Brooks
LABORATORIES LIMITED
AN EU-GMP approved carbapenem facility

16TH ANNUAL REPORT 2017-2018



World-class Dedicated Carbapenem Injection Facility at Unit 2-Vadodara, Gujarat.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Dr. D.S. Maity	CEO cum Technical Director
Mr. Rajnish Kumar Bedi	Independent Director
Mr. Deepak Mahajan	Independent Director
Ms. Sonia Gupta	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

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
CIN:L24232HP2002PLC000267

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


Brooks
LABORATORIES LIMITED
Experience of more than 14 years
in Pharmaceutical Manufacturing
ISO 9001 : 2008 CERTIFIED COMPANY





CHAIRAMANS LETTER

Dear Shareholders,

Last year was a mix a of international achievements and had been good by getting our long lasting issues getting resolved, though this progressive year cannot be transformed into top lines and bottom lines of yourcompany, but it looks like a solid foundation is now in place to get your company to have international acclaims in coming days.

Our vision for our flagship Vadodara facility got a thumbs up from the best regulatory agency of the world in January 2018; European Medicine agency, this certification has taken Brooks to a different league of pharmaceutical companies which are approved for selling their products all over Europe from our Vadodara facility, gainful results of which shall be visible in coming years, our confidence to be a respected global player in niche segment has increased, though actual results will take time to come but we are now certain about positive outcomes very soon and we're on the right track for all this.

I concluded my more than a month trip in May 2018 for international tie ups in LatAm countries along with my team and got very encouraging response, as we all know Pharmaceutical industryis highly regulated one, today we hold the status of a respectable player in international markets in our niche segment, but as all good things take its own time to come to full shape and needs a lot of patience and faith, that's where we are putting our best and honest efforts to be in great shape soon.

Keeping the above in mind we are trying our best to bring the most competent people in their fields to work for your company as one well integrated team, We strive to maintain top quality in our products to achieve our targets, we are hopeful of making your company a global contender soon with hard work vision and patience, at the last I am thankful for your continuous support towards company's endeavour and having confidence in our efforts.



Place: Mumbai
Date: 11.08.2018

Atul Ranchal
Chairman, **Brooks Laboratories Ltd.**



MANAGING DIRECTOR'S SPEECH

Dear Shareholders,

Indian pharma industry is likely to grow fast due to Government of india's priority on healthcare industry. Government of India has announced a transformative public health programme offering health insurance cover of up to 5 lakh to 100 million poor and vulnerable families, with the benefits expected to reach 500 million individuals, 40% of India's population.

Globally also Indian pharma industry is reviving back after 3-4 years of regulatory challenges by markets like US & Europe. Indian pharma companies have once again accepted & complied the new challenge of regulatory changes.

Keeping in view the opportunities in domestic & international market Brooks Laboratories has created a truly world class manufacturing facility in Vadodra and upgraded the existing facility in Baddi. We have encountered challenging circumstances in creating this global facility and have ensured zero tolerance for non-compliance. This new facility in Vadodara has obtained EU GMP certificate in December 2017.

EMPOWERING PEOPLE

For any organization 'people' have been at the center of creating a world class organization; with this focus we have taken several initiatives to drives meaningful change and responsible empowerment in manufacturing facilities of new recruits. Our team has proved its profess by obtaining EU GMP certification in short time. We are constantly conducting various workshops for our team to enhance their knowledge & skill towards best of manufacturing practice.

WORLD CLASS QUALITY SYSTEMS:

Complying to stringent cGMP requirements of global regulators is an absolute necessity for our future success in the pharmaceutical industry. Our Baddi facility complies with the necessary compliance as per WHO GMP.

Our Vadodara facility is EU GMP certified now and we plan to apply for FDA certifications of various regulated markets certification in the near term. We are committed to 24x7 cGMP compliance and shall be working with reputed global consultants to ensure that both our facilities are compliant and benchmarked to international standards. We also intend to significantly strengthen our capabilities by continuously recruiting global talent with strong expertise in quality and compliance.

