



Brooks

LABORATORIES LIMITED

AN EU-GMP approved carbapenem facility



17TH ANNUAL REPORT 2018-2019

*World-Class Dedicated
Carbapenem Injection
Facility at Unit 2-Vadodara,
Gujarat*

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul Ranchal

Mr. Rajesh Mahajan

Mr. Suresh Garg

Mr. Rajnish Kumar Bedi

Mr. Deepak Mahajan

Mrs. Sonia Gupta

Chairman

Managing Director

Additional Director

Independent Director

Independent Director

Independent Director

CHIEF FINANCIAL OFFICER

Mr. Anil Kumar Pillai

COMPANY SECRETARY

Mrs. Jyoti Sancheti

BANKERS

Kotak Mahindra Bank

State Bank of India

Indian Bank

AUDITORS

M/s SGCO & Co. LLP

Chartered Accountants

4A, Kaledonia-HDIL, 2nd Floor,
Sahar Road, Near Andheri Station,
Andheri (East) Mumbai – 400 069

Tel: 022 66256363

REGD. OFFICE & WORKS

Unit 1: Village Kishanpura

Nalagarh Road

Baddi, Distt. Solan, H.P.- 174101

Tel.: 01795- 654001/02/03

Fax: 01795-236939

Unit 2: Vadodara Address:

Village Manglej

Nareshwar Road, Taluka

Karjan, Dist. Vadodara

Gujarat:391210

Tel.: 02666- 235500

CORPORATE OFFICE

502, Kanakia Atrium -2

Next to Hotel Courtyard Marriott

Andheri Kurla Road, Andheri (East)

Mumbai – 4000093

Tel.: 022-61933100

Fax.: 022-61933114

Email: investors@brookslabs.net

Website:www.brookslabs.net

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.

C-101, 247 Park, LBS Marg, Vikhroli (West)

Mumbai -400083

Tel.: 022-49186000

Fax.: 022-49186060

email: rnt.helpdesk@linkintime.co.in

website: www.linkintime.co.in



CHAIRMAN'S LETTER



Dear Shareholders,

Last year of 2018-19 has been the starting of a phase, I would like to call it the “beginning of the consolidation phase” for your company, consolidation in both business development, team building and reinforcing a robust strategy for your company where we could be a strong corporation in the field of pharmaceuticals and especially injectables on the global scale.

This year we began marketing our own brands in the domestic market which will strengthen your company further. On the global front we have already started getting our footholds in foreign markets and more markets will be captured this ongoing year. This is the result of our continuous serious effort to expose ourselves to business forums worldwide to develop business partnerships worldwide.

Your company is consistently putting up the best efforts to be a strong global player in the field of Carbapenems. To fulfil this goal, we have taken a major strategic decision to internalise our needs for raw materials for our captive use to formulate these products, this one strategic decision will put your company on paths to worldwide success. This shall shift paradigm in favour of your company to cater for overarching better business development.

Nothing worth gaining comes easy and if it came easy it is lost easy as well. We have put our best efforts in building a very competitive and accomplished team to achieve our goals discussed above, both on research and development levels and also in developing global markets, so that in the coming time we are proud of our efforts where we could serve with pride be it a social cause or corporate governance and at the same time take your company to the top where we all feel proud of our collective efforts as the Brooks Laboratories family and your continued confidence in the functional departments of the company.

Place: Mumbai
Date: 26.08.2019

Atul Ranchal
Chairman
Brooks Laboratories Ltd.

MANAGING DIRECTOR'S SPEECH



Dear Shareholders,

Indian Pharma industry is poised for new challenges, on one hand MRP's are going down due to Nppa regulations, at the same time volumes are going up due to increased affordability of medicines at lower rung of the ladder. Brooks has geared up to face this challenge with launch of its own field force in market with critical care division to cater to hospital market. Brooks launched marketing team in 3 states, which will be followed by launch in another 3 states next year.

Vadodara facility is getting international approvals though at slow pace than expected but we expect our international approvals to go up to 15 in financial year 2019-20, thereby increase in sales & profits too. In domestic market Brooks is poised to do much better than last year.

Baddi facility is facing severe competition after implementation of GST but we are able to maintain our sales near to our last year avoiding any major decline in sales. We are constantly upgrading our Baddi facility to get more international approvals to boost up our sales in Baddi facility.

As we celebrate our 18th year of existence of Brooks laboratories, I take this opportunity to thanks all our colleagues, creditors, customers & various government agencies & investors.

With more international approvals & contribution of our critical care division we expect this financial year to be much better compared to last year. We welcome to interact with you at Annual General Meeting.

Place: Mumbai
Date: 26.08.2019

Rajesh Mahajan
Managing Director
Brooks Laboratories Ltd.



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NOTICE

Notice is hereby given that the 17th Annual General Meeting of Brooks Laboratories Limited will be held at Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, H.P. on Wednesday, 25th September, 2019 at 9 a.m. to transact the following business:

ORDINARY BUSINESS:**1. Adoption of annual audited financial statement and reports thereon**

To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2019 and the Report of the Directors and Auditors thereon.

2. Appointment of Director in place of those retiring by rotation

To appoint a Director in place of Mr. Atul Ranchal (DIN: 01998361), who retires by rotation and being eligible, offers himself for re-appointment.

3. Re-Appointment of Statutory Auditors

To consider the re-appointment of the current auditors, M/s. SGCO & CO. LLP, Chartered Accountants (Firm Registration No. 112081W), as the Statutory Auditors of the Company and to fix their remuneration and to pass the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. SGCO & Co. LLP, Chartered Accountants (Firm Registration No. 112081W), be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of 5(Five) consecutive years to hold office from the conclusion of this meeting until the conclusion of 22nd Annual General Meeting of the Company, the Board of Directors.

SPECIAL BUSINESS:**4. To ratify the remuneration of the Cost Auditors**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof), the Company hereby ratifies the remuneration payable to M/s. Balwinder & Associates, Cost Accountants, Mohali (Firm Reg No. 000201), as recommended by the Audit Committee and approved by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020, amounting to Rs. 60,000/- plus taxes.”

5. Appointment of Mr. Suresh Garg(DIN: 08544308) as a Whole-time Director designated as Technical Director

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

“**RESOLVED THAT** pursuant to the provisions of sections 152,160,196,197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on recommendation of Nomination and Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded for the appointment of Mr. Suresh Garg(DIN: 08544308) as a Whole-time Director to be designated as Technical Director for a period of 5 years with effect from 25th September, 2019 to 24th September, 2024, who shall be liable to retire by rotation and on terms and conditions as agreed between the Board and Mr. Suresh Garg. He shall be entitled to Sitting Fees for attending the Meetings of the Board of Directors or any Committee thereof.”

Place: Mumbai
August 26, 2019

By Order of the Board of Directors

For **Brooks Laboratories Limited**

Sd/-

Jyoti Sancheti

Company Secretary &
Compliance Officer

Registered Office:
Village Kishanpura,
Nalagarh Road, Baddi, Distt. Solan, H.P-174101
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the items of Special Business given in this Notice, is annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a member of the company.**
3. Pursuant to section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than 50 Members and holding, in the aggregate, not more than 10% of the total share capital of the Company carrying voting rights. However, a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other Member.
4. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Notice.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. During the period beginning 24 hours before the time fixed for the commencement of the Annual General Meeting, a Member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than 3 days' notice in writing of the intention to so inspect, is given to the Company.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 19th September, 2019 to Wednesday, 25th September, 2019, both days inclusive.
9. The Annual Report 2018-19 including the Notice of the Annual General Meeting and the Instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company / respective Depository Participants unless the Member has requested for a physical copy of the same. Hard copies of the above mentioned documents are being sent by the permitted mode to those Members who have not registered their e-mail addresses.
10. Members are requested to bring their copies of the Annual Report to the Meeting. The Notice convening the Annual General Meeting and the Annual Report 2018-19 are available on the Company's website www.brookslabs.net
11. Members / Proxies / Representatives should bring the Attendance Slip, duly filled in, for attending the Meeting.
12. Members who have not registered their e-mail addresses so far are requested to register the same with their respective Depository Participants, in case of shares held in dematerialised form and with the Registrar and Share Transfer Agent in case of shares held in physical form so that all communication including Annual Report, Notices, Circulars, etc. can be sent to them electronically..
13. SEBI has mandated submission of Permanent Account Number (PAN) by every Member of the Company. Members holding shares in dematerialised form are requested to submit their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Registrar and Share Transfer Agent.
14. As per the provisions of the Companies Act, 2013, nomination facility is available to the Members in respect of the shares held by them. Members who hold shares in physical form, either singly or jointly, can avail this facility by filling Form SH-13 in duplicate with the Registrar and Share Transfer which on request will supply blank forms. Members holding shares in the dematerialized form may contact the Depository Participant for recording nomination in respect of their shares.
15. For any assistance or information about shares, dividend etc. Members may contact the Registrar and Share Transfer Agents viz. Link Intime India Private Limited, C-101,247 Park, L.B.S.Marg, Vikhroli (W), Mumbai- 400083 (Tel: 022-49186000; Fax: 022-49186060; Email: rnt.helpdesk@linkintime.co.in; Website: www.linkintime.co.in).
16. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts and Arrangements in which Directors are interested as maintained under Section 170 and Section 189 of the Companies Act, 2013, respectively, will be available for inspection by the Members at the Annual General Meeting.
17. Members desirous of getting any information about the Accounts and Operations of the Company are requested to address their queries at the Registered Office of the Company or by email to investors@brookslabs.net at least 7 days in advance of the Meeting so that the information required can be made readily available at the Meeting.
18. All documents referred to in the Notice and accompanying Statement are open for inspection at the Registered Office of the Company on all working days of the Company between 10 a.m. and 12 noon up to the date of the Meeting.
19. **Procedure for e-Voting**
In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and amendments thereof and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide Members with the facility to exercise their right to vote at the forthcoming Annual General Meeting (AGM) by electronic means and all the businesses may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL):
20. **The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on Sunday, 22nd September, 2019 at 9:00 am and ends on Tuesday, 24th September, 2019 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on

the cut-off date Friday, 20th September, 2019 (record date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK,” else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

21. A Member may participate in the Annual General Meeting of the Company even after exercising his / her voting right through e-voting but will not be allowed to vote again at the Annual General Meeting of the Company.
22. A Member can opt for only one mode i.e. either through e-voting or voting at the Annual General Meeting. If a Member casts votes by both modes, then voting done through e-voting shall prevail and the voting at the Annual General Meeting shall be treated as invalid.
23. Mr. GS Sarin, Partner of M/s. Sharma Sarin & Associates, Practicing Company Secretaries, (M.No: FCS 4025 & CP 2751) will be acting as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
24. At the Annual General Meeting, the Chairman shall, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of ballot paper for all those Members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
25. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 3 days of the conclusion of the Annual General Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The Results declared along with the Scrutinizer’s Report will be placed on the Company’s website www.brookslabs.net and on the website of CDSL within 3 days of the Annual General Meeting of the Company and communicated to the Stock Exchanges.

Statement pursuant to Section 102(1) of the Companies Act, 2013 (‘Act’)

Resolution No. 3

As per the provisions of Companies Act, 2013 read with rules made thereunder, the first term of M/s. SGCO & Co. LLP, Chartered Accountants (Firm Registration No. 112081W) Statutory Auditors of the Company expires at the conclusion of 17th Annual General Meeting (AGM) of the Company.

The Audit Committee and Board of Directors of the Company have recommended re-appointment of M/s. SGCO & Co. LLP as Statutory Auditors of the Company for second term of five (5) consecutive years from the conclusion of 17th AGM till the conclusion of 22nd AGM of the Company.

Additional information about Statutory Auditors pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

Details	Particulars
Proposed Fess payable to the Statutory Auditor’s Audit Fees in connection with the Audit of the Accounts of the Company for the financial year 2019-20	For FY 2019-20 Rs. 9.00 lacs with authority to the Board to revise mutually during the tenure of five years, if required.
Terms of Re-appointment	M/s. SGCO & Co. LLP is proposed to be re-appointed for a second term of five(5) years from the conclusion of the 17 th AGM till the conclusion of 22 nd AGM of the Company.
In case of new Auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	Not Applicable
Basis of recommendation for appointment including the details in relation to and credentials of the Statutory Auditor(s) proposed to be appointed	M/s. SGCO & Co. LLP (Firm Registration No. 112081W) (‘SGCO’), was established in the year 1992. SGCO is a Multi Disciplinary Accountancy firm and is catering to over 250 plus client groups across diverse sectors. Their range of services include Audit & Assurance/ Governance, Risk, Compliance & IT/ Direct & Indirect Tax Advisory/Transaction & Business Advisory/Valuations/Corporate & Allied Laws Advisory. SGCO holds the ‘Peer Review’ certificate as issued by ‘ICAI’.

Resolution No. 4

As per Notification dated 31st December, 2014 issued by the Ministry of Corporate Affairs, the Companies (Cost Records and Audit) Rules, 2014, provisions relating to auditing of cost accounting records are applicable to the Company with effect from the date of above Notification. Accordingly, the audit of cost accounting records of the Company is mandatory from the financial year 2014-15.

At the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s Balwinder & Associates, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2019-20 at a remuneration of Rs. 60,000/- plus taxes per financial year.

Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditor) Rules, 2014, requires the remuneration payable to the Cost Auditors to be ratified by the Members of the Company. Accordingly, the approval of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration to the Cost Auditor payable for the financial year 2019-20.

Resolution No. 5

Mr. Suresh Garg was appointed as an Additional Director by the Board of Directors with effect from 26th August, 2019 pursuant to Section 161 of the Companies Act, 2013. The Company has received from Mr. Suresh Garg (DIN: 08544308) (i) consent in writing to act as Whole time Director in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

Mr. Suresh Garg aged 42 years, is a Graduate in Pharmacy and Diploma in Management. He has vast experience of 18 years in Pharmaceutical Industry at various levels. His areas of expertise in Domestic and International Regulatory Compliances. His association brings years of professional experience to facilitate operations and maximize productivity and growth of Organisation.

The matter regarding appointment of Mr. Suresh Garg as an Whole time Director to be designated as Technical Director was placed before the Nomination and Remuneration Committee and it has recommended his appointment. The Board of Directors approved the appointment of Mr. Suresh Garg as a Whole time Director to be designated as Technical Director of the Company for a term up to 5 years from 25th September, 2019 to 24th September, 2024 and further approve his remuneration up to maximum of Rs. 5,00,000/- per month for the period from 25th September, 2019 to 24th September, 2022 on the recommendation of Nomination and Remuneration Committee and subject to approval of members at the ensuing Annual General Meeting of the Company. He is also entitled of sitting Fees for attending the Meetings of the Board of Directors or any Committee thereof. A statement pursuant to clause (iv) of 2nd proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given in Annexure 1 in this Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested, except Mr. Suresh Garg, in the Resolution 5.

The brief profile of Mr. Suresh Garg and the detail of shareholding as per requirements of the Companies Act, 2013, the rules made there under and Secretarial Standard (SS-2) is mentioned in Annexure 2.

By order of the Board of Directors
For **Brooks Laboratories Limited**

Place: Mumbai
August 26, 2019

Sd/-
Jyoti Sancheti
Company Secretary &
Compliance Officer

Regd. Office: Village Kishanpura,
Nalagarh Road, Baddi, Dist.Solan, H.P-174101
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

ANNEXURE 1

STATEMENT PURSUANT TO 2ND PROVISIO TO SCHEDULE V [PART II SECTION II (Clause iv)] OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION	
1. Nature of Industry	Pharmaceuticals
2. Date of commencement of commercial production	The Company was incorporated on 23.01.2002. Its plant at Baddi started its commercial production in June, 2006
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus	N.A.
4. Financial Performance based on given indicators	Please refer Exhibit 1.1
5. Foreign investments or collaborators, if any	NRI Investment of Rs.10,73,470/- as on 31.03.2019
II. INFORMATION ABOUT THE APPOINTEE	
Mr. Suresh Garg, Technical Director	
1. Background Details	Refer the Statement to Resolution No. 5 above and Annexure 2
2. Past Remuneration	Year Remuneration
	2018-19 Rs.30.94 lacs p.a.
	2017-18 Rs.17.74 lacs p.a.
3. Recognition or Awards	N.A.
4. Job Profile and his suitability	Refer the Statement to Resolution No. 5 above and Annexure 2
5. Remuneration proposed	Salary–Upto Maximum of Rs. 5,00,000/- per month
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates, the relevant details would be w.r.t. the country of origin)	Please refer Exhibit 1.2
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	He has no pecuniary relationship with the Company apart from receiving remuneration or relationship with the managerial personnel.
III. OTHER INFORMATION	
1. Reasons of loss or inadequate profits	During the Financial Year 2018-19, due to high operational and depreciation cost at Vadodara factory, the Company has incurred a loss of Rs. 1480.54 lacs.
2. Steps taken or proposed to be taken for improvement	We have started registration of our products in various country which is time consuming process. We hope to get approvals of few countries which will result in better sales & reduce the losses.
3. Expected increase in productivity and profits in measurable terms	We expect to improve turnover by 200% in Vadodara facility and much lesser losses compare to last year.
IV. DISCLOSURES	
Please refer Exhibit 1.3	

Exhibit 1.1
Financial Position of the Company

The financial position of the Company as per the audited Financial Statements of last 5 years is as follows:

(Rs. In lacs)

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Sales and Other Income	5790.77	5714.44	5766.25	8157.04	8757.75
Profits after tax	(1480.54)	(1381.28)	195.65	1063.34	946.72
Earnings Per Share (in Rs.)	(9.20)	(8.53)	1.21	6.57	5.85
Fixed Assets	11717.18	12401.04	11858.96	1633.56	1568.30
Capital Work In Progress	-	52.16	0.00	8708.91	5349.80
Long Term Loans & Advances	1386.39	1725.84	2047.39	1656.05	1116.11
Current Assets	2964.82	2964.82	2400.83	3253.15	5478.26
Equity Share Capital	1618.64	1618.64	1618.64	1618.64	1618.64
Reserves & Surplus	8896.43	9828.59	10782.02	10586.35	9523.04
Long Term Borrowings	1386.39	1725.84	1080.51	34.24	0.00
Current Liabilities	4746.11	3984.97	2482.45	2792.16	2173.72

Exhibit 1.2
Industry Trends

Annual Remuneration withdrawn by the Executive Directors of some of the leading Pharmaceutical Companies in India is as follows:

Dr. Reddy Laboratories Limited (as per Annual Report 2018-19)

(In lacs)

S. No.	Name of Director	Designation	Remuneration
1.	K. Satish Reddy	Chairman	855.90
2.	G V Prasad	Co-Chairman & CEO	1238.70

Aurobindo Pharma Limited (as per Annual Report 2018-19)

(In lacs)

S. No.	Name of Director	Designation	Remuneration
1.	K. Nithyananda Reddy	Wholetime Director	151.40
2.	N Govindarajan	Managing Director	1463.20
3.	M. Sivakumaran	Wholetime Director	151.50
4.	M. Madan Mohan Reddy	Wholetime Director	267.60
5.	P. Sarath Chandra Reddy	Wholetime Director	86.30

Cipla Ltd. (as per Annual Report 2018-19)

(In lacs)

S. No.	Name of Director	Designation	Remuneration
1.	S. Radhakrishnan	Whole-time Director	498
2.	Umang Vohra	Managing Director	1503
3.	Ms. Samina Vaziralli	Executive Vice Chairperson	641

Exhibit 1.3**Information on remuneration of all directors as per Part IV of Clause (iv) of
Section II of Part II of Schedule V to the Companies Act, 2013.**

The details of proposed remuneration of Mr. Suresh Garg, Technical Director of the Company is as given below:

Terms and Conditions:**a) Salary**

Upto maximum Rs. 5,00,000/- per month

b) Re-imbusement of expenses:

Expenses incurred for travelling, boarding and lodging during business trips, entertainment expenses actually and properly incurred for the Company's business.

c) Entitled of Sitting fees for attending the Meetings of the Board of Directors or any Committee thereof.

d) **Notice Period-** 90 days.

