

**ALBERT
DAVID**



A Unit of
**Kothari
Group**
Imagine Inspire Deliver

Albert David Limited

Annual Report 2013-2014

**ADDS LIFE
TO LIFE**

We Value Human Life



Albert David Limited's journey of excellence in providing high quality & affordable medicine continues to leave an impression. Its pursuit is to serve mankind with passion and total commitment. The new initiatives are aimed to 'Add Life To Life' in the future, just like in the past.

- DIRECTORS** : Sri A. K. Kothari *Chairman & Managing Director*
Sri D. D. Binani
Smt. P. D. Kothari
Sri H. Kampani
Sri R. Singhi
Dr. A. K. Bhattacharya
Dr. K. Lahiri
Sri K. P. Mundhra *Executive Director*
- MANAGEMENT TEAM** : Sri H. P. Kabra
President (Commercial)
Sri S. C. Shah
Vice President (Finance) & C.F.O.
Dr. M. K. Maheshwari
Vice President (Personnel & Legal affairs)
Dr. D. P. Ghosh
Corporate Head - Technical & Scientific Development
Sri Manish Sharma
Dy. Vice President (Marketing)
Sri P. K. Jain
Vice President (Works), Kolkata
Dr. G. P. Srivastava
Vice President (Technical), Kolkata
Sri M. K. Rathi
Vice President (Works Cum Factory Manager), Ghaziabad
Sri D. Chitlangia
Associate Vice President (Commercial), Ghaziabad
Sri V. K. Chaudhary
General Manager (Technical), Mandideep
- COMPANY SECRETARY** : Dr. Indrajit Dhar
Associate Vice President (Accounts & Taxation) Cum-Company Secretary
- AUDITORS** : G. Basu & Co.
Chartered Accountants
- BANKER** : State Bank of India
- REGISTERED OFFICE** : 15, Chittaranjan Avenue, Kolkata - 700 072
- WORKS** : 5/11, D. Gupta Lane
Kolkata - 700 050

B-12/13, Meerut Road
Industrial Area
Ghaziabad - 201 003 (U.P)

Plot No. 207
New Industrial Area No. 2
Mandideep - 462 046
Dist. Raisen (M.P.)

Contents

	Page No.
Notice ...	03
Director's Report ...	13
Management's Discussion and Analysis ...	20
Report on Corporate Governance ...	21
Auditor's Certificate on Corporate Governance ...	31
Ten Year Financial Highlights ...	32
Auditor's Report to the Shareholders ...	33
Balance Sheet ...	38
Profit & Loss Statement ...	39
Cash Flow Statement ...	40
Notes Forming Part of the Financial Statements ...	42
Assent / Dissent Form ...	63

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office : 15, Chittaranjan Avenue, Kolkata - 700072

Tel : 033-2212-9700, 9637, 9592, Fax : 033-2225-8714

Email : adidavid@dataone.in

Webside : www.albertdavidindia.com

Notice**TO THE MEMBERS**

NOTICE is hereby given that the SEVENTY-FIFTH Annual General Meeting of the Shareholders of the Company will be held at **BENGAL CHAMBER OF COMMERCE & INDUSTRY**, 6, Netaji Subhas Road, Kolkata-700001 on **Thursday, the 7th August, 2014 at 12.30 P.M.** to transact the following business:

AS ORDINARY BUSINESS

1. To consider and adopt the audited financial statements of the Company for the year ended March 31, 2014 including the Balance Sheet as at 31st March, 2014 and the Profit & Loss Statement for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To declare dividend.
3. To appoint Director in place of Mr. D D Binani (DIN:00068777), who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder and pursuant to the recommendations of Audit Committee of the Board, M/s. G Basu & Co., Chartered Accountants (Registration No. 301174E), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of the third consecutive AGM of the Company to be held in 2017 (subject to ratification by members at every AGM held after this AGM) at such remuneration as shall be fixed by the Board of Directors of the Company upon recommendations of the Audit Committee."

AS SPECIAL BUSINESS

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

RESOLVED that pursuant to the provisions of section 196, 197 and 203 read with Schedule-V and other applicable provisions of the Companies Act, 2013 and subject to such sanctions and approvals as may be necessary, the Company hereby approves and accords its consent to the re-appointment of Mr. Arun Kumar Kothari, as Chairman & Managing Director of the company, not liable to retire by rotation for a period of two years with effect from 1st April, 2014 to 31st March, 2016, on the terms and conditions including remuneration, perquisites and benefits as set out in the Explanatory Statement attached to this notice and contained in the Agreement dated 7th April, 2014 entered into by and between the Company and Mr. Arun Kumar Kothari which agreement be and is also hereby approved.

RESOLVED FURTHER that the Board of Directors of the company (which term shall include the remuneration or any other Committee of the Board constituted to exercise its powers including powers conferred by this resolution) be and is hereby authorised to approve and award annual increment from 1st April, 2015 to 31st March, 2016 to Mr. Arun Kumar Kothari, within the prescribed limits as prescribed under the Companies Act, 2013 and subject to the approval of the shareholders of the Company or as may be permissible under applicable law in force from time to time.

RESOLVED FURTHER that notwithstanding the above, in the event of any loss or inadequacy of profit in any financial year of the company during the tenure of Mr. A. K. Kothari, Chairman & Managing Director, the remuneration payable to him shall be paid as minimum remuneration not exceeding the limits prescribed in Section-II, Part-II of Schedule-V of the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to the above resolutions.

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

RESOLVED that pursuant to the provisions of 196, 197 and 203 read with Schedule-V and other applicable provisions of the Companies Act, 2013 and subject to such sanctions and approvals as may be necessary, the Company hereby approves and

accords its consent to the re-appointment of Mr. Kamal Prasad Mundhra, as Wholetime Director of the company designated as Executive Director, not liable to retire by rotation for a period of two years with effect from 1st April, 2014 to 31st March 2016, on the terms and conditions including remuneration, perquisites and benefits as set out in the Explanatory Statement attached to this notice and contained in the Agreement dated 7th April, 2014 entered into by and between the Company and Mr. Kamal Prasad Mundhra which agreement be and is also hereby approved.

RESOLVED FURTHER that the Board of Directors of the company (which term shall include the remuneration or any other Committee of the Board constituted to exercise its powers including powers conferred by this resolution) be and is hereby authorised to approve and award annual increment from 1st April, 2015 to 31st March, 2016 to Mr. Kamal Prasad Mundhra, within the prescribed limits as prescribed under the Companies Act, 2013 and subject to the approval of the shareholders of the Company or as may be permissible under applicable law in force from time to time.

RESOLVED FURTHER that notwithstanding the above, in the event of any loss or inadequacy of profit in any financial year of the company during the tenure of Mr. Kamal Prasad Mundhra, Executive Director, the remuneration payable to him shall be paid as minimum remuneration not exceeding the limits prescribed in Section-II, Part-II of Schedule-V of the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to the above resolutions.

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

RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder Smt. Prabhawati Devi Kothari (DIN:00051860) who was appointed as an Additional Director of the Company with effect from 31st March, 2014 by the Board of Directors to hold office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

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

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement, Dr. Amal Kumar Bhattacharya, (DIN: 00103798) who was appointed as an Additional Director of the Company with effect from 31st March, 2014 by the Board of Directors to hold office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and whose office shall not be liable to retire by rotation.

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

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement, Dr. Karunamay Lahiri, (DIN: 01939873) who was appointed as an Additional Director of the Company with effect from 31st March, 2014 by the Board of Directors to hold office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and whose office shall not be liable to retire by rotation.

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement, Mr. H. Kampani (DIN: 00057715), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and whose office shall not be liable to retire by rotation.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement, Mr. Rajiv Singhi (DIN: 00071285), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing

under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and whose office shall not be liable to retire by rotation.”

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

“**RESOLVED** that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“**RESOLVED** that in supersession of all earlier resolution passed under Section 293(1)(d) of the Companies Act, 1956 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 250.00 Crores.

RESOLVED FURTHER that the Board be and is hereby authorised and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things as they may deem necessary to give effect to the above resolution and/ or to execute all such documents, instruments and writings as may be required.”

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

RESOLVED that pursuant to Section 73(2) of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 and subject to such compliances and approvals as may be necessary, the Company hereby approves and accords its consent for inviting/ accepting/ renewing deposits from its members on such terms and fulfillment of conditions as the Board of Directors may think fit and proper for giving effect of this resolution.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion consider necessary, proper, desirable, expedient or appropriate including issue and signing of circular/ circular in the form of advertisement, filing and publication of such circular as may be required.

Registered Office :
15, Chittaranjan Avenue
Kolkata - 700 072

By Order of the Board
For **ALBERT DAVID LIMITED**

CIN : L51109WB1938PLC009490
Dated : 27th May, 2014

(INDRAJIT DHAR)
Associate Vice President (Accounts & Taxation)
Cum-Company Secretary

NOTES :

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in relation to the Special Business is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE

RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.

3. Pursuant to the provision of section 91 of the Companies Act, 2013 (corresponding to 154 of the Companies Act, 1956), the Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday the 5th August, 2014 to Thursday the 7th August, 2014, both days inclusive for payment of dividend on equity shares.
4. The dividend as recommended by the Board of Directors, if approved at the meeting, will be made payable on or after 12th August, 2014 to those Members whose names appear on the Register of Members of the Company on 7th August, 2014 or to their mandates, to the extent eligible and also to beneficial owners of equity shares held in the electronic form on the same date as per details furnished by the Depositories for this purpose.

Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

5. Members holding shares in physical form are requested to notify immediately changes, if any, in their registered address, bank details, mandate, nomination, power of attorney and email address, to Company's Registrar & Share Transfer Agent, at the below-mentioned address quoting their Folio Numbers :-

M/s. Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor, Kolkata - 700 001
Tel. No. # (033) 2243-5809/2243-5029
Fax No. # (033) 2248-4787
E-Mail Id # mdpl@cal.vsnl.net.in

In case shares are held in electronic form, these information should be passed on directly to their respective Depository Participant (DP).

6. Pursuant to the provisions of Section 123 and 124 of the Companies Act, 2013, the company has transferred the unpaid or unclaimed dividends upto the year ended 31st March, 2006 to the account of **Investor Education and Protection Fund** established by the Central Government.

Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the company as on 7th August, 2013 (date of last Annual General Meeting) on the website of the company (www.albertdavidindia.com) as also on the Ministry of Corporate Affairs website.

Unclaimed dividend for the year ended 31st March, 2007 shall be transferred to the account of Central Government during the year. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2007, 31st March, 2008, 31st March, 2009, 31st March 2010, 31st March, 2011, 31st March, 2012 and 31st March, 2013 are requested to make their claims to the Company.

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA for registration of transmission/transposition, deletion of name etc.
8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. The nomination form for this purpose is annexed with this Report.
9. Electronic copy of the Notice of the 75th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to for all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address for all other members, Physical copies of the Notice of the 75th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 75th Annual General Meeting and Annual Report for 2013-14 will also be available on Company's website at www.albertdavidindia.com for their download.
10. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more fully in the instruction hereunder provided that once the vote on a Resolution is casted, a Member shall not be allowed to change it subsequently.

11. In case of those members who do not access to e-voting facility, they can use the assent/dissent form sent herewith or can be downloaded from the Company's website (www.albertdavidindia.com) and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and **send the form to reach Mr. K. C. Dhanuka, Scrutiniser, appointed by the Company at the registered office of the Company on or before 2nd August, 2014 (6.00 p.m.)**
12. Members can choose only one of the two options namely e-voting or through physical assent/dissent form. In case the votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered subject to the assent/dissent form being found to be valid.
13. As per the provisions of the Act, the facility for making/varying/cancelling nomination is available to individuals holding shares in the Company. Nominations can be made in **Form-SH.13** and any variation/cancellation thereof can be made by giving notice in **Form SH.14**, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the **Share Department of the Company/RTA or from the Website or the Ministry of Corporate Affairs at www.mca.gov.in**
14. The Ministry of Corporate Affairs, Government of India has introduced a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies for service of documents to their members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013.
15. In view of the above, the Company has communicated in the earlier year through Annual Report to its members requesting them to register their designated email ID with the Company/RTA. However, members who are desirous of obtaining physical copy of the Notices, Postal Ballots, Annual Reports and other documents may forward their written request to the Company/RTA for the same.
16. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the company at least one week before the date of the meeting. This would enable the Company to compile the information and provide replies at the meeting.
17. The shares of the company are under compulsory demat list of the SEBI w.e.f. 1st October, 2000. The trading in equity shares can be only in demat form. In case you do not hold shares in demat form, you may do so by opening an account with depository participant and complete dematerialisation formalities.
18. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays during business hours up to the date of the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.5

Mr. A K Kothari was re-appointed as Chairman & Managing Director of the Company for a period from 1st July, 2012 to 31st March, 2014 which was approved by the Shareholders in the meeting held on 10th August, 2012.

In view of excellent contribution made by Mr. Kothari towards the growth of the company, the Board of Directors, at its meeting held on 31st March, 2014 have re-appointed him as Chairman & Managing Director for a period of two years with effect from 1st April, 2014 to 31st March, 2016, subject to the approval of shareholders of the company, on the remuneration as recommended by the Remuneration Committee and on the terms and conditions as per Agreement dated 7th April, 2014 executed by the Company and Mr. A K Kothari. The terms of remuneration of Mr. A K Kothari are in accordance with Schedule XIII of the Companies Act, 1956, as well as Schedule V of the Companies Act, 2013.

An abstract of the remuneration payable to him as Chairman & Managing Director of the Company under the Agreement is given below :-

REMUNERATION :

- i) Salary : Rs.5,25,000/- (Rupees Five Lacs Twenty Five Thousand only) per month for the period from 1st April, 2014 to 31st March, 2015 and thereafter such remuneration as may be approved by the Board of Directors / Members of the Company.
- ii) Perquisites : Apart from salary Mr. A K Kothari will also be entitled to the perquisites classified into the following three parts viz. Part A, B and C.

PART-A

- i) Housing - The company shall provide rent-free furnished accommodation. In case no accommodation is provided by the company, the Chairman & Managing Director shall be entitled to House Rent Allowance limited to 8% of his salary.
- ii) Medical Reimbursement and Leave Travel Concession : The Chairman & Managing Director shall be reimbursed to the extent of 10% of the salary towards expenses incurred for self and family for Medical Expenses and Leave Travel anywhere in India.

- iii) Fee of Clubs : Upto a maximum of two clubs. This will not include any admission or life membership fees.
- iv) Personal Accident Insurance/Life Insurance : Premium not exceeding Rs.25,000/- per annum.
- v) Ex-Gratia/Bonus : In accordance with the Rules of the Company.

PART-B

- i) Company's contribution to Provident Fund as per Rules of the Company.
- ii) Gratuity on retirement at the rate of one half month's salary for each completed year of service subject to the ceiling as provided in law.
- iii) Leave with full pay : Encashment of leave will be permitted as per Rule of the Company.

PART-C

- i) Use of Car for Company's business. Any use of car for private purpose will be valued as per Income Tax Rules, 1962.
- ii) Free telephone facility at residence.

In case of no profits or inadequate profits in any financial year, remuneration and perquisites shall be subject to overall limits as prescribed under Section-II of Part II of Schedule V of the Companies Act, 2013.

The Chairman & Managing Director, so long as he functions as such, shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

The agreement sets out the mutual rights and obligations of the Company and the Chairman & Managing Director and details of powers and duties of the later and can be terminated by either party by giving three month's notice in writing to the other.

A copy of the Agreement will be available for inspection by the Members at the Registered Office of the Company on any working day prior to the date of the meeting between 11.00 a.m. and 1.00 p.m. and will also be available at the meeting.

Other than Mr. A K Kothari, Smt. Prabhawati Devi Kothari and Mr. D D Binani, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in the aforesaid re-appointment and remuneration.

Considering the valuable contribution of Mr. A K Kothari in the growth of the company, the Board recommends passing of the resolutions as special resolutions set out in item No. 5 of the Notice.

Item No.6

Mr. K P Mundhra was re-appointed as Wholetime Director designated as Executive Director of the Company for a period of two years with effect from 1st April, 2012 to 31st March, 2014 which was approved by the Shareholders in the meeting held on 10th August, 2012.

In view of excellent contribution made by Mr. Mundhra towards the growth of the company, the Board of Directors, at its meeting held on 31st March, 2014, have re-appointed him as Wholetime Director designated as Executive Director of the company from 1st April, 2014 to 31st March, 2016, subject to the approval of shareholders of the company on the remuneration as recommended by the Remuneration Committee and on the terms and conditions as per Agreement dated 7th April, 2014 executed by the Company and Mr. K P Mundhra. The terms of remuneration of Mr. K P Mundhra are in accordance with Schedule XIII of the Companies Act, 1956, as well as Schedule V of the Companies Act, 2013.