STRATEGY FOR GROWTH

On the strategy and business development front, the company has initiated talks with large Indian and global pharma companies for engaging in manufacturing world class Carbapenem products for them. In this endeavor we have successfully obtained orders from few big pharma companies & are in advanced stage of finalization of orders from many. Our priority for the next few years is to build business momentum, drive 100% capacity utilization of Baddi and Vadodara plants.

As we celebrate 17th year of operations of Brooks Laboratories existence, I take this opportunity to thank all our Brooks Laboratories colleagues, investors and other stake holders.

With fully operationalization of the Vadodara facility, we intend to be one of its class advanced and fully compliant facility in India. We look forward to welcome you there.

I am positive and the best is yet to come.

Place: Mumbai
Date: 11.08.2018

Rajesh Mahajan
Managing Director, Brooks Laboratories Ltd.




B.O.D. INCUBATOR

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NOTICE

Notice is hereby given that the 16th Annual General Meeting of Brooks Laboratories Limited will be held at Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, H.P. on Friday, 10th August, 2018 at 9.00 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, 2018 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. Rajesh Mahajan (DIN: 02000634), who retires by rotation and being eligible, offers himself for re-appointment.

3. **Ratification of Appointment of Statutory Auditors**

   To ratify the appointment of M/s. SGCO & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No. 112081W), as approved by Members at the Thirteenth Annual General Meeting as Statutory auditors of the Company, to hold office until the conclusion of Seventeenth Annual General Meeting, and to fix their remuneration for the financial year ending 31stMarch, 2019.

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, 2019, amounting to Rs. 55,000/- plus taxes."

5. **To increase the remuneration of Mr. Atul Ranchal(DIN: 01998361), Whole-time Director**

   To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of sections 197, 198, Schedule V and other applicable provisions, if any 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 in supersession of any earlier resolution, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, the consent of the members be and is hereby accorded for increase in remuneration payable to Mr. Atul Ranchal, Chairman cum Whole Time Director of the Company, for a period from 1st June, 2018 to 31st October, 2020, i.e. end of his tenure as set out in the Explanatory Statement annexed to the Notice, with further authority to the Board to alter and vary such terms and conditions including remuneration as may be mutually agreed by the Board of Directors of the Company and Mr. Atul Ranchal subject to the conformity with the provisions of the Companies Act, 2013."

   "RESOLVED FURTHER THAT such variation or increase, as the case may be, is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013, read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time."

   "RESOLVED FURTHER THAT except for the revision in remuneration, all other terms and conditions of appointment, as approved earlier by the members, and which are not dealt with in this resolution, shall remain unaltered."

   "RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/ matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company."

6. **To increase the remuneration of Mr. Rajesh Mahajan (DIN: 02000634), Managing Director**

   To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 197, 198, Schedule V and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in supersession of any earlier resolution, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, the consent of the members be and is hereby accorded for increase in remuneration payable to Mr. Rajesh Mahajan, Managing Director of the Company, for a period from 1st June, 2018 to 31st October, 2020, i.e. end of his tenure as set out in the Explanatory Statement annexed to the Notice, with further authority to the Board to alter and vary such terms and conditions including remuneration as may mutually agreed by the Board of Directors of the Company and Mr. Rajesh Mahajan subject to the conformity with the provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT such variation or increase, as the case may be, is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time."

"RESOLVED FURTHER THAT except for the revision in remuneration, all other terms and conditions of appointment, as approved earlier by the members, and which are not dealt with in this resolution, shall remain unaltered."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/ matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company."

7. **To re-appoint Dr. D.S. Maity (DIN: 03136361)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 196, 203, Schedule V and other applicable provisions, if any 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, the consent of the members be and is hereby accorded for the re-appointment of Dr. D.S. Maity (DIN: 03136361) as a Whole-time Director designated as Technical Director for a period of 5 years with effect from 10th September, 2018 to 9th September, 2023, on terms and conditions as agreed between the Board and Dr. D.S. Maity."