The details of remuneration of all other director is disclose in Corporate Governance Report and further given under Part VI of Extract of Annual Return in Form No. MGT-9.

ANNEXURE 2

Profile of Director seeking Appointment/Re-appointment in ensuing Annual General Meeting pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is mentioned below

Name of Director	Suresh Garg
Designation	Technical Director
DIN:	
Date of Birth	26.02.1977
Age	42 Years
Date of Appointment	26.08.2019
Qualifications	B. Pharmacy, Diploma in Management
Brief Resume	
Expertise in Specific Functional Areas	Domestic and International Regulatory Compliances
Number of Board meetings of the Company attended during the year	NA
Relationship with other Directors	Nil
Shareholding in Brooks Laboratories Limited	410 shares
Directorships held in other companies	Nil
Membership/Chairmanship of Committees in other Companies	Nil

Management Discussion & Analysis

Company's revenues stood at Rs. 5503.01 lacs experiencing a decrease of 3.3 % over the previous year sale of Rs.5690.42 lacs

(Rs in lacs)

PARTICULARS	2018-19	2017-18
Turnover	5503.01	5690.42
Other Income	287.76	24.02
Total Income	5790.77	5714.44
Expenditure	6339.34	6579.33
Profit before Depreciation, Interest & Tax (PBDIT)	(548.57)	(864.89)
Financial Expenses (Interest)	296.26	244.02
Profit before Depreciation and Tax (PBDT)	(844.83)	(1108.91)
Depreciation and Amortization	649.96	644.51
Profit before Tax (PBT)	(1494.79)	(1753.42)
Extraordinary items (Gain)	(7.11)	0.81
Income Tax (net of MAT Credit)	14.23	372.14
Profit after Tax	(1487.67)	(1380.47)
Earnings per Share (in Rs.)	(9.20)	(8.53)

Revenues:

The turnover of the company for the year ended March 31, 2019 stood at Rs. 5503.01 lakhs as against Rs. 5690.42 lakhs for the previous year ended March 31, 2018; there was marginal decline over the previous year. The Decrease is due to selective participation in government institution business because of delayed payments.

Cost of material:

There has been marginal increase in the cost of materials as a percentage to Net sales, from 71.78% of sales in FY 2017-2018 to 73.72% of sales for this year. This increment is due to change of product mix & increase in Raw Material cost in International and Domestic market.

Employment Cost:

Sales in our Vadodara facility is picking up though at slow pace than expected due to delays in approvals in international markets. This increase in the employment cost by Rs. 35.70 lakhs, a 3.02% rise as compared to the previous year ended March 31, 2018 is due to annual increment in salaries.

Finance Cost:

Finance expense was Rs. 296.26 lakhs in Financial Year 2018-2019 versus finance cost of Rs. 240.43 in Financial Year 2017-2018. The finance cost is higher due to increased usage of working capital credits.

Depreciation:

There is increase in depreciation due to added depreciation of new capital goods for both facilities. (Rs. 649.96 in 2018-19 and Rs. 644.51 in 2017-18)

Tax:

There is no Tax liability for the financial year 2018-19.

Industry Structure and Developments

With more stringent regulatory requirements shake ups are expected to happen in the industry, we foresee few manufacturing facilities to close down who are unable to invest in upgradation.

Opportunities- Brooks has upgraded its baddi facility & is now certified by WHO GMP for injectables also. We are hopeful to get more sales after this certification.

Segment wise and product wise performance

Our sales was primarily from two segments i.e. third party manufacturing & government institution supplies, we have reduced our focus on government business due to delayed payments from government institutions.

Outlook

Outlook from Baddi is bright after obtaining WHO GMP certification for injectable facility in financial year 2018-19. Also Vadodara facility will get regulatory approvals from many countries which were applied last year. With more focus on international markets we expect better sales volumes & profit margins.

Discussion of Financial performance with respect to Operational Performance

The company operated the Baddi plant at almost full capacity, though the production in units was more but realization per unit went down due to stiff competition resulting in lower sales in value terms. Also we have gone selective in government tenders due to delayed payment of various government agencies thus reducing our sales realization. Sales at Vadodara facility have started picking up but at low pace due to delays in approvals from regulatory agencies of different countries. With more international approvals in coming year we expect to have multifold increase in sales in Vadodara facility.

Internal Control System and their adequacy

We have successfully implemented ERP to take better control systems of operations of manufacturing, marketing & purchase.

Human Resources Policy**Mission Statement**

HR supports and upholds Brooks' goals by nurturing a Positive and Engaging work environment while identifying and responding to the changing needs of the Organization and our Society.

Vision Statement

Brooks Human Resources department will serve as a Guardian for Excellence and Leadership through:

- Improving Organizational Effectiveness
- Innovative HR solutions
- Attract, Retain and Develop the talent
- Extraordinary Quality of services
- Building collaborative partnerships (HR as Business Partner)
- Develop a Robust Employee engagement plan for the staff & wage workforce through multiple engagement initiatives across the year.

Core values of HR Department**✓ Focused Approach**

We advance Brooks mission by thinking and acting in the best interests of the organization and the workforce; in particular, when developing policies, processes, programs and delivering services.

✓ Innovative

HR at Brooks would be dedicated to Quality, Excellence and Continuous improvement. We work to ensure the Brooks remains competitive in its Human Resources policies and practices by actively seeking and developing best practices, methods and approaches.

✓ Being Professional

We adhere to high professional standards of quality, competency and conduct. We act with honesty and integrity. We anticipate and are proactive, collegial and collaborative in our work. We remain current in professional practice.

✓ Accountable

We are accessible and answer to stakeholders for results in accordance with policies, standards, commitments and principles. We document, measure and report performance and evaluate program effectiveness.

✓ **Transparent**

We balance requests to share information clearly and openly while respecting the security of confidential and personal information entrusted to the department.

✓ **Employees**

We have 364 peoples employed on the rolls of the Company.

Risk management

For its operations the Directors believe that, the company has laid down internal financial controls to be followed by the company; and that such internal financial controls are adequate and were operating effectively.

Risk & Concerns:

Risk is a potential event or non-event, the occurrence or non-occurrence of which can adversely affect the objectives of the Company. Impact of risks could either be monetary that is impact on business profits due to increase in costs, decreasing revenue amongst others or non-monetary which is delay in securing regulatory approvals, reputational damage etc. The Company is susceptible to risks arising out of our business strategy, succession planning and decision on innovation or product portfolio. If there is any significant unfavourable shift in industry trend or pattern of demand, our returns on investments might get affected. We have risks associated with clients' and prospective clients' dispositions.

Any delays due to changes in regulatory requirement, clearances or executional failures could materially affect the timing and implementation of our strategy. Further, due to higher profitability in the injectables space and price pressure in the orals because of the competition, we have seen more Companies are eying injectables segment as an area to grow, thus increasing some competition from India in various markets like USA. Emerging countries' currencies have become significantly devalued making our products expensive or reduced margins in the emerging countries market.

Regulators across the globe strictly monitor the pharmaceuticals manufacturing facilities. Governing laws across the globe are becoming increasingly stringent over time, with severe penalties or actions in the event of non-compliance or violations to regulatory standards. In the scenario where we or any of our suppliers fail to comply with such regulations, there could be a regulator-enforced shutdown of concerned production facilities, withdrawal of drug approvals previously granted, failure or delay in obtaining approvals for new products, prohibition on the sale or import of non complying products etc. Such impact would significantly affect the delivery of our objectives. Given the evolving nature and regulatory complexities relating to Injectables production, there is a continuous challenge in meeting the regulatory requirements. This might also lead to additional requirements from the regulators before granting commercialization approval. The additional requirements would not only increase our financial commitments but also shift the launch timelines, there by impacting Company strategy.

In addition to the above, other key risks relating to our current operations include human capital risk such as loss of key personnel, timely replenishment of critical vacant roles, reliance on third party sole suppliers or service providers including reliance on regional suppliers, disruption of operations from natural disasters, risk arising out of strategic projects, foreign exchange fluctuations, changing landscape of statutory regime etc.

At **BROOKS**, Risk Management is a key strategic focus for the Members of Board. All key functions of the Company are independently responsible to monitor risks associated with in their respective areas of operations such as production, supply chain, marketing, finance, accounting, treasury, legal, human resource and others areas like health, safety and environment.

Brooks Laboratories Operations:

Manufacturing:

The market competition has got intensified after introduction of GST due to discontinuation of tax advantage of tax free zone from baddi. We are braving ourself for increased competition with more focus on quality & operational efficiency. This may have pressure on profit margins in short term but long term remains positive with our commitment to quality & our experience to adapt to changed environment.

Environment, Health & Safety (EHS)

Brooks is committed to comply to high standards of environment, health and safety performance and is an integral to its working. Brooks ensures that each employee strives to achieve EHS excellence.

Quality

Brooks is committed to comply with the new stricter quality norms of domestic regulators as well as international regulators where we

intend to supply our products. We are constantly upgrading our manufacturing as well as laboratory facilities to meet the new norms. We are also investing in improving knowledge base of our production & quality control teams to meet new quality standards.

THREATS, RISKS AND CONCERNS for Brooks Operations:**Drug Price Control:**

The Health Ministry keeps on revising the list of Drugs under price control. It is likely that the Government may bring more drugs and formulations under price control or change the mechanism of calculating the ceiling price of the drugs, which are under the ambit of the revised policy, which in turn will affect the net margins of the Company.

Generics:

The Government of India is continuously bringing in policies to shift the market towards generic products. The implementation of this process requires action by all stakeholders. This may have impact on future business strategies of the Company.

Future proposals:

The Company looks for expanding its own marketing operations in current year to reduce dependence on third party business. We plan to add new territories & new products also to strengthen our marketing division which is performing well now. The proposed policy of new government to cap trade margins may be very helpful for us who has both manufacturing & marketing set up.

Manufacturing & Supplying Risk:

Although a major portion of the Company's finished formulations and injectables are being manufactured at in-house facilities, the Company also depends on its suppliers for sourcing of its raw materials. Any significant disruption at in-house facilities or any of its suppliers locations due to economic, political & social factors or any other event may impair the Company's ability to meet the markets demand on a timely basis. In addition, the Company's manufacturing capabilities could be impacted by quality deficiencies in the products, which its suppliers provide, leading to impact on its financial performance.

New capital investments:

The Company has earmarked major capital investments in fy 2018-19 towards marketing of our products in domestic & international market. Company proposes to increase its marketing operations with increased geographic range & product range.

Company is in process of registration of its products in various countries by filing Dossiers in regulated markets and semi regulated markets to capture sales in these markets, these are procedural steps which have to be followed and these steps take its own time, but processes are being followed actively.

Currency fluctuation risks:

Foreign currency risks arise out of overseas operations and financing activities. Exchange rate volatility significantly impacts earnings and net equity because of invoicing in foreign currencies, expenditure in foreign currencies, foreign currency borrowings and translation of financial statements of overseas subsidiaries into Indian rupees. The Company has a defined foreign exchange risk management framework to manage these risks excluding translation risks.

International Taxation:

As the Company has potential tax exposure resulting from application of varying laws and interpretations, which include intercompany transactions with related parties in relation to various aspects of business. Although the Company believes its cross border transactions between affiliates are based on internationally accepted practices, tax authorities in various jurisdictions may have different views or interpretations and subsequently challenge the amount of profits taxed in their jurisdiction resulting into increase in tax liability including interest and penalties causing the tax expenses to increase.

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Place: Mumbai
Date: 26.08.2019

Sd/-
Rajesh Mahajan
(Managing Director)
(DIN:02000634)

Sd/-
Rajnish Kumar Bedi
(Independent Director)
(DIN:05287369)

Directors' Report

The Board of Directors of your Company has pleasure in presenting the 17th Annual Report on the affairs of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2019.

1. Financial Results

The Financial Results for the year are as under: -

(Rs in lacs)

PARTICULARS	2018-19	2017-18
Turnover	5503.01	5690.42
Other Income	287.76	24.02
Total Income	5790.77	5714.44
Expenditure	6339.34	6579.33
Profit before Depreciation, Interest & Tax (PBDIT)	(548.57)	(864.89)
Financial Expenses (Interest)	296.26	244.02
Profit before Depreciation and Tax (PBDT)	(844.83)	(1108.91)
Depreciation and Amortization	649.96	644.51
Profit before Tax (PBT)	(1494.79)	(1753.42)
Extraordinary items (Gain)	(7.11)	0.81
Income Tax (net of MAT Credit)	14.23	372.14
Profit after Tax	(1487.67)	(1380.47)
Earnings per Share (in Rs.)	(9.20)	(8.53)

2. Performance of the Company

During the year under review, your Company has achieved a turnover of Rs.55.03 crores as compared to Rs. 56.90 crores in the previous year showing a marginal decline in turnover as compare to previous year. The Company has incurred a net Loss after tax and depreciation of Rs. 14.87 Crores as compared to loss of Rs. 13.80 Crores in the previous year.

3. Operations during the year

The company operated the Baddi plant at almost full capacity, though the production in units was more but realization per unit went down due to stiff competition resulting in lower sales in value terms. Also we have gone selective in government tenders due to delayed payment of various government agencies thus reducing our sales realization. Sales at Vadodra facility have started picking up but at low pace due to delays in approvals from regulatory agencies of different countries. With more international approvals in coming year we expect to have multifold increase in sales in Vadodra facility.

4. General Information

Domestic Pharma industry is passing through new challenges like GST, stringent price control by Government & stringent regulatory requirements, we at Brooks have taken these challenges seriously & are handling these challenges effectively. We hope to come out with much better results in next few years.

Economic outlook at present with tight credit policy of banks is a matter of concern for all whereby we have to be very selective & cautious while giving credit. We are optimistic that our approach of caution in credit will help us in long term in this credit crisis of market.

5. Disclosure of Utilisation funds raised through Preferential Allotment

The amount of Rs. 8,11,75,000 (Rupees Eight Crores Eleven Lakhs and Seventy Five Thousand) raised through Preferential Allotment of Convertible Warrants to the Promoter group of the Company. The Company received Rs. 5,55,49,000 (Rupees Five Crores Fifty Five Lakhs Forty Nine Thousand) in the financial year 2018-19 and balance Rs. 2,56,26,000 (Rupees Two Crores Fifty Six Lakhs Twenty Six Thousand) is received in the financial year 2019-20 is used for Working Capital and Capital Investment in Plant & Machinery of the Company.

6. Dividends

In view of the financial constraints during the year, the Board of Directors has not recommended any dividend for this year.

7. Reserves

The Company has not transferred any amount to reserves and not withdrawn any amount from the reserves

8. Deposits

During the financial year 2018-19, the Company has not accepted any deposits from the public within the provisions of Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

9. Share Capital

The paid up Equity Share Capital of the Company as on 31st March, 2019 was Rs. 1618.64 lacs. During the year under review, there is no change in the Share Capital of the Company.

10. Issue of Convertible Warrants

In terms of SEBI (Issue of capital and Disclosure Requirements) Regulations, 2009 as amended ("ICDR Regulations"), the Company upon the Shareholders approval at the Annual General Meeting of the Company held on 10th August, 2018 issued and allotted 8,50,000 Convertible Warrants through Preferential Allotment to the Promoter group of the Company by passing the circular Resolution dated 6th September, 2018 and 14th September, 2018 at a conversion price of Rs. 95.50 per Equity Shares aggregating to Rs. 8,11,75,000/-. The Company has received 25% of the consideration along with the application. These Warrants to be converted into an equivalent number of Equity shares of face value Rs. 10/- each at a premium of Rs. 85.50 per share in the Company upon receipt of balance 75% of consideration within a period of 18 months from the date of allotment. The Company received Rs. 5,55,49,000 (Rupees Five Crores Fifty Five Lakhs Forty Nine Thousand) in the financial year 2018-19 and balance Rs. 2,56,26,000 (Rupees Two Crores Fifty Six Lakhs Twenty Six Thousand) is received in the financial year 2019-20 upon which the Warrants were converted into the Equity Shares of the Company by passing circular resolution dated 09.07.2019 and 26.07.2019.

11. Change in the nature of business, if any

During the period under review there was no change in the nature of business of the company.

12. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

13. Changes in Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Atul Ranchal, Chairman of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Dr. D.S. Maity, Whole time Director designated as a CEO cum Technical Director of the Company resigned from the Board w.e.f. 26.08.2019 and Mr. Suresh Garg has been appointed as an additional Executive Director to be designated as the Technical Director of the Company w.e.f. 26.08.2019.

Mr. Rajnish Kumar Bedi, Independent Director, Mr. Deepak Mahajan, Independent Director of the Company whose term is expired on 7th August, 2019 and Mrs. Sonia Gupta, Independent Director of the Company whose term is expiring on 29th September, 2019 has been re-appointed for the second consecutive term of five years vide special Resolution passed by the Shareholders through Postal Ballot on 20th July, 2019.