An abstract of remuneration payable to Mr. K P Mundhra as Executive Director of the Company under the Agreement is given below :-

REMUNERATION :

- i) Salary : Rs.5,20,000/- (Rupees Five Lacs Twenty Thousand only) per month for the period from 1st April, 2014 to 31st March, 2015 and thereafter such remuneration as may be approved by the Board of Directors / Members of the Company.
- ii) Perquisites : Apart from salary Mr. K P Mundhra will also be entitled to the perquisites classified into the following three parts viz. Part A, B and C.

PART-A

- i) Housing - The company shall provide rent-free furnished accommodation. In case no accommodation is provided by the company, the Executive Director shall be entitled to House Rent Allowance limited to 8% of his salary.
- ii) Medical Reimbursement and Leave Travel Concession : The Executive Director shall be reimbursed to the extent of 10% of the salary towards expenses incurred for self and family for Medical Expenses and Leave Travel anywhere in India.
- iii) Fee of Clubs : Upto a maximum of two clubs. This will not include any admission or life membership fees.

- iv) Personal Accident Insurance/Life Insurance : Premium not exceeding Rs.25,000/- per annum.
- v) Ex-Gratia/Bonus : In accordance with the Rules of the Company.

PART-B

- i) Company's contribution to Provident Fund as per Rules of the Company.
- ii) Gratuity on retirement at the rate of one half month's salary for each completed year of service subject to the ceiling as provided in law.
- iii) Leave with full pay : Encashment of leave will be permitted as per Rule of the Company.

PART-C

- i) Use of Car for Company's business. Any use of car for private purpose will be valued as per Income Tax Rules, 1962.
- ii) Free telephone facility at residence.

In case of no profits or inadequate profits in any financial year, remuneration and perquisites shall be subject to overall limits as prescribed under Section-II of Part-II of of Schedule V of the Companies Act, 2013.

The Executive Director, so long as he functions as such, shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

A copy of the Agreement will be available for inspection by the Members at the Registered Office of the Company on any working day prior to the date of the meeting between 11.00 a.m. and 1.00 p.m. and will also be available at the meeting.

None of the Directors other than Mr. K. P. Mundhra and none of the Key Managerial Personnel of the Company and their relatives are concerned or interested in the aforesaid re-appointment and remuneration.

Considering the valuable contribution of Mr. K P Mundhra in the growth of the company, the Board recommends passing of the resolutions as special resolutions set out in item no 6 of the Notice.

Item No.7

Smt. Prabhawati Devi Kothari has been appointed as an Additional Director on the Board with effect from 31st March, 2014. In accordance with the provisions of Article 84 of the Articles of Association of the Company, she will hold office until the conclusion of this Annual General Meeting. It is considered desirable in the interest of the company to appoint her on the Board to avail of her valuable experience and advice. A Notice pursuant to Section 160 of the Companies Act, 2013, with the required deposit has been received from a shareholder signifying intention to propose her appointment as Director of the company.

Except Smt. Prabhawati Devi Kothari, Shri A K Kothari and Shri D D Binani, none of the Directors, Key Managerial Personnel of the Company or their relatives are interested in the said resolution.

The Board recommends the Ordinary Resolution set out at Item no. 7 of the Notice for approval by the shareholders.

Item No.8

Dr. Amal Kumar Bhattacharya has been appointed as an Additional Director on the Board with effect from 31st March, 2014. In accordance with the provisions of Article 84 of the Articles of Association of the Company, he will hold office until the conclusion of this Annual General Meeting. It is considered desirable in the interest of the company to appoint him on the Board to avail of his valuable experience and advice. A Notice pursuant to Section 160 of the Companies Act, 2013, with the required deposit has been received from a shareholder signifying intention to propose his appointment as Director of the company.

The Company has received a declaration from Dr. Amal Kumar Bhattacharya that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Company Act 2013 and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Dr. Amal Kumar Bhattacharya fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Dr. Amal Kumar Bhattacharya is independent of the management.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Dr. Amal Kumar Bhattacharya is appointed as an Independent Director.

Copy of the draft letter for appointment of Dr. Amal Kumar Bhattacharya as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company.

Save and except Dr. Amal Kumar Bhattacharya, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

Item No.9

Dr. Karunamay Lahiri has been appointed as an Additional Director on the Board with effect from 31st March, 2014. In accordance with the provisions of Article 84 of the Articles of Association of the Company, he will hold office until the conclusion of this Annual General Meeting. It is considered desirable in the interest of the company to appoint him on the Board to avail of his valuable experience and advice. A Notice pursuant to Section 160 of the Companies Act, 2013, with the required deposit has been received from a shareholder signifying intention to propose his appointment as Director of the company.

The Company has received a declaration from Dr. Karunamay Lahiri that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act 2013 and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Dr. Karunamay Lahiri fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Dr. Karunamay Lahiri is independent of the management.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Dr. Karunamay Lahiri is appointed as an Independent Director.

Copy of the draft letter for appointment of Dr. Karunamay Lahiri as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company.

Save and except Dr. Karunamay Lahiri, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

Item No.10

Mr. Rajiv Singhi is a Non-Executive Independent Director of the Company. He joined the Board of Directors on 30th June, 1998.

Mr. Rajiv Singhi is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. Under the Companies Act, 2013, the company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of directors by rotation. Accordingly, in compliance of Section 149, 150, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. Rajiv Singhi being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director who shall hold office from the date of this Annual General Meeting upto 31st March 2019. A Notice pursuant to Section 160 of the Companies Act, 2013, with the required deposit has been received from a shareholder signifying intention to propose his appointment as Director of the company.

In the opinion of the Board, Mr. Rajiv Singhi fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rajiv Singhi as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajiv Singhi as an Independent Director, for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of Mr. Rajiv Singhi as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company.

Save and except Mr. Rajiv Singhi, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 10 of the Notice for approval by the shareholders.

Item No.11

Mr. H. Kampani is a Non-Executive Independent Director of the Company. He joined the Board of Directors on 11th March, 1993.

Mr. H. Kampani is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. Under the Companies Act, 2013, the company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of directors by rotation. Accordingly, in compliance of Section 149, 150, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. H. Kampani being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director who shall hold office from the date of this Annual General Meeting upto 31st March 2019. A Notice pursuant to Section 160 of the Companies Act, 2013, with the required deposit has been received from a shareholder signifying intention to propose his appointment as Director of the company.

In the opinion of the Board, Mr. H. Kampani fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail

services of Mr. H. Kampani as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. H. Kampani as an Independent Director, for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of Mr. H. Kampani as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Save and except Mr. H. Kampani, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

Brief resume of all the above directors seeking appointment/re-appointment in this meeting, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Annexure forming part of this Notice.

Item No.12

The Board, on the recommendation of the Audit Committee, has approved the appointment of the Cost Auditors M/s Gupta & Co. to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 at a remuneration of Rs. 40,000/- plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 12 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in resolutions set out at Item No. 12 of the Notice.

The Board recommends Ordinary Resolutions set out at Item No. 12 of the Notice for approval by the shareholders.

Item No.13

The shareholders of the Company had by an ordinary resolution passed in the Annual General Meeting held on 31st July, 2006 authorized the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding Rs. 150 Crore over the above the paid up capital of the Company and its free reserves, for the business of the Company. However, Section 180(1)(c) of the Companies act, 2013 provides that the Board of Directors of a company shall exercise the said power only with the consent of the Company by a special resolution. In view of increased business activities as also future expansion programme and to meet financial requirements in respect hereof from time to time, the aforesaid limit is found to be inadequate. It is therefore also proposed to increase the limit to Rs. 250 crore for smooth carrying of business of the Company. Hence, the Special Resolution at Item No. 13 is intended for this purpose.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 13 of the Notice.

The Board recommends the Special Resolutions set out at Item No. 13 of the Notice for approval by the shareholders.

Item No.14

To meet fund requirements, your Company proposes to raise deposits from its members in compliance with Section 73(2) of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

In terms of section 73(2) of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, approval of shareholders of the Company is required for inviting / accepting deposits from members.

The Board recommends the Special Resolutions set out at Item No.14 of the Notice for approval by the shareholders.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, concerned or interested, financially or otherwise, in the resolution set out at Item No.14 of the Notice, except to the extent of their shareholding in the Company.

Registered Office :
15, Chittaranjan Avenue
Kolkata - 700 072

CIN : L51109WB1938PLC009490
Dated : 27th May, 2014

By Order of the Board
For **ALBERT DAVID LIMITED**

(INDRAJIT DHAR)
Associate Vice President (Accounts & Taxation)
Cum-Company Secretary

**Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting
(In pursuance to Clause 49 of the Listing Agreement)**

Name of Director	Date of Birth	Date of Appointment	Expertise in specific Functional areas	Qualification	List of other Companies in which Directorships held as on 31st March, 2014*	Chairman / Member of the Committee of the Board of other Companies on which he is a Director as on 31st March 2014
Mr. A K Kothari	10-07-1953	20-06-1988	Rich experience in the filed of pharmaceuticals, chemicals, tea, textiles, machine tools etc.	B. Com	Bhaktwatsal Investments Ltd. Gillanders Arbuthnot & Co. Ltd. Kothari Phytochemicals & Industries Ltd. Vishnuhari Investments & Properties Ltd. Bharat Fritz Werner Ltd. Indian Glass & Electricals Ltd. Arvind Engineering Works Ltd. Satyam Financial Services Ltd.	Gillanders Arbuthnot & Co. Ltd. (Member-Audit Committee & Quarterly Results Approval Committee) Kothari Phytochemicals & Industries Ltd. (Member - Audit Committee)
Mr. K P Mundhra	17-11-1944	30-09-1992	Vast Managerial and Administrative experience in Pharmaceutical Industry	M.Sc.(Hons.)		—
Mrs. Prabhawati Devi Kothari	10-09-1957	31-03-2014	Conversant with accounts, finance and administrative matters	B.Com	Bhaktwatsal Investments Ltd. Gillanders Arbuthnot & Co. Ltd. Kothari Phytochemicals & Industries Ltd. Vishnuhari Investments & Properties Ltd. Bharat Fritz Werner Ltd. M.D. Kothari & Co. Ltd.	—
Dr. Amal Kumar Bhattacharya	17-11-1933	31-03-2014	Vast Administrative experience and expertise in finance	M.Sc.(Chemistry) Ph.D (Colloid Chemistry)	—	—
Dr. Karunamay Lahiri	08-01-1944	31-03-2014	Vast experience of technical and research and development matters	M.Sc., Ph.D., FIC, C.Chem(UK), FRSC (UK)	Vijayasri Organics & Chemicals Ltd.	—
Mr. D D Binani	25-03-1945	29-01-1985	Rich experience of Chemical and allied industries and financial matters	B.E.(Chemical)	Anupam Products Ltd. Bikaner Commercial Co. Ltd. Shree Bhawani Investment & Trading Co. Ltd. Mangalam Mercantiles Ltd.	Shree Bhawani Investment & Trading Co. Ltd. (Audit Committee - Member)
Mr. H Kampani	10-04-1957	11-03-1993	More than 32 years experiences in Primary & Secondary Market and vast experience in financial matters.	B.Com.	VCK Capital Market Services Ltd. VCK Share & Stock Broking Services Ltd.	VCK Capital Market Services Ltd. (Share Transfer & Investors Grievance Committee - Member)
Mr. Rajiv Singhi	07-09-1961	30-06-1998	Senior Partner of a reputed firm of Chartered Accountants having vast experience in Audit, Accounting and Financial Matters.	Chartered Accountant	New India Retailing & Investment Ltd.	New India Retailing & Investment Ltd. (Audit Committee - Member)

Note : 1. None of the above Directors are holding shares of the company except Mr. A.K.Kothari and Mrs. Prabhawati Devi Kothari who are holding 93,000 equity shares and 12,500 equity shares respectively.

2. Mr. A K Kothari, Mr. D D Binani and Mrs. Prabhawati Devi Kothari are relatives. Mrs. Prabhawati Devi Kothari is wife of Mr. A K Kothari. Mr. D D Binani is brother-in-law of Mr. A K Kothari.

* Excluding Private Limited Companies and Companies registered under Section 8 of the Companies Act, 2013.

By Order of the Board
For **ALBERT DAVID LIMITED**

Registered Office :
15, Chittaranjan Avenue
Kolkata - 700 072
CIN : L51109WB1938PLC009490
Dated : 27th May, 2014

(INDRAJIT DHAR)
Associate Vice President (Accounts & Taxation)
cum-Company Secretary

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office : 15, Chittaranjan Avenue, Kolkata - 700072

Tel : 033-2212-9700, 9637, 9592, Fax : 033-2225-8714

Email : adidavid@dataone.in

Webside : www.albertdavidindia.com

Directors' Report**TO THE SHAREHOLDERS**

Ladies & Gentlemen,

Your Directors have pleasure to present the 75th Annual Report on the performance of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2014

FINANCIAL RESULTS

	2013-2014	(Rs. in Lacs) 2012-2013
Net Sales	29148.25	26417.42
Earning before Interest, Depreciation, Tax & Amortisation [EBIDTA]	3139.37	2560.82
Other Income	171.11	175.43
Finance Costs	358.69	324.26
Gross Profit (EBDTA)	2951.79	2411.99
Depreciation and Amortisation	1105.73	1073.47
Profit Before Tax [PBT]	1846.06	1338.52
Provision for Taxation	588.74	482.65
Net Profit after Tax [PAT]	1257.32	855.87
Balance of Profit brought forward from previous year	505.88	500.48
Surplus available for appropriation	1763.20	1356.35
Appropriations :		
Proposed Dividend	285.36	256.82
Tax on Dividend	48.50	43.65
Transfer to General Reserve	900.00	550.00
Balance Carried to Balance Sheet	529.34	505.88

WORKING RESULTS :

During the year under review, your Company achieved net Sales of Rs.29148.25 Lacs and recorded a Gross Profit of Rs.2951.79 Lacs compared to previous year's net Sales of Rs.26417.42 Lacs and Gross Profit of Rs.2411.99 Lacs registering a growth of 10.34% and 22.38% respectively over the last year.

As reported in the last year, your company has successfully launched Rabeprazole and its combination (Anti-Peptic Ulcerant range) and Montelukast and its combination (Anti Asthmatic range).

During the current financial year, your company plans to further strengthen Alamin range of products by launching Alamin Liquid, Alamin Drops and other variants of L Arginine Sachets.

Also we have plans to venture into Pre-probiotic and Infertility market.

Your Directors are hopeful of further growth in sales and better financial performance during the current year.

DIVIDEND :

The Board of Directors of your Company is pleased to recommend payment of dividend of Rs.5/- per equity share of Rs.10/- each for the financial year ended 31st March, 2014 amounting to Rs.333.86 Lacs (inclusive of dividend distribution tax of Rs.48.50 Lacs).

FIXED DEPOSITS :

The Company has outstanding Public Deposits amounting to Rs.807.25 Lacs as on 31st March, 2014. There was no overdue deposit on 31st March, 2014 except Rs.21.80 Lacs (including accrued interest of Rs.1.80 Lacs) which remain unclaimed.

BOARD OF DIRECTORS :

Mrs. Prabhawati Devi Kothari, Dr. Amal Kumar Bhattacharya and Dr. Karunamay Lahiri joined the Board of the company with effect from 31st March, 2014 as Additional Directors. They will hold such office only upto the date of the ensuing Annual General Meeting of the company. The Company has received requisite notices in writing from members proposing Mrs. Prabhawati Devi Kothari for appointment as Director liable to retire by rotation and for appointment of Dr. Amal Kumar Bhattacharya and Dr. Karunamay Lahiri as Independent Directors of the Company for a term of 5 consecutive years with effect from the date of ensuing Annual General Meeting till 31st March 2019, subject to the approval of the members.

In order to align the term of existing Independent Directors with the provisions of the Companies Act, 2013, the Board of Directors in their meeting held on 27th May, 2014 has proposed the appointment of Mr. Hemal Kampani and Mr. Rajiv Singhi as Independent Directors of the Company for a term of 5 consecutive years with effect from the date of ensuing Annual General Meeting till 31st March 2019, subject to the approval of the members.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange.

In accordance with the provisions of Articles of Association of the Company, Mr. D D Binani, Director of the company, is liable to retire by rotation and being eligible, offer himself for re-appointment.

The Board recommends the appointment of above directors with a view to avail their valuable advices and wise counsel. A brief profile of the above Directors seeking appointment/re-appointment required under Clause 49 of the Listing Agreement, is given in the Notice of AGM.

Shri P L Agarwal and Shri A V Iyengar resigned from the Board and their resignations were accepted with effect from 31st March, 2014 by the Board in their meeting held on 31st March, 2014. The Board places on record their high sense of appreciation for their valuable advices and guidances given during their association with the company.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any ;
- 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 ended on 31st March, 2014 and of the profit of the Company for the year ended as on date ;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records for the year ended 31st March, 2014 in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ; and
- iv) the Directors had prepared the annual accounts on a 'going concern basis'.

PARTICULARS OF EMPLOYEES :

Particular of Employees as required in term of provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended are set out in Annexure-I to the Directors' Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO :

Particulars required under 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 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, are given in Annexure-II forming part of this Report.

CORPORATE GOVERNANCE :

Your Company believes Corporate Governance is at the core of stake holders' satisfaction. The Annual Report contains a separate section on Corporate Governance which forms part of this Report.