8. **To Increase in remuneration of Dr. D.S.Maity, Whole Time Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in supersession of any earlier resolution, and on recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded for increase in remuneration payable to Dr. D.S. Maity, Technical Director of the Company, from Rs. 2,00,000/- per month upto maximum of Rs. 3,00,000/- per month for a period commencing from 10th September, 2018 to 9th September, 2021with further authority to the Board to alter and vary such terms and conditions including remuneration as agreed by the Board of Directors of the Company and Dr. D.S. Maity subject to the conformity with the provisions of the Companies Act, 2013. Dr. D.S. Maity shall be entitled to sitting fees for attending the Meetings of the Board of Directors or any Committee thereof."

9. **To consider the Preferential Issue of Warrants:**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 42, Section 62 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the enabling provisions of Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India ("SEBI") (including the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009, and any other Rules / Regulations / Guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and/or any other statutory / regulatory authorities, departments, institutions or body, whether in India or abroad ("Concerned Authorities"), and subject to such terms, conditions, alterations, corrections, changes, variations and/or, modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to

as the "Board" which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute, to exercise one or more of its powers, including the powers conferred by this resolution), the consent of the Members of the Company be and is hereby accorded to the Board to raise funds upto 8,07,50,000 (Rupees Eight Crores Seven Lakhs Fifty Thousand only) by way of offer, issue and allotment, in one or more tranches, upto 8,50,000 (Eight Lakhs Fifty Thousand only) convertible warrants of face value of Rs.10/- each on preferential basis at a price of Rs.95.00 (Rupees Ninety Five only) each including a premium of Rs.85 (Rupees Eighty Five Only) each or at such higher price as may be determined in accordance with and on such terms and conditions as may be determined by the Board in accordance with SEBI ICDR Regulations 2009 or other provisions at the time, provided that the minimum price of the Warrants so issued shall not be less than the price arrived at in accordance with the provisions of SEBI ICDR Regulations, 2009 to **Mrs. Rajni Ranchal, Mrs. Saras Gupta, Mr. Savvy Ranchal and Mr. Aryan Mahajan** on a preferential basis, convertible into equal number of Equity Shares of the Company not later than 18 months from the date of the allotment of the said warrants in accordance with the SEBI (ICDR) Regulations or other provisions of the law, as may be prevailing at the time of allotment of Warrants."

"RESOLVED FURTHER THAT in accordance with the provisions of SEBI ICDR Regulations, 2009, the Relevant Date, for the determination of price of the Equity Shares to be issued and allotted upon exercise of the right attached to the Warrants referred above is 11th July, 2018 i.e., the date 30 days prior to the date of Annual General Meeting in order to consider the proposed preferential issue."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue and allotment of Warrants shall be on the following terms and conditions:

1. The Warrants shall be allotted within a period of 15 days from the date of passing of this resolution, provided that if any approval or permission by any regulatory authority or the Central Government for allotment remains pending, the period of 15 days shall be counted from the date of obtaining such approval or permission.
2. In accordance with Chapter VII of SEBI ICDR Regulations, 2009, 25% of the total consideration payable for the Warrants (and equity shares into which they are converted), shall be paid by the proposed allottees to the Company upon issue and allotment of Warrants.
3. The holders of each warrant will be entitled to apply for and obtain allotment of one equity share of the face value of Rs.10/- each of the Company against each Warrant at any time after the allotment but on or before the expiry of eighteen months from the date of allotment, in one or more tranches. At the time of exercise of entitlement, the warrant holder(s) shall pay the balance 75% of the total consideration payable in respect of the Warrants being so exercised to the Company simultaneously with the allotment of equity shares by the Company pursuant to such exercise. The amount so paid will be adjusted/ set-off against the issue price of the resultant equity shares.
4. If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period, the entitlement of the Warrant holders to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrant shall stand forfeited.
5. Upon receipt of the requisite payment of the remaining 75% of the consideration payable in respect of the Warrants, as above, the Board (or a committee thereof) shall allot one equity share per warrant by appropriating Rs.10/- towards equity share capital and balance amount paid against each Warrant, towards the securities premium. The allotment shall be made only in dematerialized form.
6. The warrants allotted pursuant to this resolution and the Equity Shares arising out of conversion of the said warrants shall remain locked-in from such date and for such periods as specified under the SEBI ICDR Regulations as amended from time to time.
7. The Warrants by itself until exercised and equity shares allotted, does not give to the holder(s) thereof any rights with respect to that of a shareholder of the Company except as specified above."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon exercise of option by Warrant holder(s) or as may be necessary in accordance with the terms of the offer."