14. Statement on declaration given by the Independent Directors

As required under Section 149 (7) of the Companies Act, 2013, all the Independent Directors have given their respective declarations that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

The Independent Directors have complied with the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013. They have also given the affirmation for complying the Code of Conduct as formulated by the Company for Directors and Senior Management personnel.

The Independent Directors also given their Consent in DIR-2 and declaration as required under Section 149 (7) of the Companies Act, 2013, all the Independent Directors have given their respective declarations that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013 at the time of reappointment for the 2nd term.

15. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There is no significant and material order passed by the regulators or courts or tribunals during the financial year 2018-19 that impacts the going concern status and company's operations in future.

16. Details of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any Subsidiary or Joint Ventures or Associate Companies

17. Corporate Governance Report and Management Discussion & Analysis

Your Company is committed to good corporate governance practices. The Report on Corporate Governance is given in Annexure 1 and Management Discussion & Analysis provided above, as stipulated in Regulation 34 of listing Regulations forms part of this Director's Report.

18. Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 and rules framed thereunder.

A report on the CSR activities in the prescribed format as set out in Annexure to the Companies (Social Responsibility Policy) Rules, 2014, is given in Annexure 2 to this Directors' Report. The Policy is disclosed on the Company's website: www.brookslabs.net.

19. Human Resources

Harmonious employees' relations prevailed throughout the year. Your Directors place on record their appreciation to all employees for their hard work and dedication.

20. Number of Meetings of the Board

The details of the number of meetings of the Board and other Committees are given in the Corporate Governance Report in Annexure 1 which forms a part of this Annual Report.

21. Composition of Committees

The details pertaining to composition of Committees are included in the Corporate Governance Report in Annexure 1, which forms part of this Annual Report.

22. Recommendations of Audit Committee

All the recommendations of Audit Committee were accepted by the Board of Directors.

23. Vigil Mechanism

Pursuant to the requirements of the Companies Act, 2013, the Company has established Vigil mechanism/Whistle Blower Policy for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Policy is disclosed on the Company's website: www.brookslabs.net.

24. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;

- e. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. Internal Financial Controls related to financial statement

The Company has in place adequate internal financial controls related to financial statement. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

26. Fraud Reported by Auditor

There is no fraud reported by the Auditor.

27. Extract of Annual Return

Pursuant to Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed Form MGT 9 is given as Annexure 7 to this Directors' Report. The Directors' Report as a part of Annual Report is placed on the Company's website: www.brookslabs.net.

28. Statutory Auditors

M/s. SGC& Co. LLP, Chartered Accountants, Mumbai, were appointed as Statutory Auditors of the Company at the 13th Annual General Meeting held on 29th September, 2015 till the conclusion of 17th Annual General Meeting of the Company. As the term of M/s. SGC& Co. LLP is expiring, the Board of Directors of the Company on the recommendation of Audit Committee, recommends their re-appointment for the 2nd term of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of 22nd Annual General Meeting of the Company.

The Report given by the Statutory Auditors on the financial statement of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the auditors in their Report.

29. Cost Auditors

Pursuant to the provisions of section 148(3) of the Companies Act, 2013, the Board has appointed M/s. Balwinder Singh & Associates (Firm Reg. No. 000201), Cost Accountants, F-125, Phase VIII B, Industrial Area, Mohali- 160071, as the Cost Auditors of the Company to conduct an audit of the cost records of bulk drugs and formulations, maintained by the Company for the financial year ending 31st March, 2020. The Board has approved the remuneration payable to the Cost Auditors subject to ratification of the Members at the forthcoming Annual General Meeting.

The Cost Audit Reports would be submitted to the Central Government within the prescribed time.

30. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company engaged the services of M/s. Sharma Sarin and Associates, Company Secretaries in practice, Chandigarh, to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2019.

The Secretarial Audit Report (Form MR-3) is given as Annexure 3 to this Directors' Report. The said Report does not contain any qualification, reservation or adverse remark or disclaimer.

31. Particulars of Loans, Guarantees or Investments

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 is given in the Note No. 5 of the Notes to the Financial Statement.

32. Contracts and arrangements with Related Parties

All transactions of the Company with Related Parties are in the ordinary course of business and at arm's length. Information about the transactions with Related Parties is presented in Note No. 31(b) in Notes to the Accounts.

Form AOC – 2 pursuant to the provisions of Section 134 (3) (h) of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is given as **Annexure 5** to this Directors' Report.

33. Risk Management Policy

The Company does not have any Risk Management Committee due to the non-applicability of the provisions of Regulation 21 of the Listing Regulations, whereas the Company has Risk Management Plan. Business Continuity Plans are periodically reviewed

and tested to enhance their relevance. The Risk Management Framework covering business, operational and financial risk is being continuously reviewed by the Audit Committee. At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

34. Disclosure pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 6 to this Directors' Report.

The Statement pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company for the financial year 2018-19.

35. Conservation of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

The Statement of conservation of energy, technology absorption, foreign exchange earnings and outgo, as required prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure 4 to this Directors' Report.

36. Policy on appointment and remuneration of Directors

The Nomination and Remuneration Committee of the Company has recommended to the Board a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees including the criteria for determining the qualification, positive attributes and independence of a Director, as required under Section 178(1) of the Companies Act, 2013 which was adopted by the Board. A brief detail of the policy is given in the Corporate Governance Report in Annexure 1 which forms a part of this Annual Report. The Policy is disclosed on the Company's website: www.brookslabs.net.

37. Evaluation of Performance of Board, its Committees and Individual directors

During the year, a meeting of the Independent Directors was held to review the performance of the non-independent Directors and the Board as a whole and the Chairman on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board. Mr. Deepak Mahajan was appointed as the Lead Director to oversee the evaluation process at the meeting of the Independent Directors.

38. Compliance with Secretarial Standards

In terms of the section 118(10) of the Companies Act, 2013, the Company complies with the Secretarial Standards 1 and 2, relating to the 'Meetings of the Board of Directors' and General Meetings' respectively as specified by the Institute of Company Secretaries of India and approved by the Central Government. The Company has also voluntarily adopted the recommendatory Secretarial Standard-4 on 'Report of the Board of Directors' issued by the Institute of Company Secretaries of India.

39. Sexual Harassment of Women at the Workplace(Prevention, Prohibition and Redressal) Act, 2013

The Internal Complaint Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been formed.

There is nil case filed and disposed as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

40. Acknowledgement

Your Directors are pleased to place on record their sincere gratitude to the Central Government, State Government(s), Financial Institutions, Bankers and Business Constituents for their continuous and valuable co-operation and support to the Company. They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Place: Mumbai
Date: 26.08.2019

Sd/-
Rajesh Mahajan
(Managing Director)
(DIN:02000634)

Sd/-
Rajnish Kumar Bedi
(Independent Director)
(DIN:05287369)

ANNEXURE 1

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Company's Corporate Governance system is based on certain key principles, including fairness and integrity, transparency and disclosure, accountability, equal treatment of all shareholders and social responsibility. Corporate Governance extends beyond corporate laws. Its fundamental objective is not the mere fulfillment of the requirements of law, but also the institution of, and adherence to, systems and procedures ensuring commitment of the Board in managing a Company in a transparent manner for the maximization of long-term shareholder value.

Your Company is committed in adopting the best practices of Corporate Governance. The Company has adopted an appropriate Corporate Governance framework to ensure timely and accurate disclosure of all material facts, including financial position, performance, ownership, and governance. Its endeavor has always been to maximize the long term value to the shareholders of the Company.

2. BOARD OF DIRECTORS

- **Composition of Board, Category of Directors and their other Directorships/Committee positions.**

The Board is represented by senior and eminent professionals. The Board consists of Six Directors, of whom three are Executive and three are Non-Executive Independent Directors including one Woman Director. Thus, the composition of the Board is in compliance with the statutory requirements in this regard. The Chairman and the Executive Directors are liable to retire by rotation. Day-to-day management of the Company, under the superintendence and control of the Board, is vested with the Managing Director, who is supported by a competent Management Team. Thus, the Company is committed to good Corporate Governance, based on an effective independent Board, the separation of supervisory role from executive management and the constitution of committees to oversee critical areas.

There is no relationship between the Directors inter se.

The composition of Board, as on date, and the Directorship/Committee positions of the Directors in other Companies are as follows:

Name	Category and Designation	Other Directorships	Other Committee Memberships
Atul Ranchal	Chairman / Executive Promoter Director	NIL	NIL
Rajesh Mahajan	Managing Director / Executive Promoter Director	NIL	NIL
Suresh Garg	Executive Director/Technical Director	NIL	NIL
Rajnish Kumar Bedi	Independent Director	NIL	NIL
Deepak Mahajan	Independent Director	NIL	NIL
Sonia Gupta	Independent Director	NIL	NIL

- **Attendance of each Director at the Board Meeting and the last Annual General Meeting**

During the financial year 2018-19, 5 Board Meetings were held, that is on 29th May, 2018, 11th July, 2018, 14th August, 2018, 14th November, 2018 and 14th February, 2019. The gap between any two Board Meetings did not exceeded 120 days. The Annual General Meeting was held on 10th August, 2018. The details of the attendance of the Directors at these Meetings are as follows:

Name	Board Meetings attended during the year	Whether last AGM attended
Atul Ranchal	5	YES
Rajesh Mahajan	4	YES
Dr. D. S. Maity	5	YES
Rajnish Kumar Bedi	4	YES
Deepak Mahajan	4	YES
Sonia Gupta	5	YES

- Conduct of Board Meetings**

The Board meets at least once in a calendar quarter to, inter alia, to review the quarterly financial results, the strategic business plan and the annual budget. The annual calendar of meetings is tentatively agreed upon at the beginning of each year. Additionally, meetings are convened to transact special business, as and when necessary.

3. COMMITTEES

As mandated by SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, (hereinafter referred to as Listing Regulations) the Company has constituted an Audit Committee, a Nomination and Remuneration Committee and a Stakeholders' Relationship Committee. The Company Secretary of the Company acts as the Secretary to these Committees. The Minutes of each of the Committee Meetings are placed before the Board for noting /discussions.

AUDIT COMMITTEE

The Audit Committee (the Committee) monitors and provides effective supervision of the Management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

i. Terms of reference:

The terms of reference of the Audit Committee are in accordance with those specified in Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013.

ii. Composition

The Audit Committee comprises of three Directors as members, out of which two are Non-executive Independent Directors as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

iii. Meetings and Attendance

During the financial year 2018-19, the Audit Committee met four times i.e. on 29th May, 2018, 14th August, 2018, 14th November, 2018 and 14th February, 2019. The gap between any two Meetings did not exceeded 120 days. The Chairman of the Audit Committee was present at the Annual General Meeting held on 10th August, 2018. The detail of attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	4
Rajesh Mahajan	4
Deepak Mahajan	4

NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ensures that the Company's remuneration policy are aligned with the Board's vision, values and overall business objectives and are appropriately designed to motivate the Executive Directors, Key Management Personnel and the Senior Management to pursue the long term growth and success of the Company.

i. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in accordance with those specified in Regulation 19 of Listing Regulations and Section 178 of the Companies Act, 2013.

ii. Composition

The Nomination and Remuneration Committee comprises of three Non-executive Independent Directors in compliance with the applicable statutory requirements, as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Deepak Mahajan	Member	Independent Director
Sonia Gupta	Member	Independent Director

iii. Meetings & Attendance

During the financial year 2018-19, the Nomination and Remuneration Committee met four times i.e. on 29th May, 2018, 25th September, 2018, 29th December, 2018 and 28th March, 2019. The detail of attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	4
Deepak Mahajan	4
Sonia Gupta	4

iv. Remuneration Policy

The Nomination and Remuneration Policy of the Company is performance driven and is structured to motivate directors and employees, recognize their merits and achievements and promote excellence in their performance.

For Whole-time/Executive Directors

The remuneration paid to Whole-time/ Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, subject to the subsequent approval by the shareholders and if required, of the Central Government. The Remuneration paid to Whole-time/ Executive Directors is as follows:

(Rs. In lacs)

Name	Designation	Remuneration	Sitting Fees
Atul Ranchal	Chairman cum Whole-Time Director	96.00	1.00
Rajesh Mahajan	Managing Director	96.00	0.80
Dr. D. S. Maity	CEO cum Technical Director	23.83	1.00

For Non-Executive/Independent Directors

The Remuneration paid to the Non-executive/ Independent Directors for the financial year 2018-19 is as follows:

Name	Designation	Sitting Fees for the year (in Rs.)
Rajnish Kumar Bedi	Independent Director	80,000
Deepak Mahajan	Independent Director	80,000
Sonia Gupta	Independent Director	1,00,000

Sitting fees paid to Non Executive Directors including independent & women directors is not less than the Executive Directors.

None of the Non-Executive/Independent Directors has any other pecuniary interest in the Company.

Mr. Deepak Mahajan, Non-Executive Independent Director, holds 435 shares in the Company as on 31st March, 2019. None of the other Non-executive Independent Directors holds any shares in the Company.

v. PERFORMANCE EVALUATION OF BOARD

In terms of the provisions of the Companies Act, 2013 and Schedule II part D of the Listing Obligations & Disclosures Regulations, 2015, the Board has carried out the annual performance evaluation of its own including the various Committee and the individual Directors with a detailed questionnaire covering various aspects of Board's functioning like composition of Board and its Committees, Board culture, performance of specific duties and obligations.

A similar process with a separate exercise was carried out to evaluate the performance of the Independent Directors, who were evaluated on parameters such as the independence of judgment, level of engagement, their contribution and safeguarding the interests of the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee considers and resolves the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of Annual Report and other such issues.

i. Terms of Reference:

The terms of reference of Stakeholder Relationship Committee are in accordance with those specified in Regulation 20 of Listing Regulations and Section 178 of the Companies Act, 2013.

ii. Composition:

The Stakeholders Relationship Committee comprises of three Directors as members, out of which two are Non-executive Independent Directors as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

ii. Meetings & Attendance:

During the financial year 2018-19, the Stakeholders Relationship Committee met four times i.e. on 25th June, 2018, 16th July, 2018, 31st October, 2018 and 28th February, 2019. The Chairman of the Audit Committee was present at the Annual General Meeting held on 10th August, 2018. The detail of attendance of Members at these meeting was as follows:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

Name and Designation of Compliance Officer

Mrs. Jyoti Sancheti is the Compliance Officer of the Company as required under Regulation 6 of Listing Regulations.

iii. Complaints

During the financial year 2018-19, there was no complaints received from shareholders, which was resolved and, no complaints were pending as on 31st March, 2019.

FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry in a proactive manner. The detail of familiarization programs provided to the Independent Directors of the Company is available on the Company’s website www.brookslabs.net.

4. GENERAL BODY MEETINGS

i. Location and time of the last three Annual General Meetings

Date	Time	Venue	Special Resolutions, if any
10 th August, 2018	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh-174101	3
28 th September, 2017	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh-174101	Nil
27 th September, 2016	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh-174101	Nil

ii. Special Resolutions through Postal Ballot

During the year under review, no Special Resolution was passed through Postal Ballot.

5. Disclosures

i. Related Party Transactions

During the financial year 2018-19 there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large. Further details of related party transactions are presented in Note No. 32 in Notes to the Accounts. The Company has formulated a policy on materiality of related party transactions and disclosed the same on the website of the Company www.brookslabs.net

ii. Accounting Treatment

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

iii. Management

The Management Discussion and Analysis, as required under Regulation 34 of Listing Regulations, is given in Annexure 2 to the Directors' Report which forms a part of this Annual Report.

iv. MD / CFO Certification

The Managing Director and the Chief Financial Officer of the Company have certified to the Board with regard to the financial statements and other matters as required by Regulation 17 of Listing Regulations. The Certificate forms a part of this Annual Report.

v. Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees at senior management level and other employees who could have access to unpublished price sensitive information of the Company are governed by this code.

vi. Code of Conduct

The Company has adopted a Code of Conduct for members of the Board and senior management personnel as required under Regulation 26 of Listing Regulations. The said Code has been communicated to all the Directors and Members of the Senior Management. The Code is posted on the Company's website www.brookslabs.net

vii. Whistle Blower Policy

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. Accordingly, a Whistle Blower Policy ("Policy") has been formulated where employees can voice their genuine concerns about any unethical or unacceptable business practice or any event of misconduct. It provides a mechanism for the employees of the Company to approach the Ethics Officer or the Chairman of the Audit Committee. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment.

The Policy is posted on the website of the Company www.brookslabs.net.

No personnel has been denied access to the Audit Committee.

viii. The Company has complied with all the mandatory requirements of Corporate Governance and the Company has also adopted non-mandatory requirements of Corporate Governance during the financial year 2018-19 as shown below:

Shareholder Rights: Though the half yearly results are not sent to the Shareholders individually, all the results are promptly uploaded on the Company's website www.brookslabs.net

Audit qualifications: The audit report is unmodified opinion.

Separate posts of Chairman and CEO: The post of Chairman is separate from that of Managing Director in the Company.

Reporting of Internal Auditor: The Internal Auditor of the Company has independent direct access to the Audit Committee.

6. MEANS OF COMMUNICATION

- i. **Newspaper:** The Company publishes the statement of financial results (quarterly / half yearly / annual) in prominent English and Hindi newspapers like Financial Express and Jansatta.
- ii. **Website:** The financial results are also simultaneously posted on the Company's website www.brookslabs.net.

- ii. Any official news relating to investors information is released to the Stock Exchanges and also available on the website of the Company.

7. GENERAL SHAREHOLDERS INFORMATION
(i) Annual General Meeting Information:

Day and Date : Wednesday, 25th September, 2019
 Time : 9:00 a.m.
 Venue : Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan,
 Himachal Pradesh-174101
 Book Closure : 19th September, 2019 to 25th September, 2019 (both days inclusive)

(ii) Financial year (tentative)

The Company expects to announce the financial results for the financial year 2018-19, as per the following schedule:

1st quarter ending 30th June, 2019 : on or before 14th August, 2019
 2nd quarter ending 30th September, 2019 : on or before 14th November, 2019
 3rd quarter ending 31st December, 2019 : on or before 14th February, 2020
 4th quarter and financial year ending : on or before 30th May, 2020
 31st March, 2019
 18th Annual General Meeting : on or before 30th September, 2020

(iii) Stock Exchange Information:

The Company's Shares are listed on the following Stock Exchanges, having nation-wide trading terminals:

Stock Exchange	Stock Code
BSE Limited (BSE)	533543
National Stock Exchange of India Limited (NSE)	BROOKS

The Listing Fee for the financial year 2019-20 has not been paid to both the above Stock Exchanges.