The Compliance Report on Corporate Governance and a certificate from M/s. G. Basu & Co., Kolkata, Chartered Accountants, Statutory Auditors of the Company regarding compliance of the condition of corporate governance, as stipulated under clause 49 of the listing

agreement with the stock exchange, is forming part of this Report.

Management's Discussion and Analysis has been separately annexed with this report.

As a measure of good corporate governance, M/s. Ashok Kumar Daga, a Practising Company Secretary conducts Annual Secretarial Compliance Audit of the company.

RESEARCH & DEVELOPMENT ACTIVITY :

Unlike other manufactory, there is fast product obsolescence in Pharma industry. Therefore, the product portfolio is a dynamic one and requires continuous strengthening with new developments. Ever changing regulatory requirements calls for back up of database with Quality Assurance. Companies are making more and more investments in R&D not only to support the changing regulatory requirements but also to remain afloat with continuous flow of products developed at R&D.

The Company's Research & Development Unit at Kolkata has been recognised by Department of Scientific and Industrial Research (DSIR), Government of India. The Research & Development Section of the company has been engaged in developing innovative process developments, analytical methods and process validations. It has also been working on development of new products.

CREDIT PROFILE :

CRISIL Limited has affirmed [CRISIL A2+] (pronounced as CRISIL A Two Plus) in respect of Short Term rating. This rating indicates strong degree of safety regarding timely payment of financial obligations. Such instruments carry low credit risk.

CRISIL Limited has reaffirmed [CRISIL A-] (pronounced as CRISIL A Minus/Stable) in respect of Long Term rating. This rating indicates adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

LISTING OF SHARES :

The equity shares of your Company are at present listed on BSE Ltd. Your Directors confirm that the Annual Listing Fee for 2013-2014 has been paid to the said Stock Exchange.

AUDITORS :

Statutory Auditors & Report

M/s. G. Basu & Co., Kolkata, Chartered Accountants, Statutory Auditors of the company, will retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as Statutory Auditors for the financial year 2014-2015.

M/s. G. Basu & Co., Kolkata, Chartered Accountants have signified their consent, in writing, for such appointment along with a certificate stating that their appointment, if made, shall be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

Based on the recommendation of the Audit Committee, the Board of Director of the company proposes the re-appointment of M/s. G. Basu & Co., Kolkata, Chartered Accountants as Statutory Auditors of the Company for a term of three consecutive years from the date of ensuing Annual General Meeting till conclusion of the Annual General Meeting to be held in the year 2017, subject to the approval of the members.

The Auditors' Report to the shareholders on the accounts of the Company for the financial year ended 31st March, 2014 does not contain any qualification.

Cost Auditors and Cost Audit Report

The Central Government has approved the appointment of M/s. S. Gupta & Co., Kolkata, Cost Accountant, Registration No.000020 as Cost Auditor for conducting cost audit relating to Bulk Drugs, Formulations and Disposable Syringes & Needles for the financial year 2013-2014.

The Board of Directors in their meeting held on 27th May, 2014 have appointed M/s. S Gupta & Co., Cost Accountants as the Cost Auditor for the financial year 2014-2015.

ACKNOWLEDGMENT :

The Board gratefully acknowledges the support given by medical profession, trade, shareholders, company's bankers and stockists. The Board further expresses its appreciation for the services rendered by the executives, officers, staffs and workers of the Company at all levels.

For and on behalf of the
Board of Directors

Kolkata
Dated : 27th May, 2014

A K Kothari
Chairman & Managing Director

Annexure-I to the Directors' Report

Information under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.
Employed throughout the year

Sl. No.	Name	Designation/Nature of Duties	Remuneration Received (Rs.)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment held	Percentage of equity shares of the company held
1	A K Kothari	Chairman & Managing Director	6706956.00	B.Com.	35	01.07.2008	61	None	1.6295%
2	K P Mundhra	Executive Director	7646317.00	M.Sc.(Hons.)	46	21.8.1970	70	General Assistant, Indian Linoleums Ltd.	None
3	H P Kabra	President (Commercial)	7561657.00	B.Sc., MBA	42	27.04.1974	66	Sales Officer, Bagalkot Udyog Ltd.	None

Notes :

1. The person named above at Sl.No.1 & 2 is on contractual basis.
2. The above remuneration includes Salary, H.R.A., Exgratia, contribution to Provident Fund, Leave Encashment availed, Leave Travel Concession/ Medical Reimbursement availed and insurance premium.

For and on behalf of the
Board of Directors

Kolkata

Dated : .27th May, 2014

A K Kothari
Chairman & Managing Director

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office : 15, Chittaranjan Avenue, Kolkata - 700072

Tel : 033-2212-9700, 9637, 9592, Fax : 033-2225-8714

Email : adidavid@dataone.in

Webside : www.albertdavidindia.com

Annexure-II to the Directors' Report

Information under 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

A. CONSERVATION OF ENERGY & ELECTRICITY :

Your company continues its policy of giving higher priority to energy conservation measures including regular review of energy generation and consumption points with effective control on utilisation of energy. Some of the measures taken by the company are as under.

a) Energy conservation measures taken.

- (i) The company has competent energy conservation task force which is actively monitoring maintenance of maximum power factor and taking steps to reduce energy consumption at all levels.
- (ii) Regularly reviewing energy generation systems and consumption of energy for controlled utilisation of energy.

b) Additional Investment & proposal, if any, being implemented for reduction of consumption of energy.

The company is continuously installing power saving devices and instruments whenever necessary to reduce consumption of energy.

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

Energy conservation measures stated above have resulted in gradual enhancement of efficiency.

FORM-A**Power & Fuel Consumption :**

		Financial Year 2013-2014	Financial Year 2012-2013
1. Electricity :			
i) Purchased :			
Units	('000 Kwh)	9985	9326
Total Amount	(Rs. Lacs)	751.12	646.41
Rate/Unit	(Rs.)	7.52	6.93
ii) Own Generation :			
Thru' own Generator			
Units	('000 Kwh)	865.74	1711.20
Unit per litre of Diesel Oil		3.37	3.02
Cost/Unit	(Rs.)	17.50	13.67
2. Furnace Oil/Light Diesel Oil :			
Quantity	(K.L.)	116.02	442.44
Total Cost	(Rs. Lacs)	88.58	229.92
Average Rate	(Rs.)	76348.91	51966.37

		Financial Year 2013-2014	Financial Year 2012-2013
3. Gas :			
Quantity	(SCM)	278072.00	1440828.00
Total Cost	(Rs. Lacs)	140.48	682.17
Average Rate	(Rs.)	50.52	47.35
4. Agriculture Briquettes :			
Quantity	(M.T.)	5560.00	959.00
Total Cost	(Rs. Lacs)	273.99	47.96
Average Rate	(Rs.)	4928.07	5000.00

B. CONSUMPTION PER UNIT OF PRODUCTION :

The company manufactures several Drug Formulations in different pack sizes. It is therefore impracticable to apportion the consumption and cost of utilities to each product/formulation.

C. TECHNOLOGY ABSORPTION :

(a) Research & Development

Research & Development Department of Albert David Ltd, located at the premises 5/11, D. Gupta Lane, Kolkata – 700050, is a DSIR recognized R&D Center and derives its strength from the professed Company Policy. The renovated facility had been further equipped with more analytical and functional instruments as well as man power to enhance its R&D capability to deliver more advanced and efficacious dosage forms in Oral solids, Oral liquid and some APIs. A number of R&D Projects in product and process development have been taken up in the last year which is at different stages of developments. Some of these are ready for commercial production in near future.

(b) Specific areas in which R&D was carried out

Expansion of product basket in domestic and export market are the direct outcome of such initiatives. Out of this three products are near ready for commercialization. Significant advancement in formulation development of the rest of the products has been made. Balance work is in progress. Knowhow for the synthesis of one new API has been developed in collaboration with NCL Pune. Its further scale-up for Tech Transfer and commercialization is under progress to add a new regime for treatment of resistant Leishmaniasis. Research work continued to expand our knowledge base to further substantiate the therapeutic principles of our brand 'Placentrex' and four more publications have been published out of this effort.

(c) Benefits Derived as a result of R&D

New formulations have been launched in the therapeutic segments like Anti Asthmatics (for the treatment of Seasonal Allergic Rhinitis), Antiulcerants – another Proton Pump Inhibitor and Nutritional Supplement in the treatment of patients with malnutrition, stress & convalescence, debility etc. To expand the geographical reach of our products in export market number of dossiers have been submitted in different countries. Approval of some dossiers has been received during this financial year.

(d) Future action plan

Our focused area of activity remains in :

- Development of new & robust formulations
- Improved Drug Delivery system/dosage forms for better patient compliance
- Introduce manufacturing innovations, automations for improved GMP/GLP compliance
- Cost effective & better quality products and
- Development of drug substances for import substitution

e) Expenditure on R & D :

		(Rs. in Lacs)	
S.No.	Particulars	Financial Year 2013-2014	Financial Year 2012-2013
1.	Capital Expenditure	9.92	254.42
2.	Revenue Expenditure	434.02	246.85
3.	Total	443.94	501.27
4.	Total R&D Expenditure as a percent of total turnover	1.52%	1.90%

D. TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION :

The company always keep track of the latest development in the field of technology and remain in continuous touch with foreign manufacturers/machine suppliers for updation of latest development in the pharmaceutical industry. Efforts are being made to adopt latest technology to upgrade its units for effective cost control and meet market demand.

E. FOREIGN EXCHANGE EARNINGS & OUTGO :**(a) Activity relating to Export -**

Company's export efforts in the regions like Latin American countries, countries on West Coast and Central Africa, countries in South East Asia and on East Coast of Africa continue to grow. Besides efforts are being made to enter into new markets and as a precursor to that, regulatory activities like submission of registration dossiers for the products as also the data for Company where required have been initiated to widen the export base.

(b) Total foreign exchange used and earned :

Earning in foreign currency - Rs.3013.52 Lacs (Previous Year Rs.2366.55 Lacs).

Outgo in foreign currency - Rs.3146.82 Lacs (Previous Year Rs.2978.75 Lacs).

For and on behalf of the
Board of Directors

Kolkata
Dated : 27th May, 2014

A K KOTHARI
Chairman & Managing Director

Management's Discussion and Analysis

FINANCIAL PERFORMANCE:

The details of the financial performance of the company are appearing in the Balance sheet, Profit & Loss Statement alongwith other financial statement. Highlights are as under :-

	(Rs. in Lacs) 2014	(Rs. in Lacs) 2013
Net Sales	29148.25	26417.42
Other Operating Revenue (Net)	78.81	89.44
Other Income	171.11	175.43
Earning before interest, depreciation, tax & amortisation	3310.48	2736.25
Gross Profit	2951.79	2411.99
Profit before tax	1846.06	1338.52
Profit after tax	1257.32	855.87

INDUSTRY STRUCTURE & DEVELOPMENTS :

The Indian Pharma market, currently valued at 74000+ crores has experienced slowdown this year with its growth going down to 6% from 12.6% in 2012-2013. The Indian Pharmaceutical Industry is witnessing regulatory challenges. During May, 2013 the Department of Pharmaceutical notified the Drug Price Control Order, 2013, under which prices of the medicine in the National List of essential Medicines (NELM) have been brought under price control, thus replacing an earlier order of 1995 that regulated prices of the bulk drugs. This list is being constantly renewed and updated.

The year 2014-2015 is a crucial period especially the first two quarters as the market tries to back itself against the backdrop of 2013.

OUTLOOK :

The Company has adopted a highly focused approach for fueling higher growth. Our aim will be to build brands and generate maximum revenue from them. The Company has undertaken range of robust initiatives to maximise the growth. Also we have planned the development of new products and entry into new segments which will increase the market share.

OPPORTUNITIES AND THREATS :

The market is growing though sluggishly, it is expected that it will revive soon. Awareness towards healthcare, Govt. Schemes and life style is expected to fuel the growth of pharma industry.

Another factor is the partnership between the MNCs and Indian Companies. These were seen in the form of co-marketing, co-promotion licensing and joint venture. Big take overs and mergers were order of the day.

RISK & CONCERN :

The Indian Pharmaceutical market is highly fragmented and as more players enter in the industry, the landscape is becoming increasingly competitive. Certain brands and therapy segments are facing stiff competition. Rising cost and falling margins are areas of concern. The adherence to regulatory compliance and standards is becoming tougher. Companies who upgrade their manufacturing facilities, develop new innovative products shall be in an advantageous position.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The internal control system of the Company are adequate and transparent commensurate with the size of the company. It is based on laid down policies, guidelines, authentications and approved procedures. The reputed firms of Chartered Accountants carries out audit throughout the year . The Internal Audit Report, the progress in implementation contained in the audit report and adequacy of internal controls are reviewed by Audit Committee of the Board on regular basis.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS :

The company continued to have cordial and harmonious relation with its employees in terms of track record of the company in the relevant sphere.

SEGMENTWISE PERFORMANCE :

As major part of company's business relates to formulation segment, there is hardly anything to focus on any segment other than formulations. We hope that the financial result enclosed bear sufficient testimony of performance of formulation segment.

Regarding geographical segment, export sales constitute less than 10% of the total sales of the company, hence reporting is not applicable.

CAUTIONARY STATEMENT :

The Management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from these expressed in the statement as important factors could influence the Company's operations such as Government policies, local, political and economic development, risk inherent to the Company and such other factors.

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office : 15, Chittaranjan Avenue, Kolkata - 700072

Tel : 033-2212-9700, 9637, 9592, Fax : 033-2225-8714

Email : adidavid@dataone.in

Webside : www.albertdavidindia.com

Corporate Governance

The following is report on the implementation of the Code on Corporate Governance by your Company.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your company is committed to adoption of best governance practice, their adherence in true spirit and conducting its affairs in a manner which is transparent, clear and evident to all those having dealings with or having a stake in the Company. Your company always lays great emphasis on transparency, accountability and compliances which guide the company towards fulfilling the consistently high standard of corporate governance.

The Board of Directors of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a pivotal role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best practices across the globe.

2. BOARD OF DIRECTORS (BOARD)

Composition

The Company has an optimum composition of Board of Directors in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchange. As at 31st March, 2014, the Board consisted of eight members comprising :

- One Chairman & Managing Director ;
- One Executive Director ;
- Four Non Executive Independent Directors ;
- Two Non-Executive Directors

The composition and category of the directors on the Board are as follows:

Sl. No.	Name	Designation	Category
1	Mr. Arun Kumar Kothari	Chairman & Managing Director	Executive Director
2	Mr. Kamal Prasad Mundhra	Executive Director	Executive Director
3	Mr. Damodar Das Binani	Director	Non Executive
4	Mr. Hemal Kampani	Director	Non Executive Independent
5	Mr. Rajiv Singhi	Director	Non Executive Independent
6	Mrs. Prabhawati Devi Kothari	Director	Non Executive
7	Dr. Amal Kumar Bhattacharya	Director	Non Executive Independent
8	Dr. Karunamay Lahiri	Director	Non Executive Independent

Board Meetings & Procedure

The Board ensures that the Company's reporting and disclosure practices meet the highest standards of Corporate Governance and that the business practices followed by the Company are oriented towards meeting obligations towards various stakeholders and enhancing shareholders value.

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from normal business. The Agenda of the meeting is circulated well in advance to the Board members backed by comprehensive background information to enable them to take appropriate decisions. In addition to the information required under Annexure IA to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary.

Number and dates of Board Meetings held during the year

During the financial year ended 31st March, 2014 five Board Meetings were held. Details of board meetings held during the financial year and the number of Directors present are listed below:

Sl. No.	Date of Board Meeting	Total strength of the Board	No. of directors present
1.	May 29, 2013	7	6
2.	August 7, 2013	7	6
3.	November 12, 2013	7	4
4.	February 14, 2014	7	6
5.	March 31, 2014	8	6

The maximum time gap between any two meetings was less than four months as stipulated under Clause 49.

Attendance at aforesaid Board Meetings, at the last Annual General Meeting and the number of Directorships and Committee Chairmanship / Memberships in other Companies of each of the Directors as on 31st March, 2014 are below:-

Name of Director	Board meeting attended during the year	Attendance at the last AGM	Number of other Directorships and Committee Membership / Chairmanship as on 31st March, 2014		
			Other Directorship *	Committee Membership **	Committee Chairmanship**
Mr. AK Kothari	5	Yes	7	3	—
Mr. KP Mundhra	5	Yes	1	—	—
Mr. DD Binani	1	No	4	1	—
Mr. H Kampani	5	Yes	2	1	—
Mr. Rajiv Singhi	3	Yes	1	1	—
Mrs. P D Kothari @	—	NA	6	—	—
Dr. AK Bhattacharya @	—	NA	—	—	—
Dr. K Lahiri @	—	NA	1	—	—
Mr. P L Agarwal #	5	Yes	NA	NA	NA
Mr. A V Iyengar #	4	Yes	NA	NA	NA

@ Appointed as Director on March 31, 2014

Ceased to be a director w.e.f March 31, 2014

* Excluding Private Limited Companies and Companies under Section 25 of the Companies Act, 1956.