"RESOLVED FURTHER THAT the equity shares allotted on exercise of warrants in terms of this resolution shall rank pari-passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs.10/- each of the Company, subject to the relevant provisions contained in the Articles of Association of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such

purpose, including without limitation, to issue or allot the aforesaid warrants and listing of the resultant equity shares with the stock exchanges(s) as appropriate and to clarify, resolve and settle all questions difficulties or doubts that may arise in relation to the proposed issue, offer and allotment of said warrants, the utilization of the proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by above resolutions to any Director or to any Committee of Directors or any other executive(s) / officer(s) of the Company or any other person as the Board at its discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution."

Place: Mumbai
July 11, 2018

By Order of the Board of Directors

For **Brooks Laboratories Limited**

Sd/-

Jyoti Sancheti
Company Secretary &
Compliance Officer
Membership No. F9639

Registered Office:
Village Kishanpura,
Nalagarh Road, Baddi, Distt. Solan, H.P.
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 Saturday 4th August, 2018 to Friday, 10th August, 2018, both days inclusive.
9. The Annual Report 2017-18 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 2017-18 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 Tuesday, 7th August, 2018 at 9.00 am and ends on Thursday, 9th August, 2018 at 5.00pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off Friday, 27th July, 2018 (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.comand 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) • 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. • 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.comand 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. G.S. 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.netand 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')

Item No. 4

As per Notification dated 31stDecember, 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 2018-19 at a remuneration of Rs.55,000/- 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 2018-19.

All the documents referred in the Notice are available for inspection by the shareholders at the Registered Office of the Company on all working days except Public holidays, Saturdays and Sundays between 11.00 a.m. to 1.00 p.m. upto the date of the ensuing Annual General Meeting and will also be available for inspection at the Meeting.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No. 5 and 6

Mr. Atul Ranchal (DIN:01998361), aged 50 years, is a Chairman of the Company.

Mr. Rajesh Mahajan (DIN:02000634), aged 48 years is a Managing Director of the Company.

Mr. Atul Ranchal and Mr. Rajesh Mahajan jointly conceptualized the idea of setting up of Brooks Laboratories Limited. It's because of their vision and able leadership, the Company is well established and earned name and fame.

Mr. Atul Ranchal, Chairman, and Mr. Rajesh Mahajan, Managing Director, are devoting their time and energy for the growth and diversification of Brooks Laboratories Limited. They have visualized the idea of this pharmaceutical Company, developed it, nurtured it and brought it to its present state.

The Managing Duo of Mr. Atul Ranchal, Chairman and Mr. Rajesh Mahajan, Managing Director has worked aggressively and accelerated the growth of the Company tremendously within a short span of time. They designed the organization structure, work allocation and overall control systems of the Company. They have been instrumental in the growth and diversification of the Company.