(iv) Market Price Data (high, low during each month in the financial year 2018-19):

Month	BSE				NSE			
	Price in		S&P BSE SENSEX		Price in		NIFTY 50	
	High	Low	High	Low	High	Low	High	Low
Apr-18	119.4	79.1	35213.3	32972.56	119.7	80.55	10759	10111.3
May-18	122.75	86	35993.53	34302.89	122.75	86.1	10929.2	10417.8
Jun-18	101	81.2	35877.41	34784.68	100.65	80.05	10893.25	10550.9
Jul-18	87.9	74.3	37644.59	35106.57	87.65	73.8	11366	10604.65
Aug-18	86.2	74.5	38989.65	37128.99	86.35	75.5	11760.2	11234.95
Sep-18	84.8	56.1	38934.35	35985.63	84.75	55.35	11751.8	10850.3
Oct-18	60.85	50.35	36616.64	33291.58	61	47.65	11035.65	10004.55
Nov-18	72.7	56.5	36389.22	34303.38	72.65	56.15	10922.45	10341.9
Dec-18	67.8	50.55	36554.99	34426.29	68.1	50.4	10985.15	10333.85
Jan-19	61.4	50.1	36701.03	35375.51	61.65	50.15	10987.45	10583.65
Feb-19	63	38.1	37172.18	35287.16	63	37.6	11118.1	10585.65
Mar-19	61	50.75	38748.54	35926.94	61.2	51.35	11630.35	10817

(v) Registrars and Share Transfer Agents

Link In time India Private Limited

C-101, 247 Park, LBS Marg,

Vikhroli West, Mumbai-400083

Tel: 022- 49186000, Fax: 022- 49186060

Email: rnt.helpdesk@linkintime.co.in

Contact person: Mr. Mahesh Masurkar

(Team Leader- Investor Relation Registry)

(vi) Share Transfer System

The Board has delegated the authority for approving transfer, transmission etc. of the Company's shares, excluding issuance of duplicate share certificate to Link Intime India Private Limited, Registrar and Share Transfer Agent. A summary of the transfer, transmission etc., as approved, is placed before the Share Transfer Committee. The Company obtains a half yearly compliance certificate as required under Regulation 7(3) of Listing Regulations from a Company Secretary in whole time practice and files the same with the Stock Exchanges.

(vii) Shareholding Pattern as on 31st March, 2019

Category	No. of Shares	% of Shareholding
1. Promoter and Promoter Group	9811949	60.62
2. Bodies Corporate	868940	5.37
3. Resident Individuals	5397011	33.34
4. Non-resident and FII's	108522	0.67
Total	16186422	100.00

(viii) Distribution of Shareholding as on 31st March, 2019

Number of Shares		Shareholders		No. of Shares	
From	To	Number	% of Total	Number	% of Total
1	500	10361	85.82	1442791	8.91
501	1000	896	7.42	741776	4.58
1001	2000	405	3.35	620778	3.84
2001	3000	145	1.20	371639	2.30
3001	4000	61	0.51	217525	1.34
4001	5000	49	0.41	233161	1.44
5001	10000	73	0.60	505219	3.12
10001	and above	83	0.69	12053533	74.47
TOTAL		12073	100.00	16186422	100.00

(ix) Dematerialization of Shares

As on 31st March, 2019, 99.99% of the total Equity Share Capital was held in dematerialized form. Only 2000 shares were held in physical form.

(x) Plant locations

Unit	Address
Unit - I	Village Kishanpura, Nalagarh Road, Baddi, Dist. Solan, Himachal Pradesh-174101
Unit - II	Survey No. 61/62, Village Manglej, Nareshwar Road, Taluka Karjan, Distt. Vadodara, Gujarat – 391210

(xi) Address for correspondence**Registered Office and Works:**

Village Kishanpura

Nalagarh Road

Baddi, Distt. Solan

Himachal Pradesh-174101

Tel: 01795-654001/04/06

Fax: 01795-236939

E-mail: investors@brookslabs.netWebsite: www.brookslabs.net**Corporate Office:**

502, Kanakia Atrium-2

Next to Hotel Courtyard Marriott

Andheri Kurla Road, Andheri (E)

Mumbai – 400 093

Tel: 022 61933100

Fax: 022 61933114

DECLARATION**(As required under Regulation 34 of Listing Regulations)**

As required under Regulation 34 of Listing Regulations with the Stock Exchanges, the Board Members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2019.

For **Brooks Laboratories Limited**

Sd/-

Rajesh Mahajan
Managing Director
(DIN: 02000634)Place: Mumbai
Date: 26.08.2019**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 34 OF LISTING REGULATIONS 2015**To,
The Members
Brooks Laboratories Limited

We have examined the compliance of Corporate Governance by Brooks Laboratories Limited for the year ended 31st March, 2019, as stipulated in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchange. The compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examination has been limited to the review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that no investor complaint is pending for a period exceeding one month as on 31st March, 2019 against the Company, as per records maintained by the Investor Grievance Committee of the Company.

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

For **Sharma Sarin & Associates**
Company Secretaries

Sd/-

P.D. SHARMA
Partner
C.P.No. 2692Place : Chandigarh
Date: 23.08.2019

MD/CFO CERTIFICATION

(As required under Regulation 17(8) of the Listing Regulations)

To,
The Board of Directors
Brooks Laboratories Limited

We, Rajesh Mahajan, Managing Director and Anil Kumar Pillai, Chief Financial Officer of the Brooks Laboratories Limited ("the Company"), hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 and based on our knowledge and belief, state that:
- (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 the 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 for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
- (i) there has been no significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and
 - (iii) we are not aware of any material instances of significant fraud during the year and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board
For **Brooks Laboratories Limited**

Place: Mumbai
Date: 26.08.2019

Sd/-
Rajesh Mahajan
Managing Director
(DIN:02000634)

Sd/-
Anil Kumar Pillai
Chief Financial Officer

Annexure 2

Annual Report on the CSR activities pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR Policy

The Company's philosophy towards Corporate Social Responsibility (CSR) is conducting business by integrating its economic, environmental and social objectives in such a way that it will contribute for the social good together with its operational growth. The Company believes that CSR is a process by which an organization thinks about its relationship with its stakeholders for the common good and demonstrates its commitment to the same. The Company intends to undertake multiple initiatives like promoting healthcare and education, ensuring environment sustainability etc. under its CSR policy

The Company has adopted a CSR Policy in compliance with the provisions of the Companies Act, 2013 and can be accessed on the Company's website www.brookslabs.net.

2. Composition of the Committee:

The Committee comprises of three Directors as members with one Non-executive Independent Director as given below:

Name	Designation	Category
Rajesh Mahajan	Chairman	Executive Director
Atul Ranchal	Member	Executive Director
Rajnish Kumar Bedi	Member	Independent Director

3. Average Net Profit of the Company of last three financial years: 462.67 lacs

4. Details of prescribed CSR expenditure (2% of the Average Net Profit):

- a. Total CSR amount to be spent for the financial year 2014-15: Rs.17.54 lacs
- b. Total CSR amount to be spent for the financial year 2015-16: Rs.17.06 lacs
- c. Total CSR amount to be spent for the financial year 2016-17: Rs.17.89 lacs
- d. Total CSR amount to be spent for the financial year 2017-18: Rs. 14.88 lacs
- e. Total CSR amount to be spent for the financial year 2018-19: Rs. 9.25 lacs
- f. Total Amount spent during the year: NIL
- g. Amount unspent: Rs 70.44 lacs

1)	2)	3)	4)	5)	6)	7)	8)
S.No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local area or other 2)Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL

*Details of implementing agency

5. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report

For the financial year 2018-19, few activities in relation to fulfilling the Corporate Social Responsibility of the Company were

shortlisted as per Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy), Rules 2014 and the Company has spent Rs. 2,200/-, however there is a shortfall of Rs. 70.43 lakh in amount to spent on CSR as on 31st March, 2019. CSR is an on-going initiative and the Company is committed to fulfilling its responsibility and incur expenditure in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

6. The CSR Committee affirms that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on Behalf of the Board
For Brooks Laboratories Limited

Place: Mumbai
Date: 26.08.2019

Sd/-
Rajesh Mahajan
(Managing Director)
(DIN:02000634)

Sd/-
Rajnish Kumar Bedi
(Independent director)
(DIN:05287369)

Annexure 3
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
BROOKS LABORATORIES LIMITED

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **BROOKS LABORATORIES LIMITED** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the **BROOKS LABORATORIES LIMITED**, Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on 31st March, 2019 complied with the Statutory Provisions Listed hereunder and also that the Company has proper Board-processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers and Minute Books, Forms and Returns filed and other records maintained by **BROOKS LABORATORIES LIMITED** for the Financial Year ended on 31st March, 2019, according to the Provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other laws as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry is ;
 - (a) Drugs and Cosmetics Act, 1940
 - (b) The Trade Mark Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).

(iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. :

a. **The Company has allocated the funds and yet to spend total 2% of its average net profit as required under Section 135 of Companies Act, 2013 on the activities mentioned in Schedule VII under Section 135 of the Companies Act, 2013. Company has not spent anything against the CSR activities as mentioned in Schedule VI under Section 135 of Companies Act, 2013 as against Rs.70.44 lacs till 31.03.2019**

b. **According to the auditor's report, disputed dues to Income Tax, sales tax, service tax, duty of custom, duty of excise and value added tax which have not been deposited on accounts of disputes with the related authorities are as under:**

Name of liability	Amount (Rs. In lacs)	Stay Amount Paid (Rs. In lacs)	Period to which matter pertains	Forum at which dispute is pending
Income tax	1400.72	291.39	A.Y. 2012-13	Commissioner of Income Tax-Appeals
Income tax	339.51	101.00	A.Y. 2013-14	Commissioner of Income Tax-Appeals
Income tax	142.85	21.45	A.Y. 2014-15	Commissioner of Income Tax-Appeals
Income tax	0.68	-	A.Y. 2015-16	Commissioner of Income Tax-Appeals
Income tax	73.45	51.45	A.Y. 2016-17	Commissioner of Income Tax-Appeals

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the Composition of the Board of Directors during the period under review.

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

All decisions at the Board Meeting and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure Compliance with Applicable Laws, Rules, Regulations and Guidelines

For **Sharma Sarin & Associates**

Sd/-

P. D. Sharma
Partner

Place: Chandigarh

Date: 23/08/2019

FCS 2285, CP No. 2692

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

'Annexure A'

To,
The Members

BROOKS LABORATORIES LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express our opinion on these secretarial records based on our audit.
2. *We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.*
3. *We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.*
4. *Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.*
5. *The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.*
6. *The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.*

For **Sharma Sarin & Associates**

Sd/-

P. D. Sharma
Partner

FCS 2285, CP No. 2692

Place: Chandigarh
Date: 23/08/2019

Annexure 4

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

Your Company has always been conscious of the need to conserve energy and reduce the cost of production. Upgraded new Chillers have been installed in the core production areas which not only provide increased cooling efficiency for controlled areas but are also energy saving.

B. TECHNOLOGY ABSORPTION

Research and Development (R&D)

(a) Specific areas in which Research and Development is carried out by the Company: -

R & D has been carried out in areas of

1. Improvement on product quality.
2. Innovation in manufacturing process to increase yields and reduce reaction time to enhance productivity.

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

R & D efforts at Brooks Laboratories Ltd. have yielded positive results, which can be measured from the fast growth of the Company, in terms of penetration of geographies.

Generation of Intellectual wealth: Key inventions/ technologies for drug substance synthesis were protected by filing patent applications.

Your Company was able to improve the quality of existing products and develop customer specific materials with stringent specifications, gaining an edge over competition and penetrating global markets.

Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

- Setting up of a new project in Gujarat with world class facilities and infrastructure for development of cost competitive active pharmaceutical ingredients and drug products.
- State-of-the-art development laboratories.
- Further enhancement of technological expertise in the field of complex formulations' manufacturing.

2. Benefits derived as a result of the above efforts:

- These initiatives will result in development of cost effective active pharmaceutical ingredients.
- Speedy introduction of difficult-to-formulate products in all markets upon approval.
- Reduction of raw material cost, time cycle and increased productivity.

Imported Technology: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings	:	US \$ 295,907.78	
		Euro 13,615.00	
Foreign Exchange Outgo	:	Raw Materials	- US \$ 1,526.00
Service	-	US \$ 52,571.00	
	-	Euro 14,587.00	
	-	Yen 8,91,000.00	

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Place: Mumbai
Date: 26.08.2019

Annexure 5**Form AOC – 2****Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for disclosure of particulars of contract / arrangements entered in to by the Company with the related parties referred to in sub-Section 188 (1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered in to by the Company during the year ended 31st March, 2019, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

There were no material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2019.

Information about the transactions with Related Parties are presented in Note No. 32 in Notes to the Financial Statement.

For and on behalf of the Board
For **Brooks Laboratories Limited**

Place: Mumbai
Date: 26.08.2019

Sd/-
Rajesh Mahajan
(Managing Director)
(DIN:02000634)

Sd/-
Rajnish Kumar Bedi
(Independent director)
(DIN:05287369)

Annexure 6

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:

Name	Designation	Ratio to Median Remuneration
Mr. Atul Ranchal	Chairman	66.33:1
Mr. Rajesh Mahajan	Managing Director	66.33:1
Dr. D.S. Maity	Whole-time Director	16.42:1

Apart from above directors, there were three Independent Directors who were paid sitting fees for attending the Meetings.

- ii) Increase in remuneration of any Director, Chief Financial Officer and Company Secretary during the financial year 2018-19.

Name	Designation	% increase in remuneration
Atul Ranchal	Chairman	No Change
Rajesh Mahajan	Managing Director	No Change
Dr. D.S. Maity	Whole-time Director	1.10%
Anil Kumar Pillai	Chief Financial Officer	7.92%
Jyoti Sancheti	Company Secretary	8.17%

- iii) The median remuneration of employees during the financial year 2018-19 is increased to Rs. 12060 as compared to the last financial year 2017-18 was Rs.8250.
- iv) The number of permanent employees on the rolls of the Company as on 31st March, 2019 was 364 employees.
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 and its comparison with the increase in the managerial remuneration for the same financial year.

(Amount in Lacs)

Remuneration paid to employees excluding managerial personnel for the FY 2017-18	Remuneration paid to employees excluding managerial personnel for the FY 2018-19	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2017-18	Remuneration paid to managerial personnel for the FY 2018-19	(%) change in remuneration paid to managerial personnel
885.98	929.48	4.91	215.50	215.67	0.08

- vi) It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

Annexure 7

Form No. MGT-9

Extract of Annual Return

(As on the financial year ended on 31st March, 2019)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and Other Details:

1. CIN : L24232HP2002PLC000267
2. Registration Date : 23rd January, 2002
3. Name of the Company : Brooks Laboratories Limited
4. Category : Company limited by shares
5. Sub-Category of the Company : Indian Non-Government Company
6. Address of the Registered office & contact details : Village Kishanpura, Nalagarh Road
Baddi, Distt. Solan, Himachal Pradesh-174101
Tel.: 01795-654001/02/03
Fax: 01795-236939
Email id: investors@brookslabs.net
Website: www.brookslabs.net
7. Whether listed company : Yes
8. Name, Address and Contact details of Registrar and Transfer Agent : Link In Time India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (W), Mumbai- 400083
Tel: 022- 49186000, Fax: 022- 49186060
Email: rnt.helpdesk@linkintime.co.in

II. Principal Business Activities of the Company

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

Name and Description of main products / services	NIC Code of the Product/ Service	% of total turnover of the Company
Pharmaceuticals	210	100%

III. Particulars of Holding, Subsidiary and Associate Companies

The Company does not have any Holding, Subsidiary and Associate Companies

IV. Share Holding Pattern (Equity Share Capital breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year					% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter and Promoter Group									

Category of Shareholders		No. of Shares held at the beginning of the year			No. of Shares held at the end of the year					% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1	Indian									
(a)	Individuals/HUF	7606222	0	7606222	46.99	7606222	0	7606222	46.99	0
(b)	Central Government	-								
(c)	State Government(s)									
(d)	Bodies Corporate									
(e)	Banks / Financial Institutions									
(f)	Any Other									
i.	Promoter Group (Individuals)	2205727	0	2205727	13.63	2205727	0	2205727	13.63	0
	Sub Total (A)(1)	9811949	0	9811949	60.62	9811949	0	9811949	60.62	0
2	Foreign									
(a)	Non-Resident Individuals									
	Other Individuals									
(b)	Bodies Corporate									
(c)	Banks / Financial Institutions									
(e)	Any Other (specify)									
	Sub Total (A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	9811949	0	9811949	60.62	9811949	0	98211949	60.62	0
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds									
(b)	Banks / Financial Institutions	22799	0	22799	0.14	1175	0	1175	0.01	-0.13
(c)	Central Government									
	State Government(s)									
(d)	Venture Capital Funds									
(e)	Insurance Companies									
(f)	Foreign Institutional Investors									
(g)	Foreign Venture Capital Investors									
(l)	Any Other (specify)									
	Sub Total (B) (1)	22799	0	22799	0.14	1175	0	1175	0.01	-0.13
2	Non-institutions									
(a)	Bodies Corporate									
	i. Indian	898850	0	898850	5.55	868940	0	868940	5.37	-0.18
	ii. Overseas									
(b)	Individuals									

Category of Shareholders		No. of Shares held at the beginning of the year			No. of Shares held at the end of the year					% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	3588307	2005	3590312	22.18	3624495	700	3625195	22.40	0.22
	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1168584	0	1168584	7.22	1259213	0	1259213	7.78	0.56
(c)	NBFCs registered with SEBI	0	0	0	0.00	16050	0	16050	0.10	0.10
(d)	Any Other									
i	Non Resident Indians (Repat)	84395	0	84395	0.52	75373	0	75373	0.47	-0.05
ii	Non Resident Indians (Non Repat)	12694	0	12694	0.08	31974	0	31974	0.20	0.12
iii	Clearing Member	295302	0	295302	1.82	189024	0	189024	1.17	-0.65
iv	Hindu Undivided Family	301161	0	301161	1.86	305853	0	305853	1.89	0.03
v	Office Bearers	376	0	376	0.01	376	1300	1676	0.01	0.00
vi	Bodies Corporate	898850	0	898850	5.55	868940	0	868940	5.37	-0.18
	Sub Total (B)(2)	6349669	2005	6351674	39.24	6371298	2000	6373298	39.37	0.13
	Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	6372468	2005	6374473	39.38	6372473	2000	6374473	39.38	0.00
	Total (A)+(B)	16184417	2005	16186422	100	16184422	2000	16186422	100	0.00
(C)	Shares held by custodians and against which Depository Receipts have been issued									
i	Promoter and Promoter group									
ii	Public									
	Sub Total (C)									
	GRAND TOTAL (A)+(B)+(C)	16184417	2005	16186422	100	16184422	2000	16186422	100	0.00

(ii) Shareholding of Promoters

S r . No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Share Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Share Pledged/ encumbered to total shares	
1.	Atul Ranchal	4113071	25.41	-	4113071	25.41	-	-
2.	Rajesh Mahajan	3493151	21.58	-	3493151	21.58	-	-

(iii) Change in Promoters' Shareholding

During the financial year 2018-19 there was no change in Promoter's Shareholding.