** Includes only members of Audit Committee and Shareholders' Grievance Committee as per Clause 49 of the Listing Agreement.

None of the Directors in the Board is a member of more than 10 committees as specified in Clause 49 of the Listing Agreement. Necessary disclosures have been made by the Directors in this regard.

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all the Committees are placed before the Board for review.

A) Audit Committee**Composition**

As on 31st March, 2014, the Committee consists of 4 Directors, who bring with them vast experience in the field of operations, finance and accounts and the Company has immensely benefited from the deliberations of the Audit Committee. The Committee comprises of:

Sl. No.	Name	Category	Designation
1	Mr. Rajiv Singhi	Non Executive Independent	Chairman
2	Mr. Hemal Kampani	Non Executive Independent	Member
3	Dr. K. Lahiri	Non Executive Independent	Member
4	Mr. AK Kothari	Chairman & Managing Director	Member

The Audit Committee was reconstituted at the Board Meeting held on 31st March, 2014.

The Chairman of the Audit Committee is an Independent Director and the Secretary of the Company acts as the Secretary to the Committee. Executives from Finance Department, Secretarial Department and Representatives of the Statutory Auditors/Internal Auditors/Cost Auditor are invited to attend the Audit Committee Meeting where their reports are discussed.

The Committee's composition and its terms of reference meet the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Audit Committee is empowered, pursuant to its terms of reference, inter-alia, to:

- investigate any activity within its terms of reference
- seek information from any employee
- obtain outside legal or other professional advice
- secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

- i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii) examination of the financial statement and the auditors' report thereon;
- iv) review of the quarterly financial statements;
- v) approval or any subsequent modification of transactions of the company with related parties;
- vi) scrutiny of inter-corporate loans and investments;
- vii) valuation of undertakings or assets of the company, wherever it is necessary;
- viii) evaluation of internal financial controls and risk management systems;
- ix) monitoring the end use of funds raised through public offers and related matters.

Meetings and Attendance during the year

During the financial year ended 31st March, 2014, the Committee met five times on 29th May, 2013, 7th August, 2013, 11th November, 2013, 14th February, 2014 and 31st March, 2014.

The attendance of the Members at the above Audit Committee meeting was as follows :

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Rajiv Singhi	5	4
Mr. AK Kothari	5	5
Mr. H Kampani	5	5
Mr. A V Iyengar #	5	4
Dr. K. Lahiri @	—	—

@ Appointed as Director on March 31, 2014

Ceased to be a Director w.e.f March 31, 2014

B) Stakeholders Relationship Committee

Composition

As on 31st March 2014, the Committee comprises of:

Sl. No.	Name	Category	Designation
1	Mr. Hemal Kampani	Non Executive Independent	Chairman
2	Mr. A K Kothari	Chairman & Managing Director	Member
3	Mrs. P D Kothari	Non-Executive Non-Independent	Member
4	Mr. K P Mundhra	Executive Director	Member

The Stakeholders Relationship Committee was reconstituted at the Board Meeting held on 31st March, 2014. The Committee was re-named on 31st March, 2014 to align with the requirements of Section 178 of the Companies Act, 2013. The composition and the terms of reference of the Committee meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013. The Company Secretary acts as Secretary to the Committee.

The Committee looks into share transfer, reviews shareholders' / investors' complaints and resolution thereof.

Meetings and attendance during the year

During the financial year ended 31st March, 2014, the Committee met five times on 29th May, 2013, 7th August, 2013, 12th November, 2013, 14th February, 2014 and 31st March, 2014.

The attendance of the members of the above Committee was as follows :

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Hemal Kampani	5	5
Mr. AK Kothari	5	5
Mr. P L Agarwal #	5	5
Mr. K P Mundhra	5	5
Mrs. P D Kothari @	—	—

@ Appointed as Director on March 31, 2014

Ceased to be a Director w.e.f March 31, 2014

The Company has received 4 (four) complaints during the year ended 31st March, 2014 and all of them have been resolved within the stipulated time.

No application for share transfer was pending for more than 30 days on 31st March, 2014.

C) Corporate Social Responsibility Committee

Composition

The Corporate Social Responsibility Committee (CSR) was constituted at the Board Meeting held on 27th May, 2014. The Board also empowered the Committee to look into matters related to sustainability and overall governance. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary. The Committee comprises of three Directors namely Mr. A K Kothari, Mr. K P Mundhra and Dr. K Lahiri. Mr. A K Kothari is the Chairman of the Committee and the Secretary of the Company acts as the Secretary to the Committee.

Sl. No.	Name	Category	Designation
1	Mr. A K Kothari	Chairman & Managing Director	Member
2	Mr. K P Mundhra	Executive Director	Member
3	Dr. K Lahiri	Non-Executive Independent	Member

Broad Terms of Reference of Corporate Social Responsibility Committee

- To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule-VII of the Companies Act 2013;
- To recommend the amount of expenditure to be incurred on the CSR activities in a financial year;
- To monitor the CSR Policy of the Company from time to time;
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.
- To carry any other function as is mandated by Board from time to time and/or enforced by any statutory notification, amendment or modification as may be necessary or appropriate for performance of its duties.

D) Nomination and Remuneration Committee**Composition**

As on 31st March 2014, the Committee comprises of:

Sl. No.	Name	Category	Designation
1	Mr. Rajiv Singhi	Non Executive Independent	Chairman
2	Mr. A K Kothari	Chairman & Managing Director	Member
3	Mr. Hemal Kampani	Non Executive Independent	Member
4	Mrs. P D Kothari	Non Executive Non-Independent	Member

The Nomination & Remuneration Committee was reconstituted at the Board Meeting held on 31st March, 2014. The Committee was re-named on 31st March, 2014 to align with the requirements of Section 178 of the Companies Act, 2013. The composition and the terms of reference of the Committee meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

The reconstituted Committee comprises of four Directors namely Mr. A K Kothari, Mr. Hemal Kampani, Mr. Rajiv Singhi and Smt. P D Kothari. Other than Mr. A K Kothari and Smt. P D Kothari, all are Non-Executive Independent Directors. Mr. Rajiv Singhi is the Chairman of the Committee and the Secretary of the Company acts as the Secretary to the Committee.

Meetings and attendance during the year

During the financial year ended 31st March, 2014, two meetings of the Committee was held on 29th May, 2013 and 31st March, 2014.

The attendance of the members of the above Committee was as follows :

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Rajiv Singhi	2	1
Mr. Hemal Kampani *	—	—
Mr. A K Kothari	2	2
Mr. P L Agarwal #	2	2
Mr. A V Iyengar #	2	2
Mrs. P D Kothari @	—	—

* Appointed as member on March 31, 2014

@ Appointed as Director on March 31, 2014

Ceased to be a Director w.e.f March 31, 2014

Broad Terms of Reference of Nomination and Remuneration Committee

- a. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to be Board their appointment and removal and shall carry out evaluation of every Directors' performance.
- b. To formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Remuneration policy

The success of the organization in achieving good performance and good governing practices depends on its ability to attract and retain individuals with requisite knowledge and excellence as executive and non-executive directors.

With this objective, the Board decides on the remuneration to be paid to the directors. While deciding on the remuneration, the Board of Directors considers the performance of the company, the current trends in the industry, the qualifications of the appointee, his experience, past performance and other relevant factors.

Criteria for payment to Non- Executive Directors

As per the present policy, the Company does not pay remuneration to any Independent Director except sitting fees for attending the meetings of the Board / Committees.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors except payment of sitting fees. The Company has not granted any Stock Options to any of its Non-Executive Directors.

The details of remuneration paid to the Directors for the year ended 31st March,2014 are as under :-

(Figures in Rupees)

Name	Designation	Salary	Perquisites	Sitting Fee	Total
Mr. AK Kothari	Chairman & Managing Director	5580000.00	1126956.00	—	6706956.00 *
Mr. K P Mundhra	Executive Director	5520000.00	2126317.00	—	7646317.00 *
Mr. D D Binani	Non-Exec. Director	—	—	5000.00	5000.00
Mr. P L Agarwal	- Do -	—	—	60000.00	60000.00
Mr. H Kampani	- Do -	—	—	75000.00	75000.00
Mr. R Singhi	- Do -	—	—	40000.00	40000.00
Mr. A V Iyengar	- Do -	—	—	50000.00	50000.00
Mrs. P D Kothari	- Do -	—	—	—	—
Dr. A K Bhattacharya	- Do -	—	—	—	—
Dr. K Lahiri	- Do -	—	—	—	—

* Excluding Provision for encashable leave and gratuity.

Shares held by Non-Executive Directors

The table below gives details of shares held by the Non-executive Directors as on 31st March 2014:

Name of the Directors	Category	No. of shares
Mrs. P D Kothari	Non-Executive Non-Independent	12500
Mr. D. D. Binani	Non-Executive Non-Independent	—
Mr. Hemal Kampani	Non-Executive Independent	—
Mr. Rajiv Singhi	Non-Executive Independent	—
Dr. Amal Kumar Bhattacharya	Non-Executive Independent	—
Dr. Karunamay Lahiri	Non-Executive Independent	—

4. GENERAL BODY MEETINGS

A) Location and time of last three Annual General Meetings (AGM) :

Financial Year	Date of AGM	Venue	Time
2012-2013 (74th AGM)	07.08.2013	Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road Kolkata - 700 001	11.30 A.M.
2011-2012 (73rd AGM)	10.08.2012	Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road Kolkata - 700 001	11.30 A.M.
2010-2011 (72nd AGM)	05.08.2011	Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road Kolkata - 700 001	11.30 A.M.

Particulars of Special resolutions passed :

Two Special Resolutions were passed in Annual General Meeting held on 5th August, 2011 to re-appoint Chairman & Managing Director of the company from 1st July, 2011 to 30th June, 2012 and increase in remuneration of Executive Director of the Company from 1st April, 2011 to 31st March, 2012.

Two Special Resolutions were passed in Annual General Meeting held on 10th August, 2012 to re-appoint Chairman & Managing Director of the company from 1st July, 2012 to 31st March, 2014 and Executive Director from 1st April, 2012 to 31st March, 2014 and fix their remunerations.

Two Special Resolutions were passed in Annual General Meeting held on 7th August, 2013 to increase remuneration of Chairman & Managing Director and Executive Director of the company from 1st April, 2013 to 31st March, 2014.

No special resolution was passed in the last year through postal ballot.

There is no proposal as on date to pass any special resolution through postal ballot.

5. DISCLOSURES

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the company at large :

None of the transactions with any of the related parties were in conflict with the interest of the Company. Details of related party relationships and transactions are disclosed in Note No.26.2 of 'Notes on Accounts' for the year ended 31st March, 2014. Details of related party transactions were periodically placed before the Audit Committee.

Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years.

There has been no non-compliance and no penalties or strictures have been imposed by any regulatory authority on any matter related to capital markets during the last three years.

Disclosure of Adoption/non-adoption of mandatory/non-mandatory requirements.

The Company has complied with and adopted the mandatory requirements stipulated in Clause 49 of the Listing Agreement.

Clause (1), (2) and (4) relating to Chairman, Remuneration Committee and Status of qualification free audit report respectively of Non-Mandatory requirement of Clause 49 of the Listing Agreement have been adopted.

6. PARTICULARS OF APPOINTMENT/RE-APPOINTMENT OF DIRECTORS FORM PART OF THE NOTICE CONVENING THE 75TH ANNUAL GENERAL MEETING.

7. MEANS OF COMMUNICATION

- ◆ The half-yearly/quarterly financial results published in the proforma prescribed under the Listing Agreement are taken on record by the Board of Directors and thereafter intimated to the Stock Exchange and also published in the newspapers generally in Economic Times in English and in Lipi in Bengali.
- ◆ The results are also displayed on the Company's website www.albertdavidindia.com shortly after its submission to Stock Exchange.
- ◆ Management Discussion and Analysis forms part of this Annual Report.

8. SEBI PREVENTION OF INSIDER TRADING

With SEBI imposing the responsibility on “Prohibition of Insider Trading” on the Organisations, the Board has re-designed a Code of Conduct strictly in accordance with the Model Code of Conduct prescribed by SEBI. The Code, besides other relevant matters, prohibits an insider from dealing in the shares of the company while in possession of the unpublished price sensitive information in relation to the company.

During the time of declaration of results, Dividend and other material events, the trading window is closed as per the Code.

Till date, there have been no violations on this front.

9. GENERAL SHAREHOLDER INFORMATION

Date, time and venue of the Annual General Meeting	At Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700001 on Thursday, the 7th August, 2014 at 12.30 P.M.
Financial Calendar 2014-2015 (tentative and subject to change)	<ul style="list-style-type: none"> ● Financial Year : April to March ● First Quarter Results : By 2nd week of August, 2014 ● Half Yearly Results : By 2nd week November, 2014 ● Third Quarter Results : By 2nd week of February, 2015 ● Audited Results for the year ending 31st March, 2015 : Last week of May, 2015
Date of Book Closure	Tuesday the 5th August, 2014 to Thursday the 7th August, 2014, both days inclusive
Dividend Payment Date	12th August, 2014
Listing on Stock Exchange	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400023 Listing fees for the year 2014-2015 have been paid to the above Stock Exchange.
Stock Code	Demat : INE155C01010 Bombay Stock Exchange : 524075

10. MARKET PRICE DATA

Month	Stock Price at BSE Limited		BSE Limited SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2013	109.75	90.25	19622.68	18144.22
May, 2013	99.80	85.10	20443.62	19451.26
June, 2013	94.90	85.05	19860.19	18467.16
July, 2013	102.00	87.00	20351.06	19126.82
August, 2013	90.75	80.20	19569.20	17448.71
September, 2013	89.95	81.95	20739.69	18166.17
October, 2013	93.00	82.05	21205.44	19264.72
November, 2013	110.00	86.25	21321.53	20137.67
December, 2013	119.00	100.00	21483.74	20568.70
January, 2014	141.85	112.00	21409.66	20343.78
February, 2014	139.85	105.00	21140.51	19963.12
March, 2014	123.85	111.50	22467.21	20920.98

Note :

The Company's shares are listed in BSE Limited. Performance of the Company's shares has been compared with broad based BSE Limited Sensex.

11. REGISTRAR AND SHARE TRANSFER AGENT

M/s. Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor, Kolkata - 700 001
Tel. No. # 2243-5809/2243-5029
Fax No. # 2248-4787
E-Mail Id # mdpldc@yahoo.com

12. SHARE TRANSFER SYSTEM

Requests for dematerialisation and transfer of shares in physical form are processed by the Registrar and Share Transfer Agent and approved by the Stakeholders' Relationship Committee. The share transfer process is reviewed by the said Committee.

13. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2014

Equity shares held	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
1-500	6330	91.7391	701922	12.299
501-1000	310	4.4928	242124	4.2425
1001-2000	136	1.971	199814	3.5011
2001-3000	42	0.6087	103834	1.8194
3001-4000	18	0.2609	64582	1.1316
4001-5000	16	0.2319	74291	1.3017
5001-10000	22	0.3188	160216	2.8073
10001 and above	26	0.3768	4160379	72.8975
TOTAL :	6900	100.00	5707162	100.00

14. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company has entered into Agreements with both the Depositories registered under the Depositories Act, 1996, i.e. NSDL and CDSL to facilitate holding and trading in shares of the Company in dematerialised form in accordance with the provisions of the Depositories Act, 1996.

As per SEBI guidelines, equity shares of the Company are compulsorily traded in dematerialised form for all the investors with effect from 1st October, 2000. As on 31st March, 2014, 55,46,700 shares representing 97.19% of the total equity share capital of the Company were held in dematerialised form. The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL is INE155C01010.

15. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS**Conversion date and likely impact on equity**

None

16. PLANT LOCATIONS

- a) at Kolkata : 5/11, D. Gupta Lane, Kolkata-700050
- b) at Ghaziabad : B-12/13, Meerut Road, Industrial Area, Ghaziabad - 201003
- c) at Mandideep : Plot No.207, New Industrial Area No.2, Mandideep - 462046

17. ADDRESS FOR CORRESPONDENCE

Albert David Limited,
Share Department
15, Chittaranjan Avenue, 2nd Floor,
Kolkata - 700 072
Phone : 2212-9700/9637/9592
Fax : 033-2225-8714, 033-2212-9629
E-Mail : adidavid@dataone.in
Website : www.albertdavidindia.com

18. CODE OF CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

In accordance with the requirements of revised Clause 49 of the Listing agreement, your Board has laid down and adopted the Code of Conduct for all its Members and Senior Management Personnel of the company. A copy of the Code has been put on Company's Website.

A declaration signed by the Company's Chairman & Managing Director is published in this Report.