Mr. Atul Ranchal and Mr. Rajesh Mahajan possess appropriate skills and the necessary experience and knowledge. Keeping in mind their best efforts and the workload which has multiplied over years, the Board of Directors have approved their increase in remuneration from Rs.8,00,000/- per month upto maximum of Rs. 10,00,000/-per month each plus perquisites and allowances, for a period commencing from 1st June, 2018 to expiration of their term, i.e. 31st October, 2020, on the recommendation of Nomination and Remuneration Committee and subject to the approval of the members at the ensuing Annual General Meeting. 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. The detailed terms and conditions for the payment of remuneration to each of the two directors are as follows:

Terms and Conditions:

a) Salary

Salary be increase from Rs.8,00,000/- per month upto maximum of Rs. 10,00,000/- per month with such annual increments/ increases as may be decided by Nomination and Remuneration Committee with the approval of Board of Directors from time to time.

b) Commission

Commission on profits not exceeding 1% of the net profits of the Company in any financial year as the Board may determine from time to time.

The amount of Commission shall be payable after the Annual Audited Accounts are approved by the Board of Directors and adopted by the Shareholders.

c) Perquisites

Perquisites are divided into Category A and Category B:

Category A:

Comprises of Medical Reimbursement, Leave Travel Assistance, Accommodation, Personal Accident Insurance, Club fees, Car, Telephone/Telefax, Re-imbursement of Servant's Salary and such other allowances, perquisites and facilities as may be decided by Nomination and Remuneration Committee with the approval of Board of Directors from time to time.

Category B:

Comprises of entitlement of Gratuity and encashment of leave at the end of tenure. These shall not be included in the computation of ceiling on remuneration laid down in Section 197 of the Companies Act, 2013.

d) **Re-imbursement of expenses:**

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

e) **Sitting Fees**

Entitled of sitting fees for attending the Meetings of the Board of Directors or any Committee thereof.

f) **Minimum Remuneration**

To be paid the aforesaid remuneration of Rs. 8,00,000/- per month, as minimum remuneration in the event of absence or inadequacy of profits.

The Brief Profile of Mr. Atul Ranchal and Mr. Rajesh Mahajan and the detail of shareholding as per requirements of the Companies Act, 2013, the rules made there under and Secretarial Standard (SS-2) are mentioned in Annexure 2, attached to the Notice

Save and except Mr. Atul Ranchal and Mr. Rajesh Mahajan and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested in the Item No. 5 and 6.

All the documents referred in the Notice are available for inspection by the shareholders at the Registered Office of the Company on all working days except Public holidays, Saturdays and Sundays between 11.00 a.m. to 1.00 p.m. upto the date of the ensuing Annual General Meeting and will also be available for inspection at the Meeting.

The Board recommends the Special Resolutions set out at Item No. 5 & 6 of the Notice for approval by the shareholders.

Item No. 7 and 8

Dr. D.S Maity has been associated with the Company since 10.09.2010 and has been instrumental in formulation of long term vision and strategy of the Company.

Dr. D.S. Maity have conveyed his consent to act as a Director of the Company and made necessary disclosures. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Dr. D.S. Maity possesses appropriate skills and necessary experience and Knowledge. A brief profile of Dr. D.S. Maity, as stipulated under Regulation 36(3) of SEBI Listing Obligation and Disclosure Regulations, 2015 is given in Annexure 2 to this Notice.

Since working of the Company has increased manifold and Dr. D.S. Maity is involved in the day to day affairs of the Company, Keeping in mind their best efforts and the workload , the Board of Directors have approved the re-appointment of Dr. D.S. Maity as a Whole-time Director designated as Technical Director for a period of 5 years from 10th September, 2018 to 9th September, 2023 and further approve his increase in maximum remuneration payable to Dr. D.S. Maity, Technical Director of the Company, from Rs. 2,00,000/- per month upto maximum of Rs. 3,00,000/- per month for the period commencing from 10th September, 2018 to 9th September, 2021, on the recommendation of Nomination and Remuneration Committee and subject to the approval of the members at the ensuing Annual General Meeting. 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 Dr. D.S. Maity, in the Item No.7 and 8.