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

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. shares at the beginning 01.04.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	IL & FS Securities Services Limited	101222	0.63				101222	0.6254
				06.04.2018	(89371)	Sold	11851	0.0732
				13.04.2018	20163	Bought	32014	0.1978
				20.04.2018	6350	Bought	38364	0.2370
				27.04.2018	3437	Bought	41801	0.2582
				11.05.2018	15806	Bought	57607	0.3559
				18.05.2018	10081	Bought	67688	0.4182
				25.05.2018	(2047)	Sold	65641	0.4055
				01.06.2018	77843	Bought	143484	0.8864
				08.06.2018	(31220)	Sold	112264	0.6939
				15.06.2018	(32263)	Sold	80001	0.4942
				22.06.2018	(20412)	Sold	59589	0.3681
				30.06.2018	(11230)	Sold	48359	0.2988
				06.07.2018	33175	Bought	81534	0.5037
				13.07.2018	(47)	Sold	81487	0.5034
				20.07.2018	(2644)	Sold	78843	0.4871
				27.07.2018	6900	Bought	85743	0.5297
				03.08.2018	6461	Bought	92204	0.5696
				10.08.2018	(258)	Sold	91946	0.5680
				17.08.2018	45055	Bought	137001	0.8464
				24.08.2018	(10196)	Sold	126805	0.7834
				31.08.2018	3800	Bought	130605	0.8069
				07.09.2018	(54945)	Sold	75660	0.4674
				14.09.2018	61024	Bought	136684	0.8444
				21.09.2018	(71939)	Sold	64745	0.4000
				29.09.2018	2724	Bought	67469	0.4168
				05.10.2018	12426	Bought	79895	0.4936
				12.10.2018	86	Bought	79981	0.4941
				26.10.2018	2174	Bought	82155	0.5076
				02.11.2018	6080	Bought	88235	0.5451
				09.11.2018	(50)	Sold	88185	0.5448
				16.11.2018	3827	Bought	92012	0.5685
				23.11.2018	29080	Bought	121092	0.7481
				07.12.2018	(3038)	Sold	118054	0.7293
				14.12.2018	(14364)	Sold	103690	0.6406
				21.12.2018	(10320)	Sold	93370	0.5768
				28.12.2018	17119	Bought	110489	0.6826
				31.12.2018	(8)	Sold	110481	0.6826
				04.01.2019	5523	Bought	116004	0.7167
				11.01.2019	278260	Bought	394264	2.4358
				18.01.2019	(2450)	Sold	391814	2.4206
				25.01.2019	(8271)	Sold	383543	2.3695

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. shares at the beginning 01.04.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
				01.02.2019	(146581)	Sold	236962	1.4640
				08.02.2019	(5623)	Sold	231339	1.4292
				15.02.2019	(3)	Sold	231336	1.4292
				22.02.2019	20403	Bought	251739	1.5552
				01.03.2019	76723	Bought	328462	2.0292
				08.03.2019	31589	Bought	360051	2.2244
				15.03.2019	(61108)	Sold	298943	1.8469
				22.03.2019	(9342)	Sold	289601	1.7892
				29.03.2019	(3491)	Sold	286110	1.7676
	Closing Balance			31.03.2019			286110	1.7676
2.	Varalakshmi Guttikonda	125708	0.7766				125708	0.7766
				06.04.2018	20163	Bought	145871	0.9012
				01.03.2019	133337	Bought	279208	1.7250
	Closing Balance			31.03.2019			279208	1.7250
3.	Saravana Global Holdings Limited	0	0.0000				0	0.0000
				18.05.2018	4650	Bought	4650	0.0287
				03.08.2018	53576	Bought	58226	0.3597
				10.08.2018	21024	Bought	79250	0.4896
				17.08.2018	2815	Bought	82065	0.5070
				12.10.2018	17334	Bought	99399	0.6141
				26.10.2018	13993	Bought	113392	0.7005
				02.11.2018	6679	Bought	120071	0.7418
				16.11.2018	10991	Bought	131062	0.8097
				30.11.2018	8000	Bought	139062	0.8591
				25.01.2019	2585	Bought	141647	0.8751
				01.02.2019	1295	Bought	142942	0.8831
				15.02.2019	1049	Bought	143991	0.8896
	Closing Balance			31.03.2019			143991	0.8896
4.	Satish Jagannath Aggarwal	99000	0.6116				99000	0.6116
	Closing Balance			31.03.2019			99000	0.6116
5.	Dilip Jayantilal Shah	70000	0.4325				70000	0.4325
				07.09.2018	9996	Bought	79996	0.4942
				28.12.2018	4	Bought	80000	0.4942
	Closing Balance			31.03.2019			80000	0.4942
6.	Jain Vijay Vaktavarmal	32846	0.2029				32846	0.2029
				06.04.2018	(4346)	Sold	28500	0.1761

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. shares at the beginning 01.04.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
				27.04.2018	(7800)	Sold	20700	0.1279
				04.05.2018	6000	Bought	26700	0.1650
				11.05.2018	(7700)	Sold	19000	0.1174
				18.05.2018	5434	Bought	24434	0.1510
				25.05.2018	4382	Bought	28816	0.1780
				01.06.2018	2000	Bought	30816	0.1904
				08.06.2018	1566	Bought	32382	0.2001
				15.06.2018	(2000)	Sold	30382	0.1877
				22.06.2018	5818	Bought	36200	0.2236
				30.06.2018	(400)	Sold	35800	0.2212
				27.07.2018	6750	Bought	42550	0.2629
				03.08.2018	7227	Bought	49777	0.3075
				10.08.2018	335	Bought	50112	0.3096
				17.08.2018	(2310)	Sold	47802	0.2953
				24.08.2018	4500	Bought	52302	0.3231
				07.09.2018	4580	Bought	56882	0.3514
				14.09.2018	2000	Bought	58882	0.3638
				21.09.2018	1860	Bought	60742	0.3753
				26.10.2018	(2)	Sold	60740	0.3753
				16.11.2018	5000	Bought	65740	0.4061
				30.11.2018	3000	Bought	68740	0.4247
				31.12.2018	(8100)	Sold	60640	0.3746
				04.01.2019	8100	Bought	68740	0.4247
	Closing Balance			31.03.2019			68740	0.4247
7.	Sabsons Internationa Private Limited	55000	0.3398				55000	0.3398
	Closing Balance			31.03.2019			55000	0.3398
8.	Karvy Stock Broking Ltd. F-O Margin	51221	0.3164				51221	0.3164
				06.04.2018	(2506)	Sold	48715	0.3010
				13.04.2018	393	Bought	49108	0.3034
				20.04.2018	(10685)	Sold	38423	0.2374
				27.04.2018	1108	Bought	39531	0.2442
				04.05.2018	13667	Bought	53198	0.3287
				11.05.2018	(50)	Sold	53148	0.3283
				18.05.2018	2706	Bought	55854	0.3451
				25.05.2018	(3044)	Sold	52810	0.3263
				01.06.2018	2843	Bought	55653	0.3438
				08.06.2018	2142	Bought	57795	0.3571
				15.06.2018	(15107)	Sold	42688	0.2637
				22.06.2018	(3319)	Sold	39369	0.2432

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. shares at the beginning 01.04.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
				30.06.2018	6414	Bought	45783	0.2828
				06.07.2018	(2298)	Sold	43485	0.2687
				13.07.2018	(726)	Sold	42759	0.2642
				20.07.2018	(9781)	Sold	32978	0.2037
				27.07.2018	(167)	Sold	32811	0.2027
				03.08.2018	(1242)	Sold	31569	0.1950
				10.08.2018	(909)	Sold	30660	0.1894
				17.08.2018	7956	Bought	38616	0.2386
				24.08.2018	3075	Bought	41691	0.2576
				31.08.2018	3035	Bought	44726	0.2763
				07.09.2018	(5867)	Sold	38859	0.2401
				14.09.2018	(2490)	Sold	36369	0.2247
				21.09.2018	1092	Bought	37461	0.2314
				29.09.2018	(7683)	Sold	29778	0.1840
				05.10.2018	(4787)	Sold	24991	0.1544
				12.10.2018	835	Bought	25826	0.1596
				19.10.2018	628	Bought	26454	0.1634
				26.10.2018	1472	Bought	27926	0.1725
				02.11.2018	577	Bought	28503	0.1761
				09.11.2018	(1512)	Sold	26991	0.1668
				16.11.2018	1725	Bought	28716	0.1774
				23.11.2018	2245	Bought	30961	0.1913
				30.11.2018	(595)	Sold	30366	0.1876
				07.12.2018	5531	Bought	35897	0.2218
				14.12.2018	1532	Bought	37429	0.2312
				21.12.2018	(1391)	Sold	36038	0.2226
				28.12.2018	(3314)	Sold	32724	0.2022
				31.12.2018	1030	Bought	33754	0.2085
				04.01.2019	11368	Bought	45122	0.2788
				11.01.2019	(12084)	Sold	33038	0.2041
				18.01.2019	609	Bought	33647	0.2079
				25.01.2019	252	Bought	33899	0.2094
				01.02.2019	2740	Bought	36639	0.2264
				08.02.2019	(746)	Sold	35893	0.2217
				15.02.2019	(3911)	Sold	31982	0.1976
				22.02.2019	905	Bought	32887	0.2032
				01.03.2019	6842	Bought	39729	0.2454
				08.03.2019	431	Bought	40160	0.2481
				15.03.2019	478	Bought	40638	0.2511
				22.03.2019	1216	Bought	41854	0.2586
				29.03.2019	(822)	Sold	41032	0.2535
	Closing Balance			31.03.2019			41302	0.2535

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. shares at the beginning 01.04.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
9.	Pinky Nirav Adalia	9765	0.0603				9765	0.0603
				27.04.2018	6000	Bought	15765	0.0974
				08.06.2018	6000	Bought	21765	0.1345
				23.11.2018	10235	Bought	32000	0.1977
				11.01.2019	5000	Bought	37000	0.2286
				18.01.2019	4000	Bought	41000	0.2533
	Closing Balance			31.03.2019			41000	0.2533
10.	Indianivesh Securities Limited	160000	0.9885				160000	0.9885
				06.04.2018	95738	Bought	255738	1.5800
				13.04.2018	143237	Bought	398975	2.4649
				20.04.2018	500	Bought	399475	2.4680
				27.04.2018	455	Bought	399930	2.4708
				04.05.2018	(950)	Sold	398980	2.4649
				11.05.2018	(49267)	Sold	349713	2.1605
				18.05.2018	(1522)	Sold	348191	2.1511
				25.05.2018	(108263)	Sold	239928	1.4823
				01.06.2018	(76637)	Sold	163291	1.0088
				08.06.2018	17047	Bought	180338	1.1141
				15.06.2018	36951	Bought	217289	1.3424
				22.06.2018	19991	Bought	237280	1.4659
				30.06.2018	8986	Bought	246266	1.5214
				06.07.2018	(24865)	Sold	221401	1.3678
				13.07.2018	4990	Bought	226391	1.3986
				20.07.2018	(4968)	Sold	221423	1.3680
				27.07.2018	200	Bought	221623	1.3692
				03.08.2018	(4831)	Sold	216792	1.3393
				10.08.2018	214	Bought	217006	1.3407
				17.08.2018	(45000)	Sold	172006	1.0627
				24.08.2018	8420	Bought	180426	1.1147
				31.08.2018	(11312)	Sold	169114	1.0448
				07.09.2018	49147	Bought	218261	1.3484
				14.09.2018	(56703)	Sold	161558	0.9981
				21.09.2018	71963	Bought	233521	1.4427
				29.09.2018	(47941)	Sold	185580	1.1465
				19.10.2018	(50)	Sold	185530	1.1462
				26.10.2018	540	Bought	186070	1.1495
				02.11.2018	(5050)	Sold	181020	1.1183
				09.11.2018	(1000)	Sold	180020	1.1122
				16.11.2018	(100)	Sold	179920	1.1115

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. shares at the beginning 01.04.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
				23.11.2018	(29878)	Sold	150042	0.9270
				30.11.2018	1039	Bought	151081	0.9334
				07.12.2018	200	Bought	151281	0.9346
				14.12.2018	(136247)	Sold	15034	0.0929
				21.12.2018	41117	Bought	56151	0.3469
				28.12.2018	121071	Bought	177222	1.0949
				31.12.2018	(192)	Sold	177030	1.0937
				11.01.2019	(176988)	Sold	42	0.0003
				18.01.2019	50	Bought	92	0.0006
				01.02.2019	145699	Bought	145791	0.9007
				08.02.2019	(600)	Sold	145191	0.8970
				15.02.2019	(450)	Sold	144741	0.8942
				22.02.2019	(21905)	Sold	122836	0.7589
				01.03.2019	(75195)	Sold	47641	0.2943
				08.03.2019	(47628)	Sold	13	0.0001
				15.03.2019	38909	Bought	38922	0.2405
				22.03.2019	18	Bought	38940	0.2406
	Closing Balance			31.03.2019			38940	0.2406
11.	Edelweiss Custodial Services Limited	68902	0.4257				68902	0.4257
				06.04.2018	(287)	Sold	68615	0.4239
				13.04.2018	16200	Bought	84815	0.5240
				20.04.2018	165	Bought	84980	0.5250
				27.04.2018	4890	Bought	89870	0.5552
				04.05.2018	(3311)	Sold	86559	0.5348
				11.05.2018	10807	Bought	97366	0.6015
				18.05.2018	3619	Bought	100985	0.6239
				25.05.2018	(1811)	Sold	99174	0.6127
				01.06.2018	(664)	Sold	98510	0.6086
				08.06.2018	(2068)	Sold	96442	0.5958
				15.06.2018	3734	Bought	100176	0.6189
				22.06.2018	2600	Bought	102776	0.6350
				30.06.2018	(3575)	Sold	99201	0.6129
				06.07.2018	2263	Bought	101464	0.6268
				13.07.2018	(1655)	Sold	99809	0.6166
				20.07.2018	(29917)	Sold	69892	0.4318
				27.07.2018	752	Bought	70644	0.4364
				03.08.2018	(100)	Sold	70544	0.4358
				10.08.2018	220	Bought	70764	0.4372
				17.08.2018	(2005)	Sold	68759	0.4248
				24.08.2018	(2896)	Sold	65863	0.4069
				31.08.2018	1000	Bought	66863	0.4131

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. shares at the beginning 01.04.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
				07.09.2018	8866	Bought	75729	0.4679
				14.09.2018	(17364)	Sold	58365	0.3606
				21.09.2018	25	Bought	58390	0.3607
				29.09.2018	90	Bought	58480	0.3613
				05.10.2018	(8570)	Sold	49910	0.3083
				12.10.2018	1985	Bought	51895	0.3206
				19.10.2018	(1)	Sold	51894	0.3206
				26.10.2018	52	Bought	51946	0.3209
				02.11.2018	127	Bought	52073	0.3217
				09.11.2018	(11758)	Sold	40315	0.2491
				16.11.2018	942	Bought	41257	0.2549
				23.11.2018	(2139)	Sold	39118	0.2417
				30.11.2018	1875	Bought	40993	0.2533
				07.12.2018	(1581)	Sold	39412	0.2435
				14.12.2018	(1275)	Sold	38137	0.2356
				21.12.2018	85	Bought	38222	0.2361
				28.12.2018	(3198)	Sold	35024	0.2164
				31.12.2018	205	Bought	35229	0.2176
				04.01.2019	(3175)	Sold	32054	0.1980
				11.01.2019	125	Bought	32179	0.1988
				18.01.2019	15	Bought	32194	0.1989
				25.01.2019	935	Bought	33129	0.2047
				01.02.2019	3073	Bought	36202	0.2237
				08.02.2019	(1455)	Sold	34747	0.2147
				15.02.2019	(100)	Sold	34647	0.2140
				22.02.2019	6107	Bought	40754	0.2518
				01.03.2019	(13920)	Sold	26834	0.1658
				15.03.2019	(1000)	Sold	25834	0.1596
				29.03.2019	(4420)	Sold	21414	0.1323
	Closing Balance			31.03.2019			21414	0.1323
12.	Nilesh R Roongta	72900	0.4504				72900	0.4504
				06.07.2018	(13518)	Sold	59382	0.3669
				13.07.2018	(21125)	Sold	38257	0.2364
				20.07.2018	(38248)	Sold	9	0.0001
	Closing Balance			31.03.2019			9	0.0001
13.	Indianivesh Capitals Limited	166520	1.0288				166520	1.0288
				13.04.2018	(160000)	Sold	6520	0.0403
				11.05.2018	43237	Bought	49757	0.3074
				25.05.2018	108597	Bought	158354	0.9783
				30.06.2018	(18177)	Sold	140177	0.8660

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. shares at the beginning 01.04.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
				06.07.2018	(19098)	Sold	121079	0.7480
				13.07.2018	(1000)	Sold	120079	0.7419
				27.07.2018	(14889)	Sold	105190	0.6499
				29.09.2018	(2146)	Sold	103044	0.6366
				11.01.2019	(103044)	Sold	0	0.0000
	Closing Balance			31.03.2019			0	0.0000
14.	Ambika Anil Raika	90000	0.5560				90000	0.5560
				27.04.2018	(72961)	Sold	17039	0.1053
				04.05.2018	(5562)	Sold	11477	0.0709
				11.05.2019	(11477)	Sold	0	0.0000
	Closing Balance			31.03.2019			0	0.0000

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No	For each of the Directors and KMP	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2018)/ end of the year 31.03.2019	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Atul Ranchal, Chairman	4113071	25.41				4113071	25.41
2.	Rajesh Mahajan, Managing Director	3493151	21.58				3493151	21.58
3.	Dr. D.S. Maity, Executive Director	3000	0.02				3000	0.02
4.	Deepak Mahajan, Independent Director	435	0.003				435	0.003

None of the other Directors and Key Managerial Personnel hold any shares in the Company.