19. CEO & CFO CERTIFICATION

Pursuant to revised Clause 49 of the Listing Agreement, we hereby certify that -

- (a) We have reviewed financial statements and the cash flow statement of the company for the year ended 31st March, 2014 and that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee that :
 - (i) no significant changes in internal control over financial reporting have taken place during the year ;
 - (ii) there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there were no instances of significant fraud of which we have become aware and there were no involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
S C Shah
Vice President(Finance)-cum-CFO

Sd/-
K P Mundhra
Executive Director

For and on behalf of the
Board of Directors

(A K Kothari)
Chairman & Managing Director

Kolkata
Dated : 27th May, 2014

ANNEXURE TO CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2014

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, A K Kothari, Chairman & Managing Director of Albert David Limited ("the company") hereby declare that, to the best of my information, all the Board Members and Senior Management Personnel of the company have affirmed their compliance and undertaken to continue to comply with the Code of Conduct laid down by the Board of Directors of the company for Board Members and Senior Management Personnel.

For Albert David Limited

Dated : 27th May, 2014

A. K. Kothari
Chairman & Managing Director

Auditors' Certificate on Compliance with the Conditions of Corporate Governance Under Clause 49 of the Listing Agreement

To the Members of Albert David Limited

We have examined the compliance of conditions of Corporate Governance by Albert David Limited, for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange.

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 **G. Basu & Co.**
Chartered Accountants
(Registration No.301174E)

Place : Kolkata
Date : 27th May, 2014

(T. K. Batabyal)
Partner
Membership No. 008033

TEN YEAR FINANCIAL HIGHLIGHTS

	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
SHARE CAPITAL	570.72	570.72	570.72	570.72	570.72	570.72	570.72	570.72	570.72	570.72
RESERVES & SURPLUS	8463.47	7540.01	6984.61	6520.25	5734.15	5006.22	4487.29	4140.46	3021.31	2442.29
NET WORTH	9034.19	8110.73	7555.33	7090.97	6304.87	5576.94	5058.01	4711.18	3592.03	3013.01
FIXED ASSETS (NET)	7005.67	7326.22	7545.90	7192.15	7721.82	7243.83	7309.39	5568.86	3666.14	1774.52
INVESTMENTS	1650.10	0.02	0.02	0.02	1.02	1.02	1.02	1.02	1.02	1.02
NET CURRENT ASSETS	2605.72	2821.58	1241.13	5002.18	4607.38	4642.70	4095.58	3274.79	2972.26	3987.85
TOTAL CAPITAL EMPLOYED	11604.86	10433.89	11613.20	9594.77	12567.83	12093.89	11600.99	8920.37	6708.07	5822.88
SALES(NET)	29148.25	26417.42	22974.36	21849.48	20295.79	18390.48	15812.05	14116.21	11680.85	9486.10
EBITDA (OPERATING PROFIT)	3310.48	2736.25	2445.28	2918.18	2859.95	2528.72	2249.33	2190.89	1688.29	1192.61
EBTDA (GROSS PROFIT)	2951.79	2411.99	2101.42	2637.12	2476.43	2013.61	1865.88	1942.68	1574.08	1055.14
PBT (PROFIT BEFORE TAX)	1846.06	1338.52	1123.85	1640.71	1571.60	1218.46	1192.57	1465.47	1186.70	662.66
PAT (PROFIT AFTER TAX)	1257.32	855.87	762.84	1084.58	1027.40	752.63	733.97	916.92	741.71	420.50
DIVIDEND %	50	45	45	45	45	35	30	30	25	20
EPS (EARNINGS PER EQUITY SHARE(RS)	22.03	15.00	13.37	19.00	18.00	13.19	12.86	16.07	13.00	7.37
NET WORTH PER EQUITY SHARE (RS.)	158.30	142.12	132.38	124.25	110.47	97.72	88.63	82.55	62.94	52.79

Figures for 2013-14, 2012-13, 2011-12 and 2010-11 are regrouped as per revised Schedule - VI of the Companies Act, 1956.

Independent Auditor's Report

To
The Members of ALBERT DAVID LTD.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Albert David Limited, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's 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 notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 and dated 13th September, 2013 of the Ministry of Corporate affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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.

AUDITOR'S 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2014;
- (b) In the case of the Statement of Profit & Loss, of the Profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") 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 & 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, the Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: Kolkata

Dated: May 27, 2014

For **G Basu & Co.**
Chartered Accountants
Firm Registration No. 301174E

(T. K. BATBYAL)
Membership No. 008033

Annexure to Independent Auditor's Report

Annexure referred to in item 1 under Report on other Legal and Regulatory Requirements of our Report on 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 have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- c) During the year there has been no significant disposal of fixed assets.
- ii) a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) a) The Company has not given 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) In view of our comment in paragraph (iii)(a) above, clauses (iii)(b), (iii)(c) and (iii)(d) of paragraph 4 of the aforesaid Order are not applicable.
- c) The company has taken unsecured loan of Rs.780 Lacs from four companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- d) The rate of interest and other terms and conditions of the above loans are prima facie not prejudicial to the interest of the company.
- e) The company has repaid the loan amount in full along with interest thereon during the year.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- v) a) According to the information and explanations given to us, particulars of contracts and arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- b) Contracts of sales and purchases and services with parties covered under Section 301 of Companies Act, 1956 were made at prices which were reasonable having regard to prevailing market prices on relevant date.
- vi) In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or Tribunal.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of Cost records under Section 209 (1)(d) of the Companies Act, 1956 in respect of Bulk Drugs Formulations and Disposable Syringes & needles and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- ix) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom

Duty, Excise Duty, Cess and other material statutory dues to the extent applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Cess were in arrears as at 31st March 2014 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, the following dues of Sales Tax, Income Tax, Excise Duty and Cess have not been deposited on account of pending dispute :-

Name of the Statute	Nature of dues	Amount Rs. in lacs	Period to which the amount relates	Forum where dispute is pending
Sales Tax :				
Central Sales Tax Act, 1956	Tax on Lease Rental	5.74	2002-2003	Calcutta High Court
Central Sales Tax Act, 1956	Tax on Lease Rental	1.52	2003-2004	- Do -
- Do -	- Do -	2.62	2005-2006	W.B. Com. Taxes Appealate & Revisional Board
West Bengal Vat Act, 2003	Vat on sample, dispute on sale & Purchase Tax	51.86	2009-2010	- Do -
Income Tax :				
Income Tax Act, 1961	Tax on disallowance of expenditure	0.20	1991-1992	Com. of Income Tax(Appeal)
-Do-	-Do-	6.95	1999-2000	Calcutta High Court
Excise Duty :				
Central Excise Act, 1944	Cenvat on scrap sale	67.75	01.11.2002 to 31.03.2005	CESTAT
-Do-	Classification of Products	188.04	01.06.2003 to 28.02.2008	CESTAT
-Do-	Additional Levy of Duty and Valuation of Sample	0.99	13.06.1961 to 30.04.1962	Collector of Central Excise
-Do-	Valuation of Exports	2.84	08.01.2005 to 31.08.2007	CESTAT
- Do -	Duty on scrap	0.18	01.04.2003 to 31.03.2010	Com. of Central Excise (Appeal)
Cess : Water (Prevention & Control of Pollution) Cess Act, 1977	Additional levy of Water Cess	29.29	05.01.1994 to 31.03.2014	Allahabad High Court

There were no un-deposited disputed dues in respect of Service Tax, Customs Duty and Wealth Tax as on 31st March, 2014.

- x) The Company has no accumulated losses at the end of this financial year and it has not incurred cash losses during the current and the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a Financial Institution or Bank.

- xii) 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 our opinion, the Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Therefore, the provisions of Clause 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) According to information and explanations given to us, the company has not made any dealing or trading in securities during the year. Accordingly the provisions of Clause 4(xiv) of the Order are not applicable to the company.
- xv) According to information and explanations given to us, the Company has given a guarantee to bank in respect of a loan taken by another company. In our opinion, the terms and conditions of such guarantee are not prejudicial to the interest of the company.
- xvi) The Company has taken new term loan during the year. In our opinion, the term loan has been applied for the purpose for which it was taken.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no short term fund was raised by the company which has been used for long term investment during the year under audit.
- xviii) The Company has not made any preferential allotment of shares to parties or Companies covered in the register maintained u/s 301 of the Act.
- xix) The Company did not issue any Debenture during the year under audit.
- xx) The Company did not make any Public Issue during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: Kolkata
Dated: May 27, 2014

For **G BASU & CO.**
Chartered Accountants
Firm Registration No. 301174E

(T. K. BATABYAL)
Membership No. 008033

BALANCE SHEET as at 31st March, 2014

(Rs in Lacs)

PARTICULARS	NOTE NO.	As at	As at
		31st March, 2014	31st March, 2013
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds :			
(a) Share Capital	'2'	570.72	570.72
(b) Reserves and Surplus	'3'	8,463.47	7,540.01
		<u>9,034.19</u>	<u>8,110.73</u>
2. Non-Current Liabilities :			
(a) Long-term borrowings	'4'	1,196.00	802.00
(b) Deferred Tax Liabilities (Net)	'5'	368.97	450.23
(c) Other Long-term Liabilities	'6'	344.80	333.41
(d) Long-term Provisions	'7'	660.90	737.52
		<u>2,570.67</u>	<u>2,323.16</u>
3. Current Liabilities :			
(a) Short-term borrowings	'8'	2,788.73	2,976.52
(b) Trade payables	'9'	3,035.25	2,839.26
(c) Other Current Liabilities	'10'	1,632.31	1,449.07
(d) Short-term Provisions	'7'	738.67	595.92
		<u>8,194.96</u>	<u>7,860.77</u>
	TOTAL	<u>19,799.82</u>	<u>18,294.66</u>
II. ASSETS			
1. Non-Current Assets :			
(a) Fixed Assets :	'11'		
(i) Tangible Assets		6,742.12	7,187.99
(ii) Intangible Assets		3.26	3.93
(iii) Capital Work-in-Progress :			
(A) Tangible Assets		195.74	134.30
(B) Intangible Assets under development		64.55	—
(b) Non-Current Investments	'12'	1,650.10	0.02
(c) Long-term Loan and Advances	'14'	342.87	285.57
(d) Other Non-Current Assets	'13'	0.50	0.50
		<u>8,999.14</u>	<u>7,612.31</u>
2. Current Assets :			
(a) Inventories	'16'	4,312.31	4,256.21
(b) Trade Receivables	'17'	4,258.62	3,697.45
(c) Cash and Bank Balances	'18'	925.67	1,453.31
(d) Short-term Loans and Advances	'14'	1,265.26	1,236.79
(e) Other Current Assets	'15'	38.82	38.59
		<u>10,800.68</u>	<u>10,682.35</u>
	TOTAL	<u>19,799.82</u>	<u>18,294.66</u>

Significant Accounting Policies:

'1'

Notes on Financial Statements:

'2' to '26'

The Notes referred to above are an integral part of the financial statements.

	As per our Report of even date attached		On behalf of the Board
	For G BASU & CO Chartered Accountants Firm Registration No. 301174E	S C SHAH V.P. (Finance) & C.F.O.	A K KOTHARI Chairman & Managing Director
Kolkata The 27th May, 2014	(T. K. BATBYAL) Partner Membership No. 008033	INDRAJIT DHAR Associate V.P.(Accts. & Tax.) cum Company Secretary	K P MUNDHRA Executive Director

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2014

PARTICULARS	NOTE NO.	(Rs in Lacs)	
		Year ended 31st March, 2014	Year ended 31st March, 2013
INCOME			
I. Revenue from operations :	`19'		
Sale of Products (Gross)		29,834.91	27,134.81
Other Operating Revenue		86.64	98.29
		<u>29,921.55</u>	<u>27,233.10</u>
Less: Excise Duty Recovery on Sales		686.66	717.39
Less: Excise Duty Recovery on Other Operating Revenue		7.83	8.85
Revenue Form Operations (Net)		<u>29,227.06</u>	<u>26,506.86</u>
II. Other Income	`20'	171.11	175.43
III. Total Income (I + II)		<u>29,398.17</u>	<u>26,682.29</u>
IV. Expenses :			
Cost of Materials Consumed	`21'	8,018.04	7,927.19
Purchases of Stock-in-Trade		2,368.54	1,679.11
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	`22'	213.47	(214.89)
Employee Benefits Expense	`23'	6,450.00	5,617.63
Finance Cost	`24'	358.69	324.26
Depreciation and Amortization Expense	`11'	1,105.73	1,073.47
Other Expenses	`25'	9,037.64	8,937.00
Total Expenses :		<u>27,552.11</u>	<u>25,343.77</u>
V. Profit before Tax (III — IV)		1,846.06	1,338.52
VI. Tax Expense :			
(1) Current Tax		670.00	405.00
(2) Deferred Tax		(81.26)	77.65
VII. Profit for the year from continuing operations (V — VI)		<u>1,257.32</u>	<u>855.87</u>
VIII. Earning per Equity Share :			
Basic & Diluted (Refer Note No 26.3)		22.03	15.00

Significant Accounting Policies:**'1'****Notes on Financial Statements:****'2' to '26'**

The Notes referred to above are an integral part of the financial statements.

As per our Report of even date attached

On behalf of the Board

For **G BASU & CO**
Chartered Accountants
Firm Registration No. 301174E**S C SHAH**
V.P. (Finance) & C.F.O.**A K KOTHARI**
Chairman & Managing DirectorKolkata
The 27th May, 2014**(T. K. BATBYAL)**
Partner
Membership No. 008033**INDRAJIT DHAR**
Associate V.P.(Accts. & Tax.)
cum Company Secretary**K P MUNDHRA**
Executive Director

CASH-FLOW STATEMENT for the year ended 31st March,2014

	Year ended 31st March 2014	Rs. in Lacs Year ended 31st March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extra-ordinary items	1,846.06	1,338.52
Adjustment for :		
Depreciation and amortisation	1,105.73	1,073.47
Finance cost debited to Profit & Loss Account	358.69	324.26
Interest Received / Receivable	(21.06)	(18.68)
Profit on Sale of Fixed Assets	(0.57)	(1.92)
Dividend Received	(7.22)	(3.40)
Effect of Exchange Rate Change	2.36	0.14
Loss on Sale of Fixed Assets	3.19	1.73
Provision for Doubtful Debts & Advances	11.23	(2.38)
Operating Profit before Working Capital changes	3298.41	2,711.74
Adjustment for changes in working capital:		
-(Increase)/Decrease in trade and other receivables	(560.59)	(674.19)
-(Increase)/Decrease in loans & advances	(77.58)	19.16
-(Increase)/Decrease in inventories	(56.10)	(231.59)
-Increase/(decrease) in trade and other payables	149.40	641.13
Cash Generated from Operations	2,753.54	2,466.25
Direct Taxes Paid	(675.98)	(442.10)
Net Cash Flow from operating activities	2,077.56	2,024.15
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets(including Capital work-in-progress)	(784.29)	(941.45)
Sale/Discard of Fixed Assets	10.91	7.13
Interest Received	16.88	18.54
Purchase of Long term Investments	(1,650.08)	—
Purchase of Current Investments	(1,675.00)	(1,208.40)
Sale of Current Investments	1,675.00	1,208.40
Share Application Money paid	—	(0.50)
Dividend Received on Current Investments	7.22	3.40
Net Cash used in investing activities	(2,399.36)	(912.88)

	Year ended 31st March 2014	Rs. in Lacs Year ended 31st March 2013
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from short term borrowing	1,585.71	563.81
Proceeds from long term borrowing	619.00	802.00
Increase in long term liabilities	11.39	9.33
Repayment of long term borrowing	—	(600.00)
Repayment of short term borrowing	(1,773.50)	(955.50)
Interest paid	(349.39)	(334.59)
Dividend Paid (including Tax on dividend)	(299.05)	(296.64)
Net Cash used in financing activities	<u>(205.84)</u>	<u>(811.59)</u>
Net increase/(decrease) in Cash and Cash Equivalents	(527.64)	299.68
Opening Cash and Cash Equivalents	1,453.31	1,153.63
Closing Cash and Cash Equivalents	<u>925.67</u>	<u>1,453.31</u>
Closing Cash and Cash Equivalents consists of the following:		
Cash in Hand	6.26	9.06
Bank Balance with Schedule Banks:		
On Current Account(including unrealised Foreign currency gain Rs 1.45 ,Previous year Rs 11.36)	774.78	1,326.03
On Fixed Deposit Account	125.00	100.00
On Unpaid Dividend Account	19.63	18.22
	<u>925.67</u>	<u>1,453.31</u>

Notes :

1. 'The above Cash Flow Statement has been prepared under Indirect Method set out in the Accounting Standard- 3 on "Cash Flow Statement" specified in the Companies (Accounting Standard) Rules, 2006.
2. Figures in bracket indicate Cash outgo.
3. Previous periods figure are regrouped and rearranged wherever necessary

As per our Report of even date attached

For **G BASU & CO**
Chartered Accountants
Firm Registration No. 301174E

S C SHAH
V.P. (Finance) & C.F.O.

