interest towards capital expenditure. Company follows the policy of Capitalizing Borrowing Costs that are directly attributable to the acquisition, Construction or Purchase of any Qualifying Asset.

**Note 39:** The Company's business activity falls within a single primary business segment namely, manufacturing of Chemicals, however the segment reporting of revenues for the Company is on the geographical location of the customers are as under:-

(Amount in Rs.)

Particulars	2012-13		2011-12	
	Outside	India	Outside	India
Segment revenue	1,80,631,083	NIL	19,17,15,755.00	NIL
Segment Assets	2,51,279,653	NIL	23,03,41,790.00	NIL
Capital Expenditure	2,126,893	NIL	2,08,91,925.00	NIL

**Note 40:** AS – 15 Accounting For Retirement Benefits in Financial Statements of Employees:

- \* Employee benefits are not classified into short-term benefits, Post employment benefits and termination benefits.
- \* There are no VRS expenses incurred during the year.
- \* There is no provision made for retirement Benefits in books of accounts.

Signature to schedules.

As per our report of even date attached.

FOR KHEDKAR & Co.  
CHARTERED ACCOUNTANTS.

(D.R.KHEDKAR)  
Proprietor  
M. No. 34963  
Firm Reg. No. 130838W

For & on behalf of Board of Directors,

B. V. RETAREKAR  
Chairman

S. G. THAKUR  
Managing Director

Date : 30<sup>th</sup> May 2013

Place : Vadodara.

Date : 30<sup>th</sup> May 2013

Place : Vadodara

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. REGISTRATION DETAILS**

Registration No.	7540
State Code	4
Balance Sheet Date :	3/31/2013

**II CAPITAL RAISED DURING THE YEAR :**

(Rs. In Thousands)

Public Issue :	0
Right Issue :	0
Bonus Issue :	0
Private Placement :	0

**III POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS :**

Total Liabilities :	2,51,279.65
Total Assets :	2,51,279.65

**SOURCE OF FUNDS**

Paid up Capital :	44,405.68
Reserves & Surplus :	57,094.61
Secured Loans :	47,756.91
Unsecured Loans	10,000.00

**APPLICATION OF FUNDS :**

Net Fixed Assets :	1,38,187.71
Investments :	244.78
Net Current Assets :	(6,110.18)
Deferred Tax Assets (net) :	
Miscellaneous Expenditure :	-
Accumulated Losses :	-

**IV PERFORMANCE OF COMPANY :**

Turnover :	1,80,631.08
Total Expenditure :	5,026.17
Profit / (Loss) Before Tax :	2,883.40
Profit / (Loss) After Tax :	0.65
Earning per Share in Rs :	0
Dividend Rate (%)	0

**V GENERIC NAMES OF THREE RINCIPAL PRODUCTS/SERVICES OF COMPANY**

(As per monetary terms) :

Product Description Item	Item Code No.
TRI CHLORO SALICYLIC ACID	291500
4,4' DIHYDROXY DIPHENYL SULPHIDE	290719

As per our report of even date attached.  
FOR KHEDKAR & Co.  
CHARTERED ACCOUNTANTS.  
Firm Reg. no. 130838W

For & on behalf of Board of Directors,

(D.R. KHEDKAR)  
PROPRIETOR  
M.No. 34963

B.V. RETAREKAR  
Chairman

S.G.THAKUR.  
Managing Director

Date : 30<sup>th</sup> May 2013  
Place : Vadodara.

Date : 30<sup>th</sup> May 2013  
Place : Vadodara.

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2013**

<b>PARTICULARS</b>	<b>AS ON 31st MARCH 2013 AMOUNT(Rs.)</b>	<b>AS ON 31st MARCH 2012 AMOUNT(Rs.)</b>
<b>Cash Flow From Operating Activities</b>		
<b>Net Profit before Taxes &amp; Extra Ordinary Items</b>	5,026,174	6,855,093
Add/Less: Adjustments for:		
Depreciation	6,019,353	4,834,065
Interest Income	(413,383)	(229,230)
Dividend Income	(32,770)	(27,300)
Preliminary Expenses Written Off profit on sale of land/ P & M	-	99,215
Foreign Exchange Income Net	752,523	(39,240)
H.P.Financial Charges	143,721	101,027
	-	266,900
<b>Operating Profit before change in Working Capital</b>	<u>11,495,617</u>	<u>11,860,529</u>
Add/Less: Adjustments for:		
Decrease / (Increase) in other assets & loans and advances	3,378,034	2,609,574
Decrease / (Increase) in trade & other receivables	(8,352,677)	4,016,152
Increase) in Inventories	(15,308,589)	(2,289,309)
Decrease / (Increase) in Current Liabilities	(1,203,675)	13,787,337
(Decrease)/increase in Provision FBT	1,696,969	469,148
Realised Foreign Exchange Income	(143,721)	(101,027)
<b>Cash Flow from Operating Activities</b>	<u>(8,438,042)</u>	<u>30,352,404</u>
Less: Tax Paid (Net of Refund and interest on refund received)		
<b>Net Cash Flow from Operating Activities (A)</b>	(8,438,042)	30,352,404
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(405,162)	(90,404)
Sales of Assets	908,720	169,500
Increase in Capital Work in Progress	(7,215,036)	(20,801,521)
Dividend Received	32,770	27,300
Interest Received	413,383	229,230
<b>Net Cash Flow from Investing Activities (B)</b>	<u>(6,265,325)</u>	<u>(20,465,895)</u>
<b>Cash Flow From Financing Activities</b>		
Hire Purchase Financial Charges	-	(266,900)
Increase in secured loan	17,976,997	-
Increase in unsecured loan	1,979,918	92,165
Repayment of secured loan	(6,411,748)	(15,050,872)
<b>Net Cash Flow from Financing Activities (C)</b>	<u>13,545,167</u>	<u>(15,225,607)</u>

PARTICULARS	AS ON	AS ON
	31st MARCH 2013 AMOUNT(Rs.)	31st MARCH 2012 AMOUNT(Rs.)
<b>Net Cash Inflow/(Outflow) (A)+(B)+(C)</b>	<b>(1,158,200)</b>	<b>(5,339,098)</b>
Add: Cash & Cash Equivalents at the beginning of the year		
Cash in hand	447,780	224,720
Balance with Scheduled Banks	713,420	6,270,746
With Others	-	1,832
	1,158,200	6,497,298
Cash & Cash Equivalents at the end of the year		
Cash in hand	536,220	444,780
Balance with Scheduled Banks	1,337,009	713,420
With Others		
<b>Closing Cash &amp; Cash Equivalents</b>	<b>1,873,229</b>	<b>1,158,200</b>

### AUDITORS' CERTIFICATE

We have verified the above cash flow statement of M/s. Link Pharma Chem Ltd with reference to the Audited Annual Accounts for the year ended on 31st March 2013 and we found the same to be in Agreement therewith.

FOR KHEDKAR & Co.  
CHARTERED ACCOUNTANTS.

For & on behalf of Board of Directors,

(D. R. KHEDKAR)  
PROPRIETOR  
M.No. 34963  
Firm Reg. No. 130838W

B. V. RETAREKAR  
Chairman

S. G. THAKUR.  
Managing Director

Date : 30<sup>th</sup> May 2013  
Place : Vadodara.

Date : 30<sup>th</sup> May 2013  
Place : Vadodara.

If Undelivered please return to :

**LINK PHARMA CHEM LIMITED**

Admn. Off. 503-504 Center Point

R. C. Dutt Road,

Alkapuri, Vadodara - 390 007.

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