V. Indebtedness

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

(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness

Indebtedness at the beginning of the financial year				
i) Principal Amount	2695.60			2695.60
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	2695.60			2695.60
Change in Indebtedness during the financial year	494.95			494.95
• Addition	150.11			150.11
• Reduction				
Net Change	344.84			344.84
Indebtedness at the end of the financial year				
i) Principal Amount	3040.44			3040.44
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	3040.44			3040.44

VI. Remuneration of Directors and Key Managerial Personnel

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

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of the MD/ WTD/ Manager			Total Amount
		Atul Ranchal	Rajesh Mahajan	Dr. D.S. Maity	
1.	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) of the Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	96.00	96.00	23.76	215.76
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - As % of profit - Others, please specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total A	96.00	96.00	23.76	215.76

Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)	
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B. Remuneration of Other Directors

(Rs in lacs)

Sr. No.	Particulars of Remuneration	Name of the Directors			Total Amount
		Rajnish Kumar Bedi	Deepak Mahajan	Sonia Gupta	
	Independent/Non-Executive Directors				
	Fee for attending board/ committee meetings	0.80	0.80	1.00	2.60
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total B	0.80	0.80	1.00	2.60
	Total Managerial Remuneration (A+B)				218.36
	Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)				

Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Anil Kumar Pillai	Jyoti Sancheti	
1.	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) of the Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	14.98	6.62	21.60
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission - As % of profit - Others, please specify	-	-	
5.	Others, please specify	-	-	
	Total	14.98	6.62	21.60

VII. Penalties/Punishment/ Compounding of Offences

There were no penalties, punishment or compounding of offence for breach of any provisions of the Companies Act, 2013 by the Company during the year under review.

INDEPENDENT AUDITOR'S REPORT**To the Members of Brooks Laboratories Limited****Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of Brooks Laboratories Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (Including Other Comprehensive Income), statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, of the state of affairs of the Company as at March 31, 2019, and profit/loss (Financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

1. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
2. We have determined that there are no key audit matters to be communicated in our report

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Board's Report and Report on Corporate governance but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
4. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The financial statements dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer

Note 33 to the financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For S G C O & Co. LLP

Chartered Accountants

Firm's Registration No. 112081W / W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date: 29th May 2019

Annexure “A” to Independent Auditor’s Report

Annexure “A” referred to in Paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our Report of even date on the accounts of Brooks Laboratories Limited for the year ended 31st March 2019.

As required by the Companies (Auditors Report) Order, 2016 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the company and the nature of its assets. In accordance with this program certain fixed assets were verified during the year. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified by the management during the year at reasonable intervals. Discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of accounts.
- (iii) a) During the year the Company has not granted any Loan, secured or unsecured, to any party covered in the registered maintained under section 189 of the Companies Act, 2013.
- b) In view of our comments in para (iii) (a) above, clauses 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, section 185 of the Companies Act, 2013 is not applicable, since the Company has not granted any loan during the year. With regards to investments in securities of other body corporates, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public.
- (vi) As per explanation & information given to us, the Company has maintained proper cost records pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013. However, the same have not been reviewed by us.
- (vii) a) According to the records of the Company, amount deducted/accrued in the books of accounts in respect of the undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income tax, Goods and Services Tax, Duty of Customs, Cess and other Statutory Dues to the extent applicable to the Company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2019 for a period more than six months from the date they became payable.
- b) According to the information and explanations given to us, disputed dues of Income Tax, Goods and Services Tax and Duty of Custom which have not been deposited on account of disputes with the related authorities are as under.

Nature of Liability	Amount (Rs. in lacs)	Stay Amount Paid (Rs. in lacs)	Period to which matter pertains	Forum at which dispute is pending
Income Tax	1,400.72	291.39	A.Y 2012-13	Commissioner of Income Tax – Appeals
	339.51	101.00	A.Y 2013-14	Commissioner of Income Tax – Appeals
	142.85	21.45	A.Y 2014-15	Commissioner of Income Tax – Appeals
	0.68	-	A.Y 2015-16	Commissioner of Income Tax – Appeals
	73.45	51.45	A.Y 2016-17	Commissioner of Income Tax – Appeals

- (viii) In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of its dues to banks and financial institution. The Company did not have any outstanding dues to debenture holders during the year.
- (ix) According to the information & explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) According to the information & explanations given to us, no fraud by the company or on the company by its officers or employees

has been noticed or reported during the course of our audit.

- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any transactions with related parties in terms of section 177 and 188 of the Act. Accordingly, paragraph 3 (xiii) of the Order is not applicable.
- (xiv) The Company has made preferential allotment of convertible warrants during this year. The requirement of Section 42 of Companies Act, 2013 has been complied with and the amount raised have been used for the purpose for which the funds were raised.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable
- (xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S G C O & Co. LLP

Chartered Accountants

Firm's Registration No. 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date: 29th May 2019

Annexure “B” to the Independent Auditor’s Report of even date on the financial statements of Brooks Laboratories Limited for the year ended 31st March 2019.**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Brooks Laboratories Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S G C O & Co. LLP
Chartered Accountants
Firm’s Registration No. 112081W/W100184
Sd/-

Suresh Murarka
Partner
Mem. No. 44739

Place: Mumbai
Date: 29th May, 2019

Balance Sheet Statement for the year ended 31st March 2019

Particulars	Note No.	(Rs. in lakhs)	
		As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3A	11,717.18	12,401.04
Capital work-in-progress	3B	-	52.16
Intangible Asset	3C	8.00	-
Intangible Asset under development	3D	28.91	-
Investment Property	4	63.35	63.35
Financial assets			
Investments	5	2.00	2.00
Other financial assets	6	148.19	140.75
Income tax assets (net)	7	495.19	438.92
Deferred tax assets (net)	8	1,091.19	1,073.97
Other non-current assets	9	44.80	25.05
Total non-current assets		13,598.81	14,197.24
Current assets			
Inventories	10	1,005.34	1,140.91
Financial asset			
Trade receivables	11	1,141.70	1,018.24
Cash and cash equivalents	12	249.39	64.52
Other bank balances	13	97.38	131.95
Other financial assets	14	24.72	33.42
Other current assets	15	677.75	680.44
Total current assets		3,196.28	3,069.48
TOTAL ASSETS		16,795.09	17,266.73
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	16A	1,618.64	1,618.64
Other equity	16B	8,896.43	9,828.59
Total equity		10,515.07	11,447.23
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	1,386.39	1,663.00
Provisions	18	147.52	108.42
Total non-current liabilities		1,533.91	1,771.42
Current liabilities			
Financial liabilities			
Borrowings	19	1,446.88	854.44
Trade payables	20		
- Due to micro and small enterprises		302.96	76.68
- Due to Others		2,410.98	2,587.87
Other financial liabilities	21	433.77	401.82
Other current liabilities	22	129.75	92.77
Provisions	23	21.77	34.51
Total current liabilities		4,746.11	4,048.09
TOTAL EQUITY AND LIABILITIES		16,795.09	17,266.73

Notes 1 to 41 form an integral part of the financial statements

This is the Balance Sheet referred to in our audit report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Anil Kumar Pillai

CFO

Place: Mumbai

Date : May 29, 2019

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Statement of Profit and Loss for the year ended 31st March 2019

Particulars	Note No.	(Rs. in lakhs)	
		Year ended 31 March 2019	Year ended 31 March 2018
Income			
Revenue from operations	24	5503.01	5690.42
Other income	25	287.76	24.02
Total income		5790.77	5714.44
Expenses			
Cost of materials consumed	26	4057.22	4084.63
Changes in inventories of finished goods, work - in progress	27	(113.62)	(147.03)
Excise Duty		-	119.27
Employee benefits expense	28	1216.43	1180.73
Finance costs	29	296.26	240.43
Depreciation and amortisation expense		649.96	644.51
Other expenses	30	1179.31	1345.32
Total expenses		7285.56	7467.86
Profit / (Loss) before tax		(1494.79)	(1753.42)
Tax expense/ (credit)			
- Current tax		-	-
- Deferred tax		(14.48)	(375.09)
- Tax of earlier years		0.23	2.95
Total Tax expense/ (credit)		(14.25)	(372.14)
Profit/ (loss) for the year (A)		(1480.54)	(1381.28)
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss			
- Measurement of defined employee benefit plans		(9.85)	1.12
- Income tax relating to above items		2.74	(0.31)
Other comprehensive income for the year, net of tax (B)		(7.11)	0.81
Total comprehensive income/ (loss) for the year, net of tax (A+B)		(1487.63)	(1380.48)
Earnings per equity share of Rs. 10 each	31		
Basic and diluted (in Rs.)		(9.20)	(8.53)

Notes 1 to 41 form an integral part of the financial statements

This is the statement of profit and loss referred to in our audit report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Anil Kumar Pillai

CFO

Place: Mumbai

Date : May 29, 2019

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Cash Flow Statement for the year ended 31 March 2019

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2019	Year ended 31 March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before tax	(1,494.79)	(1,753.42)
Adjustments for		
Depreciation and amortisation expense	649.96	644.51
Finance cost	296.26	244.02
Interest income	(10.84)	(13.53)
Remeasurement of Defined benefit obligations	(9.85)	1.12
Dividend from current investments	(0.54)	-
Profit on sale of property plant and equipment	(17.14)	(0.81)
Provision for Expected credit loss	16.04	108.36
Unrealised Foreign Exchange (Gain)/loss	0.39	(0.84)
Operating profit before working capital changes	(570.50)	(770.60)
Adjustments for changes in working capital:		
Decrease / (increase) in Trade Receivables	(185.96)	(66.53)
Decrease / (increase) in Inventories	135.58	(371.03)
Decrease / (increase) in Other Assets	(17.06)	(166.96)
Decrease / (increase) in Other Financial Assets	48.04	27.59
(Decrease) / Increase in Trade and Other Payables	49.39	813.14
(Decrease) / Increase in Other Financial Liabilities	28.70	(72.01)
(Decrease) / Increase in Other Liabilities	36.98	22.76
(Decrease) / Increase in Long term Provisions	39.10	21.78
(Decrease) / Increase in Short term Provisions	(12.74)	22.00
Cash generated from / (used in) operations	(448.45)	(539.86)
Direct taxes paid (net of refunds received)	(56.50)	(78.30)
Net cash (used in) / from generated from operating activities	(504.95)	(618.16)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(86.72)	(573.25)
Proceeds from sale of property, plant and equipment	153.00	7.80
Loan Received back	-	0.85
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	34.57	37.77
Interest received	10.13	13.31
Dividend received	0.54	-
Net cash (used in) / generated from investing activities	111.52	(513.52)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Money received against share warrants	555.49	-
Proceeds from borrowings (net)	328.11	1,438.96
Finance costs paid	(305.29)	(256.74)
Net cash (used in) / from financing activities	578.31	1,182.23
Net decrease in cash and cash equivalents (A+B+C)	184.87	50.55

Cash Flow Statement for the year ended 31 March 2019

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2019	Year ended 31 March 2018
Cash and cash equivalents at the beginning of the year	64.52	13.97
Cash and cash equivalents at the end of the year	249.39	64.52

Note:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.

2. Components of cash and cash equivalents considered only for the purpose of cash flow statement as follows :

Particulars	As at 31 March 2019	As at 31 March 2018
	In bank current accounts in Indian rupees	246.96
Cash on hand	2.43	1.17
	249.39	64.52

3. Previous year's figures have been regrouped and rearranged wherever necessary in order to confirm to current year's classification.

This is the Cash Flow Statement referred to in our audit report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Anil Kumar Pillai

CFO

Place: Mumbai

Date : May 29, 2019

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Statement of Changes in Equity for the year ended 31st March 2019

A) Equity share capital		(Rs. in lakhs)
Particulars	Number	(Rs. in lakhs)
Equity shares of Rs. 10/- each issued, subscribed and paid		
As at 1 April 2018	16,186,422	1,618.64
Changes in Equity Share Capital	-	-
As at 31 March 2019	16,186,422	1,618.64

B) Other equity

Particulars	Reserves and surplus		Other comprehensive income	Money received against share warrants	Total equity attributable to equity holders
	Securities premium reserve	Retained earnings	Remeasurement of Defined Benefit Plans		
As at 1 April 2017	5,341.40	5,857.48	10.17	-	11,209.05
Profit for the Year	-	(1,381.28)	-	-	(1,381.28)
Other Comprehensive Income for the year	-	-	0.81	-	0.81
As at 31 March 2018	5,341.40	4,476.20	10.98	-	9,828.59
Profit for the Year	-	(1,480.54)	-	-	(1,480.54)
Other Comprehensive Income for the year	-	-	(7.11)	-	(7.11)
Money received against share warrants during the year	-	-	-	555.49	555.49
As at 31 March 2019	5,341.40	2,995.66	3.87	555.49	8,896.44

This is the Statement of Changes in Equity referred to in our audit report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Anil Kumar Pillai

CFO

Place: Mumbai

Date : May 29, 2019

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Accompanying notes to the financial statement for the Year ended March 31st, 2019

Note 1 Corporate Information

Brooks Laboratories Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and was incorporated on 23rd January, 2002. The shares of the company are listed on BSE & NSE in India. The Company has manufacturing plants at Baddi, Himachal Pradesh and Vadodara, Gujarat. The Company is a pharmaceutical manufacturing company working on contract basis.

Note 2.1 Significant Accounting Policies

i Basis of Preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

ii Accounting Estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date

of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

iv Depreciation/ Amortisation

Depreciation on tangible assets is provided on straight line basis considering the useful lives prescribed in Schedule II to the Act on a pro-rata basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

v Investment Property

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment Property is initially measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognised in Statement of Profit & Loss.

vi Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

a) Financial Assets

Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets

“In accordance with Ind AS 109, the Company applies the expected credit loss (“ECL”) model for measurement and recognition of impairment loss on financial assets and credit risk exposures

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.”

De-recognition of Financial Assets

“The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.”

b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

“After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.”

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

vii Employee Benefits

a Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b Defined Benefit Plan

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

e Termination benefits

Termination benefits are recognised as an expense as and when incurred.

viii Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

ix Borrowing Costs

“Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.”

x Foreign Exchange Translation and Accounting of Foreign Exchange Transaction**a Initial Recognition**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

xi Revenue Recognition

- a) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.
- b) Sales are recognised when all significant risks and rewards of ownership of the goods are passed on to the buyer i.e. on dispatch of goods to the buyer.
- c) Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.
- d) Dividend income is recognised when right to receive the same is established.

xii Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is

probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xiii Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xiv Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xv Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

xvi Inventories

Inventories are valued as follows:

- Finished Goods are valued at lower of cost or net realisable value
- Raw Material are valued at lower of cost or net realisable value.
- Packing Materials are valued at cost or net realisable value.
- Work in process is valued at lower of cost or net realisable value.

Cost is arrived at on weighted average cost method.

xvii Leases

“Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where the lease payments are structured to increase in line with expected general inflation. In respect of assets given on operating lease, income is recognized on straight line basis over the lease term. Assets acquired on finance lease are capitalised at fair value or present value of minimum lease payment at the inception of the lease, whichever is lower.

Income earned by way of leasing or renting out of commercial premises is recognised as income in accordance with Indian Accounting Standard 17 on “Leases” (Ind AS 17).”

xviii Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xix Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management’s estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

xx Rounding of amounts

All amounts disclosed in the financials statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III.

Note 3A : Property, plant and equipment

Particulars	(Rs. in lakhs)												
	Land	Factory Building	Office Building	Plant and Machinery	Lab Equipment's	Electrical Installations	Furniture & Fixtures	Vehicles	Office Equipment	Computer	Leasehold Improvement	Server	Total
Gross carrying value													
Balance as at 31 March 2018	1,740.69	4,401.22	438.58	5,665.58	704	457.48	137.58	225.32	60.29	34.09	-	42.94	13,210.79
Additions	-	-	-	78.20	-	1.35	2.25	-	6.32	0.80	11.05	-	99.97
Disposals	-	-	141.17	-	-	-	-	-	-	-	-	-	141.17
Balance as at 31 March 2019	1,740.69	4,401.22	297.41	5,743.78	704	458.83	139.83	225.32	66.61	34.88	11.05	42.94	13,169.59
Accumulated depreciation													
Balance as at 31 March 2018	-	171.34	14.99	447.29	3.32	51.25	22.45	55.42	19.00	17.04	-	7.65	809.75
Depreciation charge	-	150.40	5.09	373.57	1.60	46.05	14.06	28.97	10.29	9.49	1.29	7.16	647.96
Deletions / Adjustments	-	-	(5.30)	-	-	-	-	-	-	-	-	-	(5.30)
Balance as at 31 March 2019	-	321.74	14.77	820.85	4.93	97.31	36.51	84.38	29.29	26.53	1.29	14.80	1,452.41
Net carrying value													
Balance as at 31 March 2019	1,740.69	4,079.48	282.63	4,922.92	2.12	361.52	103.32	140.93	37.32	8.35	9.76	28.14	11,717.18
Balance as at 31 March 2018	1,740.69	4,229.88	423.59	5,218.29	3.72	406.23	115.13	169.90	41.29	17.04	-	35.29	12,401.04

Note 3B : Capital work-in-progress		(Rs. in lakhs)
Particulars	Capital Work in Progress*	
Gross carrying value		
Balance as at 1 April 2018 (at deemed cost)		52.16
Additions		-
Transferred to Property, plant & equipment		(52.16)
Balance as at 31 March 2019		-
Net carrying value		
Balance as at 31 March 2018		52.16
Balance as at 31 March 2019		-

Note 3C : Intangible Assets		
Particulars	Software	
Gross carrying value		
Balance as at 31 March 2018		-
Additions		10.00
Balance as at 31 March 2019		10.00
Depreciation for the year		(2.00)
Additions		-
Net carrying value		
Balance as at 1 April 2018		-
Balance as at 31 March 2019		8.00

Note 3D : Intangible Assets Under Development		
Particulars	Intangible Assets Under Development	
Gross carrying value		
Balance as at 31 March 2018		-
Additions		28.91
Balance as at 31 March 2019		28.91
Accumulated Depreciation		-
Additions		-
Net carrying value		
Balance as at 1 April 2018		-
Balance as at 31 March 2019		28.91

Note 4 : Investment Property

Particulars	Land	Total
Gross carrying value		
Balance as at 1 April 2018 (at deemed cost)	63.35	63.35
Additions	-	-
Disposals	-	-
Balance as at 31 March 2019	63.35	63.35
Net carrying value		
Balance as at 31 March 2019	63.35	63.35
Balance as at 31 March 2018	63.35	63.35

i) Fair Value (Rs. in lakhs)		
Particulars	As at 31 March 2019	As at 31 March 2018
Investment Properties	65.08	65.08
	65.08	65.08

Estimation of Fair value : The company has classified the same under Level 2 of Fair value hierarchy.