On behalf of the Board

A K KOTHARI
Chairman & Managing Director

Kolkata
The 27th May, 2014

(T. K. BATABYAL)
Partner
Membership No. 008033

INDRAJIT DHAR
Associate V.P.(Accts. & Tax.)
cum Company Secretary

K P MUNDHRA
Executive Director

Notes : Forming Part of the Financial Statements

1. SIGNIFICANT ACCOUNTING POLICIES :

1.1 Basis of Accounting :

The financial statements are prepared under the historical cost convention, on accrual basis of accounting, in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards by the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

1.2 Use of Estimates :

The preparation of financial statements require use of estimates and assumptions to be made that affect reported amounts of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known / materialised.

1.3 Fixed Assets :

Fixed Assets are stated at cost (net of cenvat credit) inclusive of installation, interest for construction period and other attributable expenses less accumulated depreciation / amortisation thereon and impairment losses , if any.

1.4 Depreciation :

Depreciation is provided on "Straight Line Method" at the rates prescribed in Schedule XIV of the Companies Act, 1956.

1.5 Inventories :

Inventories are valued at lower of cost and net realisable value i.e., estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

Cost formulae are as follows:

Raw Material, Consumable Stores, Spares,

Packing Materials and Trading Goods

- on FIFO basis.

Finished Goods & Work-in-Progress

- at cost of input (on FIFO basis) plus labour and related manufacturing overhead including depreciation.

Scrap Materials

- at net realisable value.

1.6 Retirement Benefits:

Liabilities in respect of retirement benefits to employees are provided as follows:-

A. Defined Benefit Plan.

- (a) Leave Salary of employees on the basis of actuarial valuation as per AS 15 (Revised) under Projected Unit Credit method.
- (b) Gratuity obligation of employees, which is managed by Life Insurance Corporation of India, on the basis of actuarial valuation as per AS 15 (Revised) under Projected Unit Credit Method.

B. Defined Contribution Plans :

Provident Fund & E.S.I. on the basis of actual liability accrued and paid to authority.

1.7 Foreign Currency Transaction :

- (a) Year-end balance of foreign currency transactions is translated at the year-end rates and the corresponding effect is given in the respective accounts. Transactions completed during the year are accounted for at currency rate ruling on the date of transaction. Impact of exchange difference between the date of transaction and the date of payment thereon is recognised in the Profit and Loss Statement as exchange loss or gain.

Notes : Forming Part of the Financial Statements

- (b) In respect of transactions covered by Forward Foreign Exchange Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognised as income or expense over the life of the contract.

1.8 Recognition of Income & Expenditure :

- (a) Sales are recognised at the point of transfer of goods/title of goods. Export sales includes export incentive
- (b) Purchases are recognised at the point of transfer of goods / title of goods. It includes all expenses incidental to procurement.
- (c) All Items of Income and Expenditure are recognised on accrual basis.

1.9 Research & Development :

Capital expenditure on Research & Development (R & D) is capitalized as Fixed Assets.

Revenue expenditure on Research & Development has been charged to Statement of Profit & Loss.

1.10 Investment :

Long term Investments are stated at cost net of provision against diminution if any in carrying cost of investment other than decline of temporary nature. Non Current investments are held at lower of cost and market price.

1.11 Contingent Liabilities and Provision :

Claims against the company not acknowledged as debts and under appeal for which no reliable estimate can be made of amount involved or which may not probably require an outflow of resources are not provided for in the accounts but disclosed by way of notes to accounts. However, disputed claims for which reliable estimate can be made for probable outflow of resources are recognised in accounts.

1.12 Taxes on Income :

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

1.13 Borrowing Cost :

Borrowing cost attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.14 Impairment of Fixed Assets.

The fixed assets and producing properties are reviewed for impairment on the basis of cash generating unit concept at each balance sheet date. Impairment loss being the excess of carrying cost of over recoverable value of assets, if any, is charged to the statement of profit loss of the year in which assets of cash generating units are identified as impaired.

Reversal of impairment loss recognised in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

Notes : Forming Part of the Financial Statements

	As at 31st March, 2014	(Rs in Lacs) As at 31st March, 2013
2. SHARE CAPITAL :		
Authorised :		
97,00,000 Equity Shares of Rs.10/- each	970.00	970.00
30,000 Preference Shares of Rs.100/- each	30.00	30.00
	1,000.00	1,000.00
Issued, Subscribed & Paid-up :		
57,07,162 Equity Shares of Rs.10/- each fully paid up	570.72	570.72
	570.72	570.72

2.1 Reconciliation of the shares outstanding at the beginning and at the end of year.

	As at 31st March, 2014		As at 31st March, 2013	
	No of Shares	Rs. in Lacs	No of Shares	Rs. in Lacs
Number of share outstanding at the beginning of the year and at the close of the year	5,707,162.00	570.72	5,707,162.00	570.72

2.2 Terms/Rights attached to equity share

The company has issued only one class of equity shares having a face value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividend in Indian rupees. The dividend proposal by the Board of Directors is subject to approval of the share holders in the ensuing Annual General Meeting. During the year ended 31st March 2014, amount per share of dividend recognized as distributions to equity shareholders was Rs. 5 (Previous Year Rs 4.50). In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by share holders.

2.3 Details of Share holder holding more than 5% shares.

	As at 31st March, 2014		As at 31st March, 2013	
Name of the Share Holder	Shares Held	% of Holding	Shares Held	% of Holding
Mr. Anand Vardhan Kothari	559,000	9.79	559,000	9.79
M/s Commercial House Private Limited	400,334	7.01	400,334	7.01
M/S Kothari & Co. Private Limited	398,341	6.98	398,341	6.98
M/S Kothari Investment & Industries Pvt. Ltd.	313,900	5.50	313,900	5.50
M/S M D Kothari & Company Private Limited	393,694	6.90	393,694	6.90
M/S Vishnuhari Investments & Prop. Ltd.	1,139,875	19.97	1,139,875	19.97

Notes : Forming Part of the Financial Statements

2.4 Share holders are entitled to voting right in proportion to holding.

2.5 Shares are ordinarily transferable provided :

- a) instrument of transfer is in form prescribed under the Act
- b) company does not have any lien on shares under transfer, and
- c) transferee has convert his consent pursuant to notice under section 10(2) of the Companies Act issued by the company in respect of application of transfer of partly paid share is made by transferors.

	As at 31st March, 2014	(Rs in Lacs) As at 31st March, 2013
3. RESERVES AND SURPLUS :		
Capital Reserve :		
As per last Balance Sheet	34.90	34.90
Capital Redemption Reserve :		
As per last Balance Sheet	8.45	8.45
Securities Premium Account:		
As per last Balance Sheet	314.72	314.72
General Reserve :		
Opening Balance		
As per last Balance Sheet	6,676.06	6,126.06
Add : Transfer from surplus balance in the statement of Profit & Loss	900.00	550.00
Closing Balance	7,576.06	6,676.06
Surplus in the statement of Profit and Loss		
Balance at the beginning of the Year	505.88	500.48
Profit for the Year	1,257.32	855.87
Less : Allocation and Appropriation:		
Proposed Dividend on equity share (amount per share Rs. 5.00, Previous Year Rs. 4.50)	285.36	256.82
Tax on Dividend	48.50	43.65
Transfer to General Reserve	900.00	550.00
Net Surplus in the statement of Profit & Loss	529.34	505.88
Total Reserve and Surplus	8,463.47	7,540.01

Notes : Forming Part of the Financial Statements

(Rs in Lacs)

	<u>Non-current portion</u>		<u>Current maturities</u>	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
4. LONG-TERM BORROWINGS :				
Term Loans - Secured :				
Term Loan from State Bank of India :				
Rupee Loan	1,196.00	802.00	225.00	—
Total Borrowings	1,196.00	802.00	225.00	—
Less: Amount disclosed under other Current Liabilities (Refer Note No. 10)			225.00	
	1,196.00	802.00	—	—

4.1 Term Loan from State Bank of India is secured by :

Exclusive first charge on Plant and Machineries and other tangible movable assets acquired / to be acquired and Equitable Mortgage on entire Land and Building of Kolkata Factory and Extensions of first charge on other tangible fixed assets of the Company at Ghaziabad and Mandideep Units and extension of hypothecation charge over the Company's entire current assets both existing and future.

4.2 Term loan of Rs.1000.00 Lacs from State Bank of India is repayable in quarterly installments of Rs. 50 Lacs each from first quarter ended 30th June, 2014 to 31st March,2019.

4.3 Term loan of Rs.600.00 Lacs (sanctioned amount) from State Bank of India is repayable in quarterly installments of Rs. 25 Lacs each from last quarter ended 31st March, 2015 to 31st December,2016 and quarterly installments of Rs.50.00 Lacs each from quarter ended 31st March, 2017 to 31st December, 2018.

4.4 There is no default in repayment of any loan.

4.5 No guarantee bond has been furnished against any loan by any source.

(Rs in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
5. DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities :		
Depreciation	621.10	687.62
Research & Development	80.46	83.06
	701.56	770.68
Deferred Tax Assets :		
Provision for Unencashed leave	284.57	252.45
Provision for Gratuity	32.42	56.21
Provision for Doubtful Debts & Advances	15.60	11.79
	332.59	320.45
Deferred Tax Liabilities (Net)	368.97	450.23
6. OTHER LONG TERM LIABILITIES :		
Deposit (Unsecured) :		
Deposit (Cover Money) Stockist	344.80	333.41
	344.80	333.41

6.1 Deposit (Cover Money) Stockist are retained with company unless removed or left.

Notes : Forming Part of the Financial Statements

7. LONG & SHORT TERM PROVISIONS:

	(Rs in Lacs)			
	Long - term		Short - term	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Provision for employee benefits :				
For Gratuity	87.43	142.16	20.77	30.09
For Leave Salary	573.47	595.36	265.79	149.41
	<u>660.90</u>	<u>737.52</u>	<u>286.56</u>	<u>179.50</u>
Others Provision :				
For Income Tax (Net of Advance Tax Rs. 1440.85, Previous Year Rs. 773.14)	—	—	118.25	115.95
For Proposed Equity Dividend	—	—	285.36	256.82
For Tax on Proposed Dividend	—	—	48.50	43.65
	<u>—</u>	<u>—</u>	<u>452.11</u>	<u>416.42</u>
	<u>660.90</u>	<u>737.52</u>	<u>738.67</u>	<u>595.92</u>
			As at 31st March, 2014	As at 31st March, 2013

8. SHORT-TERM BORROWINGS :

SECURED LOANS :

Working Capital Borrowings from State Bank of India :

Rupee Loan	1,981.48	1,953.96
------------	----------	----------

UNSECURED LOANS :

Short Term loan from State Bank of India (Under Buyer's Credit arrangement in Foreign Currency)	—	179.06
---	---	--------

Loans : (Other than bank)

Public Fixed Deposit	807.25	843.50
	<u>2,788.73</u>	<u>2,976.52</u>

8.1 Working Capital Borrowings from State Bank of India is secured by hypothecation of Inventories and Book Debts and charge on fixed assets of the company.

8.2 There is no default in payment of any short term borrowings.

8.3 No guarantee bond has been furnished against any loan by any source.

9. TRADE PAYABLE :

Acceptances	200.29	159.79
For Goods	1,645.06	1,527.97
For Services	1,189.90	1,151.50
	<u>3,035.25</u>	<u>2,839.26</u>

9.1 Refer Note No. 26.7 on outstanding dues to Micro and Small Enterprises.

Notes : Forming Part of the Financial Statements

10. OTHER CURRENT LIABILITIES :

	As at 31st March, 2014	(Rs in Lacs) As at 31st March, 2013
Creditors:		
For Capital Expenditure	101.97	87.57
Other Liabilities:		
Current maturities of Long Term Debt (Refer Note No. 4.)	225.00	—
Interest accrued & due on borrowings	10.63	0.53
Interest accrued but not due on borrowings	—	0.79
Unpaid Dividend *	19.63	18.22
Unclaimed Matured Deposits and Interests accrued thereon	21.80	21.80
Unclaimed Redeemable Preference Share	3.79	3.79
Advance from Customers	38.39	111.77
Statutory liabilities	262.28	302.35
Refundable Deposits	60.49	66.09
Employees Benefits Payable	888.33	836.16
	1,632.31	1,449.07

* Not due for deposit to Investor Education and Protection Fund.

Notes : Forming Part of the Financial Statements

11. FIXED ASSETS :

(Rs in Lacs)

Description	Gross Block (At Cost)				Depreciation / Amortisation				Net Block	
	As at 1st April 2013	Additions During the Year	Deletions During the Year	As at 31st March 2014	As at 1st April 2013	For The Year	Deletions During the Year	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2013
TANGIBLE ASSETS :										
Land	4.54	—	—	4.54	—	—	—	—	4.54	4.54
Leasehold Land	22.64	—	—	22.64	6.31	0.24	—	6.55	16.09	16.33
Buildings	2,031.65	73.01	—	2,104.66	612.52	69.27	—	681.79	1,422.87	1,419.13
R & D - Buildings	96.63	—	—	96.63	2.13	3.73	—	5.86	90.77	94.50
Plant and Equipment	11,604.66	503.82	49.11	12,059.37	7,070.22	918.86	49.11	7,939.97	4,119.40	4,534.44
R & D - Plant and Equipment	93.00	9.92	—	102.92	5.48	9.63	—	15.11	87.81	87.52
Tubewell	24.06	—	—	24.06	4.83	0.38	—	5.21	18.85	19.23
Lab. Equipment & Fittings	584.88	28.42	3.86	609.44	193.12	28.14	2.64	218.62	390.82	391.76
Furniture & Fixtures	538.19	8.55	2.01	544.73	266.41	26.72	1.92	291.21	253.52	271.78
R & D - Furniture & Fixtures	62.51	—	—	62.51	2.25	3.96	—	6.21	56.30	60.26
Office Equipment	60.58	4.27	4.54	60.31	25.24	2.74	2.65	25.33	34.98	35.34
R & D - Office Equipment	1.02	—	—	1.02	0.03	0.05	—	0.08	0.94	0.99
Typewriter & Duplicator	2.49	—	0.51	1.98	2.40	0.02	0.50	1.92	0.06	0.09
Refrigerator /Air Conditioners	65.78	1.08	1.35	65.51	24.41	3.09	1.23	26.27	39.24	41.37
Vehicles	257.61	33.20	18.11	272.70	84.52	24.56	8.02	101.06	171.64	173.09
Computer	212.90	10.45	20.73	202.62	176.36	13.48	20.62	169.22	33.40	36.54
R & D - Computer	1.26	—	—	1.26	0.18	0.19	—	0.37	0.89	1.08
Total (A) :	15,664.40	672.72	100.22	16,236.90	8,476.41	1,105.06	86.69	9,494.78	6,742.12	7,187.99
Previous Year (C) :	14,380.82	1,325.38	41.80	15,664.40	7,438.01	1,073.24	34.84	8,476.41	7,187.99	6,942.81
INTANGIBLE ASSETS:										
Softwares	4.16	—	—	4.16	0.23	0.67	—	0.90	3.26	3.93
Total (B) :	4.16	—	—	4.16	0.23	0.67	—	0.90	3.26	3.93
Previous Year (D) :	—	4.16	—	4.16	—	0.23	—	0.23	3.93	—
Capital Work-In-Progress:										
Tangible Assets	—	—	—	—	—	—	—	—	195.74	134.30
Intangible Assets Under Development	—	—	—	—	—	—	—	—	64.55	—
Current Year Total (A+B) :	15,668.56	672.72	100.22	16,241.06	8,476.64	1,105.73	86.69	9,495.68	6,745.38	7,191.92
Previous Year Total (C+D):	14,380.82	1,329.54	41.80	15,668.56	7,438.01	1,073.47	34.84	8,476.64	7,191.92	

Notes : Forming Part of the Financial Statements

(Rs in Lacs)

	As at 31st March, 2014	As at 31st March, 2013		
12. NON-CURRENT INVESTMENTS :				
Trade (Unquoted, at cost fully paid up) :				
In domestic Company in 1642034 equity shares of Rs. 2/- each				
Bharat Fritz Werner Limited	1,650.08	—		
Other than Trade (Unquoted, at cost fully paid up) :				
Shiela Mahal Co-Operative Housing Society Limited	0.01	0.01		
Mangal Karini Co-operative Society Limited	0.01	0.01		
	<u>1,650.10</u>	<u>0.02</u>		
Book Value of Unquoted Investments:	<u>1,650.10</u>	<u>0.02</u>		
13. OTHER NON-CURRENT ASSETS :				
Share Application Money	0.50	0.50		
(Madhya Pradesh Plastic Park Development Corporation Limited)				
	<u>0.50</u>	<u>0.50</u>		
14. LOANS & ADVANCES : LONG TERM AND SHORT TERM (Unsecured)				
	<u>Non-current</u>	<u>Current</u>		
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Security Deposits :				
Considered Good	215.58	195.69	—	—
Considered Doubtful	0.11	0.11	—	—
Less : Provision for Doubtful Deposits	(0.11)	(0.11)	—	—
Tender Deposits :				
Considered Good	—	—	52.08	50.45
Considered Doubtful	—	—	12.26	11.88
Less : Provision for Doubtful Deposits	—	—	(12.26)	(11.88)
(A)	<u>215.58</u>	<u>195.69</u>	<u>52.08</u>	<u>50.45</u>
Other Advances				
Considered Good	—	—	89.25	92.38
Considered Doubtful	—	—	8.18	8.18
Less : Provision for Doubtful Advance	—	—	(8.18)	(8.18)
(B)	<u>—</u>	<u>—</u>	<u>89.25</u>	<u>92.38</u>
Other Loans and Advances				
Capital Advance	31.91	20.36	—	—
Balances and Deposits with Statutory Authorities	6.22	—	1,059.18	1,041.94
Advance Income Tax	72.61	64.34	—	—
(Net of Provision Rs.1891.46 P.Y. Rs.1891.46)				
Prepaid Expenses	16.27	3.67	29.51	23.05
Loans to Employees *	0.28	1.51	35.24	28.97
(C)	<u>127.29</u>	<u>89.88</u>	<u>1,123.93</u>	<u>1,093.96</u>
Total (A + B + C)	<u>342.87</u>	<u>285.57</u>	<u>1,265.26</u>	<u>1,236.79</u>