The Brief Profile of Dr. D.S Maity 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

Item No. 9

The Company intends to raise funds by way of equity to bring in funds from Promoters and Promoter Group and thereby augment the long term financial resources of the Company. Accordingly, the Board of Directors at their meeting held on 11th July,2018, considered, subject to the necessary approval (s) to mobilize funds upto Rs.8,07,50,000 (Rupees Eight Crores Seven Lakhs Fifty Thousand only) by way of offer, issue and allotment, in one or more tranches, upto 8,50,000 (Eight Lakh Fifty Thousand only) convertible warrants of Face Value of Rs.10/- each on preferential basis to the entities forming part of the Promoter group of our Company, each convertible into one equity share of Rs.10/- each at a price of Rs.95 (including premium of Rs.85 per equity share) or at such higher price as may be determined in accordance with the provisions of SEBI (ICDR) Regulations, 2009 .

The details of the issue and other particulars as required in terms of Chapter VII of the SEBI (ICDR) Regulations, 2009 in relation to the aforesaid Special Resolution are given as under:

1. The Objects of the Preferential Issue:

The proceeds of the preferential issue are proposed to be used to augment the fund requirement of the Company.

2. The intention of the promoters / directors or key management personnel to subscribe to the offer:

The preferential issue is being made to Mrs. Rajni Ranchal, Mrs. Saras Gupta, Mr. Savvy Ranchal and Mr. Aryan Mahajan, entities forming part of the Promoter group of the Company. Letter(s) of intent from the aforesaid proposed allottee(s) agreeing to subscribe to the offer has been received. In the event, any of the Equity Shares remaining unsubscribed by the aforesaid proposed allottee(s), for any reason whatsoever, the same will be offered and allotted by the Board at its absolute discretion to any other person / entity/ investor within the same promoter category /class, on the same terms and conditions. The warrants entitle the holder of each warrant, from time to time to apply and obtain allotment of one equity share of the face value of Rs.10/- each fully paid up against each such warrant (hereinafter referred to as warrants), in one or more tranches within a period of 18 months from the date of allotment. The Promoter group will exercise their conversion in the manner and method to be in compliance with SEBI (SAST) Regulations, 2011.

3. Relevant Date:

The Relevant Date as per the SEBI (ICDR) Regulations for the determination of issue price of the Warrants and the equity shares to be allotted pursuant to conversion of the warrant is 11th July, 2018 i.e. the date 30 days prior to the date of Annual General Meeting to consider the preferential issue.

4. Terms of Issue of Warrants:

a) The proposed allottees of Warrants shall, on the date of allotment, pay an amount equivalent to at least 25% of the price fixed per Warrant in terms of the Chapter VII of SEBI (ICDR) Regulations, 2009.

b) The holders of each Warrant shall be entitled to apply for and obtain allotment of one equity share of the face value of Rs.10/- each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of eighteen month(s) from the date of allotment, in one or more tranches. At the time of the exercise of entitlement, the Warrant holder(s) shall pay the balance 75% of the consideration payable in respect of the Warrants being so exercised to the Company, simultaneously with the allotment of equity shares of the Company pursuant to such exercise. The amount so paid will be adjusted/ set-off against the issue price of the resultant shares.

c) In the event of entitlement attached to Warrants to subscribe for Equity Shares is not exercised within the period as mentioned above, the same shall lapse and the amount paid on the Warrants shall stand forfeited.

d) Upon receipt of the requisite payment of the remaining 75% of the consideration payable in respect of the Warrants as above, the Board (or a Committee thereof) shall allot one Equity Share per warrant by appropriating Rs.10/- towards equity share capital and the balance amount paid against each warrant, towards the securities premium.

e) The warrant holders shall also be entitled to any future issue of bonus / rights, if any, of Equity Shares or warrants convertible into Equity Shares or such other securities by the Company, in the same proportion and manner as any other shareholders of the Company for the time being and the Company shall reserve proportion of such entitlement for the warrant holders.

f) The warrant by itself until exercised and equity shares allotted, does not give to the holder(s) thereof any rights with respect to that of a shareholder of the Company except as specified above.

g) The Equity Shares to be issued and allotted by the Company on exercise of the Warrants in the manner aforesaid shall be in dematerialised form and subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the then existing Equity Shares of the Company and be listed on stock exchanges where the Equity Shares of the Company are listed.