Note 5 : Investments

Particulars	As at 31 March 2019	As at 31 March 2018
I. Investments valued at FVTPL (Unquoted)		
Investment in equity shares		
i) In other companies	2.00	2.00
Total non-current investments	2.00	2.00

Note 5.1 Detailed list of non-current investments

Face value of Rs. 10 each, unless otherwise stated

Particulars	As at 31 March 2019		As at 31 March 2018	
	Nos	Rs. in lakhs	Nos	Rs. in lakhs
Investments valued at FVTPL, fully paid up (Unquoted)				
Shivalik Solid Waste Management Limited (Face Value of Rs. 10/- each, fully paid)	20,000	2.00	20,000	2.00
Total non-current investments	20,000	2.00	20,000	2.00

Particular	As at 31 March 2019	As at 31 March 2018
Aggregate of non-current investments:		
Book value of investments (net of impairment allowance)	2.00	2.00
Investments carried at deemed cost	2.00	2.00
Investments carried at fair value through profit and loss	-	-

Note 6 : Other financial assets

(Unsecured, Considered Good)

Particular	As at 31 March 2019	As at 31 March 2018
Security Deposits	179.36	160.98
Less : ECL provision	(31.17)	(20.23)
	148.19	140.75

Note 7 : Income Tax Assets (Net)

(a) Amounts recognised in Statement of Profit and Loss

Particulars	As at 31 March 2019	As at 31 March 2018
Current tax expense (A)		
Current year	-	-
Short/(Excess) provision of earlier years	0.23	2.95
	0.23	2.95

Deferred tax expense (B)		(Rs. in lakhs)
Origination and reversal of temporary differences	(14.48)	(375.09)
Tax expense recognised in the income statement (A+B)	(14.25)	(372.14)

(b) Amounts recognised in other comprehensive income

Particulars	Year Ended 31 March 2019			Year Ended 31 March 2018		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(9.85)	2.74	(7.11)	1.12	(0.31)	0.81
	(9.85)	2.74	(7.11)	1.12	(0.31)	0.81

(c) Reconciliation of effective tax rate

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Profit before tax	(1494.79)	(1753.42)
Tax using the Company's domestic tax rate (Current year 27.82% and Previous Year 27.55%)	(415.85)	(483.07)
Tax effect of :		
Effect of expenses that is non-deductible in determining taxable profit	(13.88)	(16.50)
Indexed Cost of Land	7.37	8.28
Effect of current year losses for which deferred tax asset is recognised	408.11	119.14
Tax expense as per Statement of Profit & Loss	(14.25)	(372.14)
Effective tax rate	0.01	0.21

(d) Income tax assets (net)

Particular	As at 31 March 2019	As at 31 March 2018
Advance income tax and TDS(Net of Provisions)	495.19	438.92
Total income tax assets (Net)	495.19	438.92

* includes Rs. 465.29 lacs (31 March 2018 : Rs 413.84 lacs) paid against income tax dispute (Refer Note no.33)

Note 8 : Deferred tax assets (net)

Particular	As at 31 March 2019	As at 31 March 2018
Deferred income tax asset		
Provision for employee benefits	47.10	42.55
Provision for expected credit loss on trade receivables	117.54	109.21
Financial asset carried at amortised cost	0.03	0.01
Brought forward losses	-	324.92
Unabsorbed depreciation	970.99	644.03
MAT credit entitlement	911.85	959.52
Deferred tax assets	2,047.51	2,080.25
Deferred income tax liabilities		
Excess of net block of fixed assets as per books over net block for tax	(859.13)	(900.72)
Financial liabilities carried at amortised cost	(2.51)	(3.50)
Indexed Cost of Land	(94.68)	(102.06)
Deferred tax liabilities	(956.32)	(1006.28)
Deferred tax assets (net)	1,091.19	1,073.97

Movement in Deferred Tax Assets/(Liabilities)

Rs. in lakhs

Particulars	Property, Plant and Equipment	Provision for expected credit loss on trade receivables	Provision for employee benefits	MAT credit entitlement	Others	Total
At April 1, 2017	(1,002.77)	109.21	42.55	959.52	(3.50)	105.01
Charged / (credited)						
– to Statement of Profit and Loss	644.03	-	-	-	-	644.03
– to other comprehensive income	-	-	-	-	-	-
At March 31, 2018	(358.75)	109.21	42.55	959.52	(3.50)	749.04
Charged / (credited)						
– to Statement of Profit and Loss	375.93	8.32	7.28	-47.67	1.02	344.89
– to other comprehensive income	-	-	(2.74)	-	-	(2.74)
At March 31, 2019	17.18	117.54	47.10	911.85	-2.48	1,091.19

Note 9 : Other non current assets

(Unsecured, Considered Good)

Particular	As at 31 March 2019	As at 31 March 2018
Prepaid rent	2.22	12.18
Capital advances	42.58	12.87
	44.80	25.05

Note 10 : Inventories

(Valued at lower of cost or net realisable value)

Particular	As at 31 March 2018	As at 31 March 2017
Work-in-progress	137.66	85.09
Finished goods	244.66	183.61
Raw materials	395.31	682.07
Packing materials	227.71	190.14
	1,005.34	1,140.91

Note 11 : Trade receivables

(Unsecured)

Particular	As at 31 March 2019	As at 31 March 2018
Trade receivables		
- considered good	1,402.12	1,216.55
Less: Provision for expected credit loss	(260.42)	(198.31)
	1,141.70	1,018.24

Note 12 : Cash and cash equivalents

Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- Current accounts in Indian rupees	246.96	63.35
Cash on hand	2.43	1.17
	249.39	64.52

(Rs. in lakhs)

Note 13 : Other bank balances

Particular	As at 31 March 2019	As at 31 March 2018
Earmarked balances with banks for:		
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months *	97.38	131.95
	97.38	131.95

* includes Rs. 97.38 lacs (31 March 2018: Rs. 124.85 lacs) pledged with bank as margin against bank guarantee.

Note 14 : Other financial assets

(Unsecured)

Particular	As at 31 March 2019	As at 31 March 2018
Interest accrued but not due on bank deposits	5.94	10.30
Other Receivables	158.98	220.35
Less : Provision for Expected credit loss	(140.21)	(197.23)
	24.72	33.42

Note 15 : Other current assets

(Unsecured, Considered Good)

Particular	As at 31 March 2019	As at 31 March 2018
Advance to suppliers	54.29	45.39
Duties and Taxes Receivable	590.53	624.57
Prepaid expenses	11.17	10.03
Others	21.76	0.45
	677.75	680.44

Note 16A : Equity Share capital

Particulars	As at 31 March 2019	As at 31 March 2018
Authorised share capital		
20,000,000 Equity Shares of Rs.10/- each	2,000	2,000
Total authorised share capital	2,000	2,000
Issued, subscribed and paid-up equity share capital:		
16,186,422 Equity shares of Rs. 10/- each	1,618.64	1,618.64
Total issued, subscribed and paid-up equity share capital	1,618.64	1,618.64

Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	Number	Amount
As at 1 April 2017	16,186,422	1,618.64
Issued during the year	-	-
As at 31 March 2018	16,186,422	1,618.64
Issued during the year	-	-
As at 31 March 2019	16,186,422	1,618.64

Terms/rights attached to equity shares:

(i) The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

(ii) 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholding of more than 5%:

Name of the Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of shares	% held	No. of shares	% held
Atul Ranchal	4,113,071	25.41%	4,113,071	25.41%
Rajesh Mahajan	3,493,151	21.58%	3,493,151	21.58%

Note 16B : Other Equity

Particulars	As at 31 March 2019	As at 31 March 2018
Securities premium reserve	5,341.40	5,341.40
Retained earnings	2,995.66	4,476.20
Items of Other Comprehensive Income		
- Remeasurements of defined benefit plans	3.87	10.98
Money received against share warrants	555.49	-
	8,896.43	9,828.59

Nature and purpose of reserves

Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders, if any.

Remeasurements of Net Defined Benefit Plans:

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

Money received against share warrants

In terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("ICDR Regulations"), the company upon the shareholders approval at the Annual General Meeting held on 10th August, 2018 issued and allotted 8,50,000 Share warrants, by circular resolution dated 6th September, 2018 and 14th September, 2018 at a conversion price of Rs. 95.50 per Equity share aggregating to Rs 8,11,75,000. The company has received Rs 2,61,49,000/- as upfront amount. Subsequently, Rs.2,94,00,000 has been received in this year against balance amount of Share Warrants. These warrants will be converted into an equivalent number of Equity shares of face value Rs. 10 each at premium of Rs 85.50 per share, in the company, upon receipt of balance amount of Rs.2,56,26,000, within a period of 18 months from the date of allotment.

Note 17 : Borrowings

Particulars	(Rs. in lakhs)	
	As at 31 March 2019	As at 31 March 2018
Secured		
Term loan from bank	1,588.32	1,828.45
Less: Current Maturities of Long Term debts	(247.61)	(247.61)
	1,340.71	1,580.84
Hire Purchase Loans		
From Banks	16.50	25.79
Less: Current Maturities of Long Term debts	(10.21)	(9.36)
	6.29	16.42

	(Rs. in lakhs)	
From Others	65.86	89.80
Less: Current Maturities of Long Term debts	(26.46)	(24.06)
	39.39	65.74
Total non-current borrowings	1,386.39	1,663.00

Nature of security and terms of repayment :
Term loan from bank

Rs 1,085.87 lacs (PY Rs. 1,241.17 lacs). The loan is secured by hypothecation of Plant and Machinery at Vadodara unit and collaterally secured by Equitable Mortgage of land and building at Vadodara unit. It is further secured by Personal Guarantee of two Directors of the Company. Term loan from Indian Bank carries interest @ 10% p.a. The loan is repayable in 32 equal quarterly instalments starting from March, 2018.

Rs 501.81 lacs (PY Rs. 587.28 Lacs). The loan is secured by hypothecation of Plant and Machinery at Vadodara unit and collaterally secured by Equitable Mortgage of land and building at Vadodara unit. It is further secured by Personal Guarantee of two Directors of the Company. The loan from Indian bank carries interest @ MCLR- 1 year (8.50%) + 3.00% i.e. 11.50% and is repayable in 78 monthly installments of Rs. 7.69 lacs per month commencing from April, 2018. Interest is to be serviced as and when debited to the account

Hire Purchase Loans

Rs 16.50 lacs (PY Rs. 25.79 lacs) Hire purchase loan is secured by hypothecation of vehicles financed. Hire purchase loans carries interest @ 9.5% p.a. The loans are repayable in 60 equal monthly instalments starting from November, 2015.

From Others

Rs. 65.86 lacs (PY Rs. 89.80 lacs) Hire Purchase Loan is secured by hypothecation of vehicles financed. Hire purchase loans carries interest @ 10.67% p.a. The loan is repayable in 60 equal monthly instalments starting from June, 2016.

Note 18 : Provisions

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits		
- Gratuity	104.35	73.76
- Leave entitlement and compensated absences	43.17	34.66
	147.52	108.42

Note 19 : Borrowings

Particulars	As at 31 March 2019	As at 31 March 2018
Secured		
Cash Credit from banks	1,446.88	854.44
	1,446.88	854.44

Secured loans from Banks includes :

a) Cash Credit facility amounting to Rs. 751.93 lacs (PY Rs. 684.04 lacs) is secured by 1st Hypothecation charge on Stocks, Receivable & all current assets and collaterally secured by Equitable Mortgage of Industrial Property at Baddi & Corporate office, Mumbai. It is further secured by Personal Guarantee of Directors of the Company. It carries interest @ (KMBR as on date 9.50%) + 1% with a minimum of 10.5%.

b) Cash Credit facility amounting to Rs. 694.95 lacs (PY 170.40 lacs) is secured by 1st Hypothecation charge on Stocks, WIP and finished goods, book debts/other Receivables of Vadodara unit and collaterally secured by Equitable Mortgage of land and building bearing block no 61 & 62 at Vadodara. It is further secured by Personal Guarantee of Directors of the Company. It carries interest @ MCLR- 1 year (8.60%) + 1.40% i.e. 10%.

Note 20 : Trade payables

(Rs. in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note below)	302.96	76.68
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,410.98	2,587.87
	2,713.94	2,664.55

The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act), as at 31 March 2019.

The disclosure pursuant to the said Act is as under:

Particulars	31 March 2019	31 March 2018
Principal amount due to suppliers under MSMED Act	302.96	76.68
Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than interest) beyond appointed day during the year	290.06	31.41
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

Note: Interest paid or payable by the company on the aforesaid principal amount has been waived by the concerned suppliers

Note 21 : Other financial liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of long term borrowings (Refer note 18)	284.29	281.04
Interest accrued and due on borrowings	15.93	17.14
Salary & wages payable	100.86	96.20
Payable for capital goods	-	7.44
Deposits	32.69	-
	433.77	401.82

Note 22 : Other current liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Duties & Taxes payable	29.21	23.35
Advance from customer	100.54	69.42
	129.75	92.77

Note 23 : Provisions		(Rs. in lakhs)	
Particulars	As at 31 March 2018	As at 31 March 2017	
Provision for employee benefits			
- Gratuity	15.70	14.49	
- Leave entitlement and compensated absences	6.07	5.02	
Other Provisions	-	15.00	
	21.77	34.51	

Note 24 : Revenue from operations		
Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Sale of drugs	5,503.01	5,690.42
Total Revenue from Operations	5,503.01	5,690.42

* Sales are reported net of discounts, rebates and returns.

Note 25 : Other income		
Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Interest income	10.84	13.53
Gain on exchange fluctuation (net)	-	0.84
Profit on sale of property plant equipment	17.14	-
Dividend from long term investments	0.54	-
Sundry balance written back	227.00	-
Insurance claim Received	20.20	-
Miscellaneous income	12.04	9.65
Total other income	287.76	24.02

Note 26 : Cost of materials consumed		
Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Raw Material (Including Packing Material)		
Opening stock	872.22	648.22
Add: Purchases	3,833.91	4,308.63
Less: Closing stocks	(623.02)	(872.22)
	4,083.11	4,084.63
Less: Loss on account of Flood from finished goods	(25.89)	-
	4,057.22	4,084.63

Note 27 : Changes in inventories of finished goods, work - in progress		
Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Opening inventory		
- Finished Goods	183.61	33.90
- Work-in-progress	85.09	87.76
	268.70	121.66
Closing inventory		
- Finished Goods	244.66	183.61
- Work-in-progress	137.66	85.09

(Rs. in lakhs)

	382.32	268.70
Changes in inventories	(113.62)	(147.03)

Note 28 : Employee benefits expense

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Salaries and wages	929.48	885.98
Contribution to provident and other funds (Refer note 38)	50.29	45.60
Director Remuneration	215.67	215.50
Staff welfare	20.99	33.65
Total employee benefits expense	1,216.43	1,180.73

Note 29 : Finance costs

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Interest on:		
- Loan from banks/others	296.26	240.43
Total finance costs	296.26	240.43

Note 30 : Other expenses

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<u>Manufacturing expenses</u>		
Stores & spares consumed	123.55	109.99
Power & fuel	256.37	362.36
Packing charges	75.23	69.07
<u>Repairs & maintenance</u>		
- Plant & machinery	11.51	10.72
- Factory building	5.63	7.48
Labour charges	65.90	98.97
Other factory expenses	62.96	71.92
<u>Administration, selling and distribution expenses</u>		
Rent	29.77	3.12
Insurance expenses	11.86	10.41
Legal and professional fees	36.95	96.65
Auditor's remuneration	9.00	9.00
Travelling & conveyance	96.12	111.14
Advertising & sales promotion expenses	48.45	74.04
Commission paid	24.31	29.44
Transportation, freight & handling charges	14.24	19.62
Loss on exchange fluctuation (net)	0.39	-
loss on account of Flood	48.37	-
Provision for Expected credit loss (net of reversal)	16.04	108.36
Miscellaneous expenses	242.67	153.02
	1,179.31	1,345.32
	1,341.73	758.32

Auditors' remuneration:
(Rs. in lakhs)

i) Statutory audit fees	8.40	8.40
ii) Taxation Matters	0.60	0.60
	9.00	9.00

Note 31 : Earnings per equity share of Rs. 10 each

The amount considered in ascertaining the Company's earnings per share constitutes the net loss after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Basic and diluted EPS

Particulars		Year ended 31 March 2019	Year ended 31 March 2018
Profit computation for basic earnings per share of Rs. 10 each			
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity	Rs. in lakhs	(1,488)	(1,380)
Weighted average number of equity shares for EPS computation	(Nos.)	16,186,422	16,186,422
EPS - Basic and Diluted EPS	(Rs.)	(9.19)	(8.53)

Note 32 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Name of related party
Nature of relation
(A) Directors

Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Dr. Durga Shankar Maity	Wholetime Director
Mr. Rajnish Kumar Bedi	Independent Director
Mr. Deepak Mahajan	Independent Director
Mrs. Sonia Gupta	Independent Director

(B) Key managerial personnel

Mr. Anil Kumar Pillai	Chief Financial Officer
Mrs. Jyoti Sancheti	Company Secretary

(C) Relative of Directors

Mrs. Saras Gupta	Relative of Director
Mrs. Rajani Ranchal	Relative of Director
Mrs. Davinder Kumari	Relative of Director