14.1 * Due to officers of the company (Rs.4.45 & previous year Rs.1.96)

Notes : Forming Part of the Financial Statements

	As at 31st March, 2014	(Rs in Lacs) As at 31st March, 2013
15. OTHER CURRENT ASSETS:		
Claim Receivables (Considered Good)	24.46	28.42
Considered Doubtful	0.16	—
Less : Provision for Doubtful Receivables	(0.16)	—
Interest Receivable	14.36	10.17
	<u>38.82</u>	<u>38.59</u>
16. INVENTORIES :		
(Refer Note 1.5 for accounting policy for valuation)		
Raw Materials	783.51	656.03
Raw Materials in Transit	225.03	176.93
Containers & Packing Materials	603.10	756.42
Containers & Packing Materials in Transit	231.66	90.71
Work-in-Progress	396.42	413.93
Finished Goods	1,143.80	1,278.07
Finished Goods in Transit	—	3.32
Stock-in-Trade	370.86	432.10
Stock-inTrade in Transit	24.54	21.67
Stores and Spares	526.23	421.08
Loose Tools	1.41	1.42
Stock of Discarded Fixed Assets	5.75	4.53
	<u>4,312.31</u>	<u>4,256.21</u>
17. TRADE RECEIVABLES:		
(Unsecured) :		
Receivable outstanding for a period exceeding six months from the date they are due for payment :		
Considered Good	142.51	131.43
Considered Doubtful	32.41	21.72
Less : Provision for Doubtful Receivables	(32.41)	(21.72)
Other Receivables, Considered good	4,116.11	3,566.02
	<u>4,258.62</u>	<u>3,697.45</u>
18. CASH AND BANK BALANCES :		
I. Cash and Cash Equivalents :		
Cash Balances :		
Cash in Hand	6.26	9.06
Balances with Banks :		
Current Accounts	774.78	1,326.03
	<u>781.04</u>	<u>1335.09</u>
II. Other Bank Balances :		
Unclaimed Dividend Account	19.63	18.22
Fixed Deposits Account *	125.00	100.00
	<u>925.67</u>	<u>1,453.31</u>

18.1 *Fixed Deposits (which have an original maturity of more than 12 months) held to adhere to stipulation laid down under Companies (Acceptance of Deposits) Rules 1975 to the effect of retaining specified percentage of Deposit liability payable within one year.

Notes : Forming Part of the Financial Statements

(Rs in Lacs)

	Year ended 31st March, 2014	Year ended 31st March, 2013
19. REVENUE FORM OPERATIONS:		
Sales of Products (Gross) : (Refer Note No.26.16)	32,972.48	30,227.80
Less: Trade Discount	3,137.57	3,092.99
Sales (Gross)	<u>29,834.91</u>	<u>27,134.81</u>
Other Operating Revenues :		
Manufacturing & Other Scrap	86.64	98.29
	<u>86.64</u>	<u>98.29</u>
20. OTHER INCOME :		
Interest Received :		
Form Banks	13.26	12.06
Other than Banks	7.80	6.62
Dividend on Investment (Other than Trade) - Current	7.22	3.40
Profit on Sale of Fixed Assets	0.57	1.92
Difference in Exchange Rate	121.69	83.82
Provision for Doubtful Receivables Written Back	—	5.99
Excess Liabilities Written Back	1.47	23.66
Guarantee Commission Received	0.70	—
Claim Receipts	16.68	32.78
Miscellaneous Receipts	1.72	5.18
	<u>171.11</u>	<u>175.43</u>
21. COST OF MATERIALS CONSUMED:		
(Refer Note No. 26.18)		
Raw Materials Consumed :		
Opening Stock	832.96	832.67
Add : Purchases during the year	4,094.23	3,688.62
	<u>4,927.19</u>	<u>4,521.29</u>
Less : Closing Stock	1,008.54	832.96
	<u>3,918.65</u>	<u>3,688.33</u>
Packing Materials Consumed :		
Opening Stock	847.13	906.53
Add : Purchases during the year	4,087.02	4,179.46
	<u>4,934.15</u>	<u>5,085.99</u>
Less : Closing Stock	834.76	847.13
	<u>4,099.39</u>	<u>4,238.86</u>
	<u>8,018.04</u>	<u>7,927.19</u>

Notes : Forming Part of the Financial Statements

(Rs in Lacs)

	Year ended 31st March, 2014	Year ended 31st March, 2013
22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE :		
Opening Stock :		
Finished Goods	1,281.39	1,268.37
Stock-in-Trade	453.77	359.25
Work in progress	413.93	306.58
	<u>2,149.09</u>	<u>1,934.20</u>
Closing Stock :		
Finished Goods	1,143.80	1,281.39
Stock-in-Trade	395.40	453.77
Work in progress	396.42	413.93
	<u>1,935.62</u>	<u>2,149.09</u>
	<u>213.47</u>	<u>(214.89)</u>
23. EMPLOYEE BENEFITS EXPENSE :		
Salaries, Wages & Bonus	5,306.43	4,547.57
Gratuity	117.82	163.60
Contribution to Provident & Other Funds	441.08	390.94
Staff Welfare Expenses	584.67	515.52
	<u>6,450.00</u>	<u>5,617.63</u>
24. FINANCE COSTS		
Interest Expenses	322.86	296.71
Other Borrowing Cost	23.83	16.50
Applicable net gain/loss from foreign currency Transactions:	12.00	11.05
	<u>358.69</u>	<u>324.26</u>

Notes : Forming Part of the Financial Statements

(Rs in Lacs)

	Year ended 31st March, 2014	Year ended 31st March, 2013
25. OTHER EXPENSES:		
MANUFACTURING, ADMINISTRATIVE SELLING & DISTRIBUTION EXPENSES:		
Stores Consumed	180.34	189.90
Power & Fuel	1,392.01	1,828.59
Excise Duty	163.44	178.17
Increase / (Decrease) in Excise Duty on Inventory	(4.48)	0.65
Carriage Inward	175.87	181.42
Rent	114.95	99.93
Rates & Taxes	15.29	17.07
Repairs & Renewals :		
Building	79.94	123.93
Plant & Machinery	369.24	312.12
Others	70.57	74.27
Insurance	77.78	77.41
Miscellaneous Expenses	49.34	72.62
Travelling, Conveyance & Vehicle Upkeep	158.00	159.26
Research & Development expenses (Refer Note No.26.8)	434.02	246.85
Electricity	29.17	31.25
Bank Charges & Guarantee Commission	31.46	29.01
Communication Expenses	54.32	47.31
Printing & Stationery	43.96	42.51
Law Charges	20.68	16.09
Service Charges	582.28	508.55
Professional Service Charges and consultancy	43.86	56.41
Donation	190.45	100.45
Processing Charges	101.72	94.36
Export Expenses	421.62	364.11
Field Personnel Expenses	1,296.14	1,371.90
Freight, Forwarding & Transportation	930.87	887.46
Advertisement & Sales Promotion	1,102.19	1,086.87
Commission	391.18	294.86
Cash Discount	251.66	240.24
Director's Meeting Fees	2.30	1.70
Sales / Service / Turnover Tax	134.89	121.33
Provision for Doubtful Advances	0.54	3.61
Provision for Doubtful Receivables	10.69	0.00
Loss on Sales of Fixed Assets	3.19	1.73
Difference in Exchange Rate	110.94	69.22
Payment to the Auditors : (Net of Service Tax)		
Audit Fees	3.25	2.57
For Tax Audit Fees	0.36	0.31
For Certification	1.24	1.42
Out of Pocket Expenses	2.11	1.35
Cost Audit Fees	0.26	0.19
	9,037.64	8,937.00

Notes : Forming Part of the Financial Statements

	Year ended 31st March, 2014	(Rs in Lacs) Year ended 31st March, 2013
26. OTHER NOTES TO FINANCIAL STATEMENTS :		
26.1 Contingent Liabilities and commitments : (To the extent not provided for)		
I. Contingent Liabilities / Disputed Liabilities :		
A) Claims against the company not acknowledged as debt:		
i) Excise Matters	365.56	731.95
ii) Sales Tax Matters	66.62	67.57
iii) Others	80.46	64.08
B) Guarantees:		
Counter guarantees to Banks for performance against contracts.	259.07	242.80
Guarantee to Other for Export Obligation	97.05	97.05
Guarantee to Bank securing Corporate Loan given by bank to another company. (Loan outstanding as on 31.03.2014 Rs.3500.00 Lacs)	3500.00	—
II. Commitments		
Estimated amount of contract remaining to be executed on capital account and not provided for:	274.73	111.82

26.2 Related Party Disclosure :

Related Party disclosures as required under AS-18 on "Related Party Disclosures" prescribed by the Central Government under the Companies (Accounting Standards) Rules, 2006, are given below:-

(a) Transaction with Related Parties During the Year.

Rs. in Lacs

Nature of Transaction	Associates	Key Management Personnel	Total	Outstanding 31.03.2014
	Rs.	Rs.	Rs.	Rs.
Corporate Guarantee Commission Received	0.70	—	0.70	0.70
	(—)	(—)	(—)	(—)
Corporate Counter Guarantee Commission paid	0.97	—	0.97	—
	(0.97)	(—)	(0.97)	(—)
Investment :				
Purchase of equity Share of Bharat Fritz Werner Ltd	1650.08	—	1650.08	1650.08
	(—)	(—)	(—)	(—)
Finance :				
Loan taken	880.00	—	880.00	—
	(330.00)	(—)	(330.00)	(—)
Interest paid	22.62	—	22.62	—
	(3.19)	(—)	(3.19)	(—)
Corporate Guarantee	3500.00	—	3500.00	3500.00
	(—)	(—)	(—)	(—)
Donation	75.00	—	75.00	—
	(100.00)	(—)	(100.00)	(—)
Director's Remuneration	—	143.53	143.53	—
	(—)	(126.69)	(126.69)	(—)

Figures in bracket relate to previous year

Notes : Forming Part of the Financial Statements

(b) Name of related parties in transaction with the company and description of relationship:

Entities over which key management personnel or his / their relatives are able to exercise significant influence :-

Kothari & Co. Pvt. Ltd.
M.D. Kothari & Co. Ltd.
Kothari Medical Centre.
Commercial House Pvt. Ltd.
Kothari Investment & Industries Pvt. Ltd.
Vishnuhari Investment & Properties Ltd.
Bharat Fritz Werner Ltd
Kothari Capital & Securities Pvt Ltd
Bhaktwatsal Investments Ltd
Kothari Hitech Consultant Pvt Ltd

Key Management Personnel :

Sri A.K.Kothari - Chairman & Managing Director.
Sri K.P. Mundhra - Executive Director.

26.3 Earning per share:

	Year ended 31st March, 2014 Rs.in lacs	Year ended 31st March, 2013 Rs.in lacs
Profit after taxation computed as per statement of profit and loss (Before and after exceptional and non-recurring items)	1257.32	855.87
Weighted average number of equity shares outstanding	5707162	5707162
Basic and diluted earnings per share in rupees (face value - Rs 10 per share) (Before and after exceptional and non-recurring items)	22.03	15.00

26.4 Segment Reporting:

Based on the guiding principles given in Accounting Standard on Segment Reporting (AS-17) prescribed by the Central Government under the Companies (Accounting Standards) Rules, 2006, the company's primary business Segment is Pharmaceuticals. As the Company's business activity falls within a single primary business segment the disclosure requirements of AS-17 in this regard are not applicable.

Geographical segment reporting of the company is also not applicable as export sales constitute less than 10% of the total sales of the company.

26.5 Employee Benefits:

Details of employee benefits considered in these accounts in keeping with Accounting Standard 15 (Revised) prescribed by the Central Government under the Companies (Accounting Standards) Rules, 2006, (also refer note 1.6 of Significant Accounting Policies above).

- a. The company has recognized, in the statement of profit and loss for the year ended 31.03.2014, an amount of Rs.474.17 Lacs (Previous Year Rs.446.77 Lacs) expenses under defined contribution plans. Details given below:-

	Year ended 31st March, 2014 Rs.in lacs	Year ended 31st March, 2013 Rs.in lacs
Benefit (Contribution to)		
Provident Fund etc.	441.08	390.94
Employee's State Insurance Scheme	33.09	55.83

Notes : Forming Part of the Financial Statements

b. Particulars in respect of post retirement / other long term defined benefit plans of the Company are as follows :

Rs.in lacs

Description	Gratuity (Funded) Year ended 31st March, 2014	Gratuity (Funded) Year ended 31st March, 2013	Leave Salary (Unfunded) Year ended 31st March, 2014	Leave Salary (Unfunded) Year ended 31st March, 2013
1. Reconciliation of opening and closing balances of obligation				
a. Obligation at the beginning of the year	1,775.74	1,592.08	744.78	602.70
b. Current Service Cost	108.22	97.54	52.26	35.32
c. Interest Cost	166.61	134.71	71.28	53.90
d. Actuarial (gain)/loss	(22.08)	54.68	123.51	173.56
e. Benefits paid	(101.64)	(103.27)	(152.57)	(120.70)
f. Obligation at the end of the year	1,926.85	1,775.74	839.26	744.78
2. Change in Plan Assets (Reconciliation of opening & closing balances)				
a. Fair Value of Plan assets at the beginning of the year	1,603.49	1,288.20	—	—
b. Expected return on plan assets	154.00	115.67	—	—
c. Actuarial gain / (loss)	(12.62)	11.79	—	—
d. Contributions by the employer	175.43	291.10	152.57	120.70
e. Benefits paid	(101.64)	(103.27)	(152.57)	(120.70)
f. Fair Value of Plan assets at the end of the year	1,818.66	1,603.49	—	—
3. Reconciliation of fair value of plan assets and present value of defined benefit obligations:				
a. Fair Value of Plan assets at the end of the year	1,818.66	1,603.49	—	—
b. Present value obligation at the end of the year	1,926.85	1,775.74	839.26	744.78
c. (Liabilities)/Assets recognized in the balance sheet (108.19)		(172.25)	(839.26)	(744.78)
4. Expenses recognized in the year				
a. Current Service Cost	108.22	97.54	52.26	35.32
b. Interest Cost	166.61	134.71	71.28	53.90
c. Expected return on plan assets (gain)/loss	(154.00)	(115.67)	—	—
d. Actuarial (gain)/loss	(9.46)	42.89	123.51	173.56
e. Expense recognized in the period (a+b+c+d)	111.37	159.47	247.05	262.78
5. Investment Details :	% invested As at 31st March, 2014	% invested As at 31st March, 2013		
Reimbursement right (LIC Group Gratuity - Cash Accumulation Policy)	100.00	100.00	—	—

Notes : Forming Part of the Financial Statements

The expenses for the above mentioned benefits have been disclosed under the following line items:

Gratuity - Gratuity under Employee benefits expense.

Leave Salary - Salary, Wages & Bonus under Employee benefits expense.

c. Actuarial Assumption:	Year ended 31st March, 2014	Year ended 31st March, 2013
Discount rate (%)	8.25% p.a.	8.00% p.a.
Rate of increase in Salary	5.00% p.a.	5.00% p.a.
Expected Return on Plan Assets	9.00% p.a.	8.00% p.a.
Method for actuarial valuation	Projected unit credit method.	Projected unit credit method.

26.6 With reference to item 14 of Significant Accounting Policies in Note 1 above the company has not found any indication of impairment of assets and accordingly no further exercise for calculating impairment loss has been under taken.

26.7 Amount Due to Micro and Small Enterprises

The Identification of Micro and Small Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act 2006" (MSMED Act) is based on the disclosure of parties belonging to Micro, small and Medium categories and MSMED Act as laid down by statute.

Amount due to Micro and Small Enterprises as on 31.03.2014 Rs.21.76 lacs (Previous year Rs. 4.93 lacs). As certified by the Management, the amounts overdue as on March 31, 2014 to Micro and Small Enterprises on account of principal amount together with interest, aggregate to Rs. Nil (Previous year Rs. Nil).