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

Particulars	Nature of Transaction	Year ended 31 March 2019	Year ended 31 March 2018
Mr. Atul Ranchal	Salary	96.00	96.00
	Sitting Fees	1.00	1.00
	Leave Encashment	-	2.36
Mr. Rajesh Mahajan	Salary	96.00	96.00
	Sitting Fees	0.80	1.00
	Leave Encashment	-	2.36
Dr. Durga Shankar Maity	Salary	23.76	23.50
	Sitting Fees	1.00	1.00
	Leave Encashment	-	0.42
Mr. Rajnish Kumar Bedi	Sitting Fees	0.80	0.80
Mr. Deepak Mahajan	Sitting Fees	0.80	0.80
Mrs. Sonia Gupta	Sitting Fees	1.00	0.60
Mrs. Saras Gupta	Salary	28.80	28.80
	Leave Encashment	-	0.94
Mrs. Rajni Ranchal	Salary	28.80	28.80
	Leave Encashment	-	0.88
Mrs. Davinder Kumari	Salary	24.00	24.00
	Leave Encashment	-	0.63
Mr. Anil Kumar Pillai	Salary	14.98	13.88
	Leave Encashment	0.00	0.02
Mrs. Jyoti Sancheti	Salary	6.62	6.12

c. Balance Outstanding of Related Parties :

Particulars	Nature of Transaction	Year ended 31 March 2019	Year ended 31 March 2018
Mr. Atul Ranchal	Salary & Wages Payable	5.20	0.80
	Trade Payable	1.00	1.00
Mr. Rajesh Mahajan	Salary & Wages Payable	5.56	5.65
	Trade Payable	0.80	1.00
Dr. Durga Shankar Maity	Salary & Wages Payable	1.42	4.98
	Trade Payable	1.00	1.00
Mr. Rajnish Kumar Bedi	Trade Payable	0.80	0.80
Mr. Deepak Mahajan	Trade Payable	0.80	0.80
Mrs. Sonia Gupta	Trade Payable	1.00	0.60
Mrs. Saras Gupta	Salary & Wages Payable	1.85	1.87
Mrs. Rajani Ranchal	Salary & Wages Payable	1.49	1.97
Mrs. Davinder Kumari	Salary & Wages Payable	1.50	1.40
Mr. Anil Kumar Pillai	Salary & Wages Payable	0.92	0.54
Mrs. Jyoti Sancheti	Salary & Wages Payable	0.51	0.51

Note 33 : Contingent liabilities and Commitments

(A) Contingent liabilities

I) Gurantees

(Rs. in lakhs)

Particular	Year ended 31 March 2019	Year ended 31 March 2018
i) Bank Guarantee	93.22	124.85
II) Other money for which the company is contingently liable		
Particular	Year ended 31 March 2019	Year ended 31 March 2018
Disputed liability in respect of Income tax (Refer Note below)	1,957.21	1,883.76

The Company has received Notice of Demand u/s 156 of the Income Tax Act, 1961 for the three assessment years and company has filed an appeal against the same. Details of the same are given as follows :

A.Y to which matter pertains	Demand Amount Raised in FY 18-19	Stay amount paid till FY 18-19	Demand Amount Raised in FY 17-18	Stay amount paid till FY17-18
2012-13	1,400.72	291.39	1,400.72	281.96
2013-14	339.51	101.00	339.51	101.00
2014-15	142.85	21.45	142.85	21.45
2015-16	0.68	-	0.68	-
2016-17	73.45	51.45	-	-
Total	1,957.21	465.29	1,883.76	404.41

(B) Commitments

(Rs. in lakhs)

Particular	Year ended 31 March 2019	Year ended 31 March 2018
I) Contracts Remaining to Be Executed	96.84	25.08
II) EPCG Commitment (Refer Note below)	443.21	443.21

The Company has obtained license under Export Promotion Capital Goods Scheme(EPCG) for purchase of capital goods on zero percent custom duty. Under the EPCG the Company needs to fulfill certain export obligations, failing which, it is liable for payment of custom duty. Export obligations is Rs. 3,127.60 lacs (P.Y. Rs. 3,127.60 lacs) out of which Rs. 1,254.25 lacs needs to be completed within 6 years (till F.Y.2019-20) & Rs. 1,873.34 lacs needs to be completed within 8 years (till F.Y.2020-21) from the date of purchase of respective Capital Goods.

Note 34 : Operating leases disclosures as required under Indian Accounting Standard 17, "Leases":

Future minimum lease payments payable under non-cancellable operating leases in aggregate for the following periods:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Not later than one year	29.71	29.71
Later than one year and not later than five years	89.12	118.83
TOTAL	118.83	148.54

Note 35 : Expenditure on Corporate Social Responsibility Activities

Particulars	As at 31 March 2019	As at 31 March 2018
Details of CSR Expenditure:		
Gross amount required to be spent by the Company during the year.	70.44	61.18
Particulars		
	Amount Spent	
	31 March 2019	31 March 2018
	Amount yet to be Spent	
	31 March 2019	31 March 2018
	Total	
	31 March 2019	31 March 2018
Contribution to Gram Panchayat & Sahidi Sabhyacharak Mela	0.00	0.10
	70.44	61.18
	70.44	61.29

Note 36 : Segment Reporting as required under Indian Accounting Standard 108, "Operating Segments" :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director/Chairman of the Company. The Company operates only in one Business Segment i.e. "Manufacturing of Drugs & Pharmaceutical", hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

Note 37 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'
A Defined benefit obligations - Gratuity (Non Funded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
(Rs. in lakhs)		
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	89.03	68.17
Service cost	17.33	16.45
Interest cost	6.68	5.45
Actuarial loss / (gain)	9.85	(1.12)
Benefits paid	(2.84)	(0.70)
Present value of obligation as at the end of the year	120.05	88.25
b) Expenses recognised in the Statement of Profit and Loss		
Current service cost	17.33	16.45
Past service cost	-	-
Interest cost	6.68	5.45
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	-	-
Total	24.01	21.90

c) Remeasurement (gains)/ losses recognised in OCI

Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Experience adjustments	9.85	(1.12)
Total	9.85	(1.12)

d) Actuarial assumptions

	31 March 2019	31 March 2018
Discount rate	7.5% p.a.	8% p.a.
Normal retirement age (in years)	58	58
Salary escalation rate (% p.a.) *	6% p.a.	6% p.a.
Attrition rate	10% at all ages	10% at all ages
Mortality rate	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2006-08) ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

e) Quantities sensitivity analysis for significant assumption is as below:
(Rs. in lakhs)

Particulars	31 March 2019	31 March 2018
	1% increase	1% increase
i. Discount rate	113.93	84.46
ii. Salary escalation rate - over a long-term	126.81	94.14
	1% decrease	1% decrease
i. Discount rate	126.78	94.09
ii. Salary escalation rate - over a long-term	113.81	84.34

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

B Other Employee Benefits
Leave Encashment (Non Funded)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	39.68	28.79
Service cost	18.37	16.57
Interest cost	2.98	2.30
Actuarial loss / (gain)	(7.21)	(6.08)
Benefits paid	(4.56)	(1.90)
Present value of obligation as at the end of the year	49.26	39.68
b) Expenses recognised in the Statement of Profit and Loss		
Current service cost	18.37	16.57
Past service cost	-	-
Interest cost	2.98	2.30
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	(7.21)	(6.08)
Total	14.14	12.79

c) Remeasurement (gains)/ losses recognised in OCI

Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Experience adjustments	-	-
Total	-	-

d) Quantities sensitivity analysis for significant assumption is as below:

Particulars	31 March 2019	31 March 2018
	1% increase	1% increase
i. Discount rate	46.93	37.75
ii. Salary escalation rate - over a long-term	51.82	41.81
	1% decrease	1% decrease
i. Discount rate	51.81	41.79
ii. Salary escalation rate - over a long-term	46.87	37.70

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

C Current/ non-current classification

Particulars	31 March 2019	31 March 2018
Gratuity		
Current	15.70	14.49
Non-current	104.35	73.76
	120.05	88.25
Leave entitlement (including sick leave)		
Current	6.07	5.02
Non-current	43.17	34.66
	49.24	39.68

Note 38 : Fair Value Measurement
(i) Financial instruments by category

Particulars	Refer note	31 March 2019					31 March 2018				
		Non - Current	Current	FVTPL	FVOCI	Amortised Cost	Non - Current	Current	FVTPL	FVOCI	Amortised Cost
Financial Assets:											
Investments											
Investments in equity shares	5	2.00	-	-	-	2.00	-	-	-	2.00	
Trade receivables	11	-	1,141.70	-	-	1,141.70	-	-	-	1,018.24	
Others financial assets	6	148.19	24.72	-	-	172.91	140.75	33.42	-	174.17	
Cash and cash equivalents	12	-	249.39	-	-	249.39	-	64.52	-	64.52	
Other bank balances	13	-	97.38	-	-	97.38	-	131.95	-	131.95	
Total Financial Assets		150.19	1,513.18	-	-	1,663.38	142.75	1,248.13	-	1,390.88	
Financial Liabilities:											
Borrowings	17	1,386.39	1,446.88	-	-	2,833.26	1,663.00	854.44	-	2,517.44	
Trade payables	20	-	2,713.94	-	-	2,713.94	-	2,664.55	-	2,664.55	
Other financial liabilities	21	-	433.77	-	-	433.77	-	401.82	-	401.82	
Total Financial Liabilities		1,386.39	4,594.58	-	-	5,980.97	1,663.00	3,920.80	-	5,583.80	

The Company has not disclosed the fair values for financial instruments for other financial assets (current and non current), trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Borrowings (current and non current), Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

Note 39 : Financial risk management objectives and policies

The Company’s activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company’s focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Major financial instruments affected by market risk includes loans and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s total debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company’s profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	31 March 2019	31 March 2018
Increase in basis points	50 basis points	50 basis points
Effect on profit/(loss) before tax, increase by	-2.02	-2.02
Decrease in basis points	50 basis points	50 basis points
Effect on profit/(loss) before tax, decrease by	2.02	2.02

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

The Company is exposed to insignificant foreign exchange risk as at the respective reporting dates.

Other price risk

The Company is not exposed to any other price risk.

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade and other receivables, cash and cash equivalents and security deposits.

Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the company continues regular follow up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings. The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast specturm.

Other Financial Assets

The Company is maintains exposure in cash and cash equivalents, security deposits and other receivables. The company goes through regular follow up for recovering the amount of deposit and other receivables. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	(198.31)	(80.29)
Balance at the end of the year	(260.42)	(198.31)

iii. Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars					Rs. in lakhs
	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2019					
Borrowings	-	1,731.17	293.29	1,093.09	3,117.55
Trade payables	2,713.92	-	-	-	2,713.92
Other financial liabilities	149.48	-	-	-	149.48
	2,863.40	1,731.17	293.29	1,093.09	5,980.95
As at 31 March 2018					
Borrowings	-	1,135.48	329.78	1,333.22	2,798.47
Trade payables	2,664.55	-	-	-	2,664.55
Other financial liabilities	120.78	-	-	-	120.78
	2,785.32	1,135.48	329.78	1,333.22	5,583.80

Note 40 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

To maintain or adjust the capital structure, the Company usually turns to reputed banks and other financial institutions for funds. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts.

Particulars	As at	As at
	31 March 2019	31 March 2018
Total debts	3,133	2,816
Total equity	10,507	11,447
Total debts to equity ratio (Gearing ratio)	22.97%	19.74%

Note 41 : Prior year comparatives

Previous year's figures have been regrouped or reclassified, to conform to the current year's presentation wherever considered necessary.

In terms of our report on even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-
Suresh Murarka
Partner
Mem. No. 44739

For and on behalf of the Board of Directors

Sd/-
Atul Ranchal
Chairman
Din : 01998361

Sd/-
Rajesh Mahajan
Managing Director
Din : 02000634

Sd/-
Anil Kumar Pillai
CFO

Sd/-
Jyoti Sancheti
Company Secretary

Place: Mumbai
Date : May 29, 2019

Place: Mumbai
Date : May 29, 2019

BROOKS LABORATORIES LIMITED

CIN: L24232HP2002PLC000267

Regd. Office: Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan, H.P.

Website: www.brookslabs.net, Email id: investors@brookslabs.net

ATTENDANCE SLIP

DP ID:	
Client ID:	

Folio No.	
No. of Shares held	

Full Name and Address of the Member (IN BLOCK LETTERS): _____

I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 17th Annual General Meeting of the Company being held at **HOTEL GIANZ, BADDI-NALAGARH HIGHWAY, NH-21A, BADDI, DISTT. SOLAN, H.P.** at **9.00 A.M.**, on **Wednesday, the 25th day of September, 2019.**

Full Name of the Proxy (if any) _____

Signature

NOTE: Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.



BROOKS LABORATORIES LIMITED**CIN: L24232HP2002PLC000267**

Regd. Office: Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan, H.P.

Website: www.brookslabs.net, Email id: investors@brookslabs.net**PROXY FORM****(Form No. MGT-11)**

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

Name of the Member(s): _____

Registered Address: _____

Email Id: _____

Folio No./ DP Id and Client ID: _____

I/We being the member(s) of _____ shares the above named Company hereby appoint

Name: _____ Email Id: _____

Address: _____

Signature:

or failing him/her

Name: _____ Email Id: _____

Address: _____

Signature:

or failing him/her

Name: _____ Email Id: _____

Address: _____

Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 17th Annual General Meeting of the Company to be held on **Wednesday, the 25th day of September, 2019 at 9.00 A.M.** at **HOTEL GIANZ, BADDI-NALAGARH HIGHWAY, NH-21A, BADDI, DISTT. SOLAN, H.P.** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For*	Against*
1	Adoption of Annual Audited Financial Statement and Reports thereon.		
2	Re-appointment of Mr. Atul Ranchal (DIN No. 01998361) who retires by rotation.		
3	Re-Appointment of Auditors and fixing of their remuneration.		
4	Ratification of the remuneration of the Cost Auditors.		
5	Appointment of Mr. Suresh Garg (DIN No. 08544308) as a Whole time Director designated as Technical Director of the Company		

Signed this.....day of.....2019

Signature.....

Re. 1/- Revenue Stamp

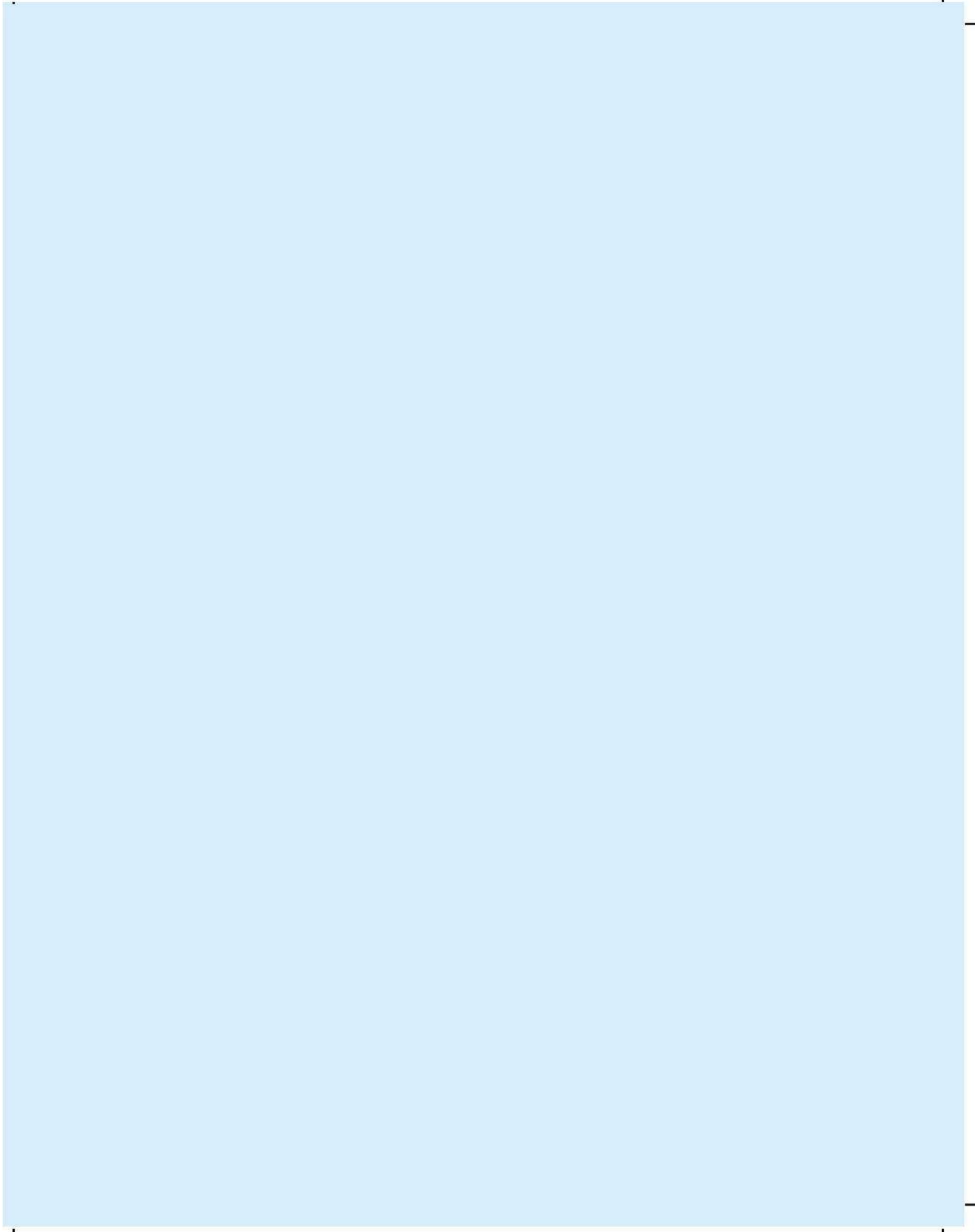
NOTES:

*Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

A Proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.

Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.





CORPORATE OFFICE

502, Kanakia Atrium -2 Next to Hotel Courtyard Marriott
Andheri Kurla Road, Andheri (East), Mumbai – 400 093
Tel.: 022-61933100 • Fax.: 022-61933114
email: investors@brookslabs.net
website: www.brookslabs.net
CIN: L24232HP2002PLC000267