	Year ended 31st March, 2014	Year ended 31st March, 2013
26.8 Research and Development Expenses includes expenses under the following heads.		Rs.in lacs
(a) Salary & Wages	125.15	112.34
(b) Gratuity	3.41	4.94
(c) Contribution to Provident Fund	12.60	11.39
(d) Staff Welfare	10.28	12.52
(e) Travelling, Conveyance & Vehicle Upkeep	12.09	4.13
(f) Power & Fuel	27.76	24.93
(g) Postage, Telegram & Telephones	0.75	0.73
(h) Stores Consumed	46.74	42.42
(i) Cost of Materials Consumed	92.45	7.25
(j) Repairs & Renewals :		
Machinery	0.65	0.29
Building	0.24	0.39
Others	0.58	1.21
(k) Outside Testing / Development Charges & Contribution for R & D	96.46	16.44
(l) Product Registration Expenses	0.60	7.77
(m) Miscellaneous Expenses	4.26	0.10
	434.02	246.85

Notes : Forming Part of the Financial Statements

26.9 Movement of Provision.

	Provision for Taxes Rs.in lacs	Provision for Doubtful Receivables Rs.in lacs	Provision for Doubtful Advances Rs.in lacs
Opening provision	2,780.56	21.72	20.17
	(3,109.36)	(27.71)	(16.56)
Add : Provision made for the year	670.00	10.69	0.54
	(405.00)	(—)	(3.61)
Less: Adjusted with Advance Payment of Tax & TDS	—	—	—
	(733.80)	(—)	(—)
Less: Written back to Statement of Profit & Loss	—	—	—
	(—)	(5.99)	(—)
Closing provision	<u>3,450.56</u>	<u>32.41</u>	<u>20.71</u>

Figures in bracket relate to previous year

26.10 Nominal amount of Forward Contracts entered into by the Company against buyer's credit for hedging adverse impact of foreign currency fluctuation and outstanding as at 31st March 2014 amount to Rs.Nil (Previous Year Rs.179.06 lacs).

26.11 Details of unhedged Foreign Currency exposure as at Balance Sheet date :

	As at 31st March, 2014 Rs.in lacs	As at 31st March, 2013 Rs.in lacs
Sundry Debtors	717.33	546.93
Loans & Advances	7.32	0.45
	<u>724.65</u>	<u>547.38</u>
Sundry Creditors	446.52	572.89
Advance from Customer	24.97	98.96
	<u>471.49</u>	<u>671.85</u>

26.12 Research and Development Expenditure :

	Year ended 31st March, 2014 Rs.in lacs	Year ended 31st March, 2013 Rs.in lacs
Revenue (Excluding Depreciation)	434.02	246.85
Capital	9.92	254.42
	<u>443.94</u>	<u>501.27</u>

26.13 Dividend proposed to be distributed on equity Shares @ Rs5.00 per share for the year ended 31st March 2014. amounting to Rs.333.86 Lacs (including Rs.48.50 Lacs as Tax on Dividend)

26.14 The previous periods figure have been regrouped and rearranged wherever necessary.

Notes : Forming Part of the Financial Statements

26.15 Purchase of stock-in-trade during the year :

Class of Goods	Year ended	(Rs.in Lacs) Year ended
	31st March, 2014	31st March, 2013
	Value	Value
Capsules	311.50	118.30
Syrup	711.80	547.94
Tablets	911.38	627.79
Oral	317.63	275.42
Others	116.23	109.66
	<u>2,368.54</u>	<u>1,679.11</u>

26.16 Break-up of Sales: (Net of Excise Duty)

Particulars	Sales Value	Sales Value
(a) Manufactured Goods		
Tablets	2,695.40	2771.87
Small Volume Injectibles	3,799.09	3407.57
Large Volume Injectibles	9,695.61	9470.12
Liquids	4,472.60	3966.00
Capsules	2,255.87	2298.75
Ointment	1,016.36	925.43
Disposable Syringes & Needles	1,294.51	1112.79
Others	55.66	—
Others (Export Incentive)	89.39	80.42
Sub Total (A)	<u>25,374.49</u>	<u>24,032.95</u>
(b) Stock-in-Trade:		
Tablets	1,521.50	860.42
Capsules	589.18	247.26
Syrup	1,076.26	867.42
Oral	453.79	344.27
Others	133.03	65.10
Sub Total (B)	<u>3,773.76</u>	<u>2,384.47</u>
Total (A + B)	<u>29148.25</u>	<u>26417.42</u>

Notes : Forming Part of the Financial Statements

26.17 Work - In - Progress :

	Year ended 31st March, 2014	(Rs in Lacs) Year ended 31st March, 2013
	Value	Value
Tablets	10.32	38.66
Injectibles	29.60	14.79
Liquids	23.22	27.55
Bulk Drugs	4.16	4.16
Ointment	1.17	1.45
Disposable Syringes & Needles	81.90	75.11
Sterile Small Volume Injectibles	29.15	23.66
I.V. Fluids	211.95	226.86
Capsules	4.95	1.69
	<u>396.42</u>	<u>413.93</u>

26.18 Materials Consumed :

	Value	Value
(A) Raw Materials Consumed :		
Vitamins	53.55	68.79
Lactulose Concentrate	798.84	629.34
Sorbitol	145.62	111.18
Dextrose Anhydrous	289.53	338.14
Urso Deoxychoic Acid	639.30	510.18
Essence, Oils & Drugs	874.26	802.11
Granules	350.73	306.35
S.S. Tube / Cannulae	60.76	91.76
Herbal	254.56	222.65
Others	451.50	607.83
	<u>3,918.65</u>	<u>3,688.33</u>
(B) Packing Materials Consumed :		
Bottles	654.52	616.32
Ampules / Vials	96.98	89.80
Granules	1,457.27	1,567.82
Others	1,890.62	1,964.92
	<u>4,099.39</u>	<u>4,238.86</u>
Total (A + B)	<u>8,018.04</u>	<u>7,927.19</u>

Notes : Forming Part of the Financial Statements

26.19 Value of Raw/Packing Materials and Stores Consumed :

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Value Rs.in Lacs	Percentage of Total Consumption	Value Rs.in Lacs	Percentage of Total Consumption
a) Imported	3,265.39	39.83	3,051.90	37.60
b) Indigenous	4,932.99	60.17	5,065.19	62.40
	<u>8,198.38</u>	<u>100.00</u>	<u>8,117.09</u>	<u>100.00</u>

26.20 C.I.F. Value of Imports :

	Year ended 31st March, 2014	Year ended 31st March, 2013
	Value (Rs.in Lacs)	Value (Rs.in Lacs)
a) Raw Materials & Others	2,841.94	2,730.84
b) Capital Goods	57.38	—
b) Spare parts & Components	144.38	111.43

26.21 Expenditure in Foreign Currency :

a) Travelling Expenses	8.57	10.31
b) Interest	1.59	7.52
c) Commission	0.88	7.62
d) Others	92.08	111.03

26.22 Earnings in Foreign Currency :

a) Export of Goods on F.O.B. Basis	2,854.11	2,261.28
b) Other Income (Freight & Insurance)	159.41	105.27

Notes 1 to 26 signed by the following

As per our Report of even date attached

For **G BASU & CO**
Chartered Accountants
Firm Registration No. 301174E

(T. K. BATASYAL)
Partner
Membership No. 008033

S C SHAH
V.P. (Finance) & C.F.O.

INDRAJIT DHAR
Associate V.P.(Accts. & Tax.)
cum Company Secretary

On behalf of the Board

A K KOTHARI
Chairman & Managing Director

K P MUNDHRA
Executive Director

Kolkata
The 27th May, 2014

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office : 15, Chittaranjan Avenue, Kolkata - 700072

Tel : 033-2212-9700, 9637, 9592, Fax : 033-2225-8714

Email : adidavid@dataone.in | Webside : www.albertdavidindia.com

ASSENT/DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

1. Name(s) & Registered Address :
of the sole/first named Member
2. Name(s) of the Joint-Holder(s), if any :
3. i) Registered Folio No. :
ii) DP ID No. & Client ID No. :
(Applicable to Members holding shares in dematerialised form)
4. Number of Share(s) held :
5. I/We hereby exercise my/our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual General Meeting dated 27th May, 2014, by conveying my/our assent or dissent to the resolutions by placing tick (v) mark in the appropriate box below :

Sr. No.	RESOLUTIONS	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Ordinary Business				
1	Ordinary Resolution for adoption of Audited Financial Statements for the year ended March 31, 2014.			
2	Ordinary Resolution for declaration of dividend on equity shares			
3	Ordinary Resolution for re-appointment of Mr. D D Binani who retires by rotation and being eligible, offers himself for re-appointment by rotation and being eligible, offers himself for re-appointment			
4	Ordinary Resolution under Section 139 of the Companies Act, 2013 for appointment of M/s. G. Basu & Co., as Statutory Auditors of the company and fixing their remuneration			
Special Business				
1	Special Resolution for re-appointment of Mr. A K Kothari as Chairman & Managing Director of the company effective 1st April, 2014 upto 31st March, 2016			
2	Special Resolution for re-appointment of Mr. K P Mundhra as Executive Director of the company effective 1st April, 2014 upto 31st March, 2016			
3	Ordinary Resolution for appointment of Mrs. Prabhawati Devi Kothari as a Director of the company			
4	Ordinary Resolution for appointment of Dr. Amal Kumar Bhattacharya as an Independent Director of the company			
5	Ordinary Resolution for appointment of Dr. Karunamay Lahiri as an Independent Director of the company			
6	Ordinary Resolution for appointment of Mr. H Kampani as an Independent Director of the company			
7	Ordinary Resolution for appointment of Mr. Rajiv Singhi as an Independent Director of the company			
8	Ordinary Resolution for fixing remuneration of Cost Auditor of the company			
9	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing an amount not exceeding Rs.250 crores			
10	Special Resolution for inviting/ accepting/ renewing deposits from its members under Section 73(2) of the Companies Act, 2013 and the Companies (Acceptance of Deposit Rules), 2014			

Place :

Date :

Signature of the Member
Or
Authorised Representative

- Notes : (i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
(ii) Last date for receipt of Assent/Dissent Form : 2nd August, 2014 (6.00 p.m.)
(iii) Please read the instructions printed overleaf carefully before exercising your vote.

P.T.O.

INSTRUCTIONS

General Instructions

1. Shareholders have option to vote either through e-voting i.e. electronic means or to convey assent/dissent in physical form. If a shareholder has opted for Physical Assent/Dissent Form, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through both physical assent/dissent form and e-voting, then vote cast through physical assent/dissent shall be considered, subject to the assent/dissent form being found to be valid and vote cast through e-voting shall be treated as invalid.
2. The notice of Annual General Meeting is dispatched/e-mailed to the members whose names appear on the Register of Members as on 4th July, 2014 and voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders as on the said date.
3. Voting through physical assent/dissent form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representative with proof of their authorisation, as stated below.

Instructions for voting physically on Assent/Dissent Form

1. A Member desiring to exercise vote by Assent/Dissent should complete this Form (no other form or photocopy thereof is permitted) and send it to the Scrutiniser, Mr. K. C. Dhanuka, Practising Company Secretary and send the same at their cost to reach the Scrutiniser at the registered office of the Company on or before the close of working hours i.e. 6.00 p.m. on 2nd August, 2014. All Forms received after this date will be strictly treated as if the reply from such Member has not been received.
2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the RTA/Depository Participant). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed Assent/Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorisation, with the specimen signature(s) of the authorised signatory (ies) duly attested.
4. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (v) in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.
5. Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
6. There will be one Assent/Dissent Form for every folio/Client ID irrespective of the number of joint holders.
7. A Member may request for a duplicate Assent/Dissent Form, if so required, and the same duly completed should reach the Scrutiniser not later than the date specified under instruction No.1 above.
8. Members are requested not to send any other paper along with the Assent/Dissent Form. They are also requested not to write anything in the Assent/Dissent Form excepting giving their assent or dissent and putting their signature. If any such other paper is sent the same will be destroyed by the Scrutiniser.
9. The Scrutiniser's decision on the validity of the Assent/Dissent Form will be final and binding.
10. Incomplete, unsigned or incorrectly ticked Assent/Dissent Forms will be rejected.

ALAMIN SN

Infusion

Crystalline-free form Absorbable Amino Acids

Alamin RLD

Larginine, Lycopene & DHA



Betahistine Hydrochloride USP 24 mg tablets
Treats Vertigo... Better

SIOTONE

Capsules

The complete answer to Male Infertility



Caring for Womanhood

ADLIV

Forte Capsule
Syrup / Drops

The Route to a Healthy Liver

The feather touch Skeletal Muscle Relaxant

Anaflam TH4 | TH8

[Thiocolchicoside 4 mg/8mg + Aceclofenac 100mg + Paracetamol 325mg]

PLACENTREX

INJECTION

The Biological Brilliance

FBX

The Facile Blocker with Xtra Edge

Anaflam

XP / XPS / Gel

PLACENTREX

GEL

The Biological Brilliance

EVICT FIBRE

Lactulose 10 g + Ispaghula Husk 3.5 g in 20 g of granules
Dual Action ... Double Benefit

Breaze L

Montelukast 10 mg + Levocetirizine 5 mg Tablets

ACTI MARIN FORTE

Ensures Hepatoprotection... Actively

Ursodiol 150 / 300 mg Tablets



Rabeprazole 20mg of Levopride 75mg

ⁱⁿ Pre-term labor | Habitual abortion | Threatened abortion



Isosuprine hydrochloride 40mg

SR Tablets

SIOOXY

Omega-3- fatty acid, Vitamins & Minerals

Albert David's world class

I.V. FLUIDS

QUALITY

PURITY

EXCELLENCE



MAIN SALES DEPOT

BHOPAL

Albert David Limited

E-7/852, Arera Colony,
Near 12 No. Stop
Bhopal - 462016 (M.P.)
Phone: (0755) 4273796/2421121
Fax: (0755) 2421109
E-mail: bhopal@adlindia.in

DELHI

Albert David Limited

4/11, Asaf Ali Road, New Delhi - 110002
Phone: (011) 2327 0220/2327 0261
Fax: (011) 23282675
E-mail: delhi@adlindia.in

PATNA

Albert David Limited

2nd floor of Block 'B', Shazia Complex
New Bye Pass Road, Beur More
Post - Anisabad, Patna - 800002
Phone: (0612) 2251828 / 2251813
Fax: (0612) 2251888
E-mail: patna@adlindia.in

KOLKATA

Albert David Limited

5/11, D Gupta Lane, Kolkata - 700 050 (W.B.)
Phone: 033-25571131/1231/1281
Fax: 033-25571181
E-mail: adfact@dataone.in

LUCKNOW

Albert David Limited

P-7/2, Transport Nagar, Kanpur Road
Lucknow - 226008
Phone: (0522) 4154 600 (20 lines)
Fax: (0522) 4154666
E-mail: lucknow@adlindia.in
adl.lucknow@gmail.com

CHENNAI

Albert David Limited

37, Nelson Manickam Road,
6th Floor, Aminjikarai
Chennai - 600 029 (Tamilnadu)
Phone: (044) 2374 0811/2374 4242
Fax: (044) 23740911
E-mail: adlchn@yahoo.co.in

MUMBAI

Albert David Limited

101, Maker Chamber No. IV, 10th floor
Nariman Point, Mumbai - 400 021 (Maharashtra)
Phone: (022) 22023868 / 2296 6011
Fax: (022) 22823819
E-mail: mumbai@adlindia.in

VIJAYAWADA

Albert David Limited

1-4/1-10A Netaji Road,
Kamakoti Nagar, Vidyadharapuram,
Vijayawada - 520 012 (A.P.)
Phone: (0866) 2417693
Fax: (0866) 2413962
E-mail: adlvja75@yahoo.com

GUWAHATI

Albert David Limited

G.S. Road, Dispur
(Beside International Hospital)
Guwahati - 781 005 (Assam)
Phone: (0361) 2343204/2343243
Fax: (0361) 2343204
E-mail: adlguwahati@sify.com
adlguwahati@rediffmail.com

KOLKATA

Albert David Limited

21, Gopal Chandra Bose Lane
Kolkata - 700 050 (W.B.)
Phone: (033) 25569799
Fax: (033) 25574471
E-mail: kolkata@adlindia.in

FACTORIES

GHAZIABAD

Albert David Limited

B-12/13, Meerut Road, Industrial Area
Ghaziabad - 201 003 (U.P.)
Phone: 0120 4197900 (30 lines)
Fax: 0120 4197950
E-mail: adlgzb@adlindia.in

MANDIDEEP

Albert David Limited

Plot No. 207, New Industrial Area No. 2
Mandideep - 462 046, Dist. Raichur (M.P.)
Phone: (07480) 233703 / 407426
Fax: (07480) 403226
E-mail: adlmdp@adlindia.in

REGISTERED OFFICE

ALBERT DAVID LIMITED

15, Chittaranjan Avenue, Kolkata - 700 072 (W.B.)
Phone: (033) 22129700/9637/9592 Fax: (033) 22258714
E-mail: adidavid@dataone.in
Website: www.albertdavidindia.com

**ALBERT
DAVID**



A Unit of
**Kothari
Group**
Imagine Inspire Deliver