5. Pricing of the Issue: The Company is listed on BSE Limited and National Stock Exchange of India Limited (NSE) and the Equity Shares of the Company are frequently traded in accordance with Regulation 71A of the ICDR Regulations.

For the purpose of computation of the price, National Stock Exchange of India Limited(NSE), the Stock Exchange which has the highest trading volume in respect of the Equity Shares of the Company, during the preceding twenty-six weeks prior to the relevant date has been considered.

In terms of ICDR Regulations, the Equity Shares shall be allotted at a price not less than higher of the following:

a. The average of weekly high and low of the volume weighted average price of the related shares quoted on the stock exchange during the twenty six weeks preceding the relevant date; i.e; Rs. 94.98, (Rounded off to Rs.95.00) or

b. The average of weekly high and low of the volume weighted average price of the related shares quoted on a stock exchange during the two weeks preceding the relevant date; i.e; Rs.83.16

In view of the above, the Company has fixed a price of Rs.95 per warrant which is higher than Rs.83.16 calculated in accordance with the above provisions.

'Stock Exchange' for this purpose shall mean National Stock Exchange of India Limited (NSE) which has the highest trading volume in respect of the Equity Shares of the Company, during the preceding twenty-six weeks prior to the relevant date has been considered.

6. **Lock in period:** The convertible warrants to be allotted on preferential basis shall be subject to lock-in as per SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the allottees shall be locked-in as per the Regulations 78(6) of the SEBI (ICDR) Regulations.

7. **Particulars of subscribers to Warrants:** The Promoter/ Promoter Group/ Person acting in concert viz. Mrs. Rajni Ranchal, Mrs. Saras Gupta, Mr. Savvy Ranchal and Mr. Aryan Mahajan intend to subscribe to an aggregate of upto 8,50,000 (Eight Lakhs Fifty Thousand only) Warrants under the preferential issue..

The Company has not allotted any Equity Share / Warrants to any person/promoter / promoter group during the year.

8. **Under-subscription if any:** Any of the Warrants to be issue as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any person/entity/ investor controlled by the Promoters and/ or Promoter Group, on the same terms and conditions.

9. **The Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/ or who ultimately control the proposed allottees is as follows:**

Sr. No.	Name of the Proposed Allottee / ultimate Beneficial Owner	Category	No. of Convertible warrants allotted	PAN	Address
1.	Mrs. Rajni Ranchal	Promoter Group	2,12,500	AALPA2705P	D-2108, Oberoi Splendor, JVLR, Opp. Majas Depot, Jogeshwari East, Mumbai-400060
2.	Mrs. Saras Gupta	Promoter Group	2,12,500	AGPPG8399F	3401, B-Wing, Oberoi Exquisite, Aaba Karmakar Road, Oberoi Garden City, Goregaon(E), Mumbai-400063
3.	Mr. Savvy Ranchal	Promoter Group	2,12,500	BCRPR8662M	D-2108, Oberoi Splendor, JVLR, Opp. Majas Depot, Jogeshwari East, Mumbai-400060
4.	Mr. Aryan Mahajan	Promoter Group	2,12,500	BORPM9382R	3401, B-Wing, Oberoi Exquisite, Aaba Karmakar Road, Oberoi Garden City, Goregaon(E), Mumbai-400063

The percentage of post preferential issue capital that may be held by the proposed allottee (s) is as follows:

Sr. No.	Name of Allottees	Pre-Allotment Holding		Post-Allotment Holding	
		Total No. of shares	% of Total Voting Rights	Total No. of shares	% of Total Voting Rights
1.	Mrs. Rajni Ranchal	3,28,860	2.03	5,41,360	3.18
2.	Mrs. Saras Gupta	2,93,047	1.81	5,05,547	2.97
3.	Mr. Savvy Ranchal	2,26,800	1.40	4,39,300	2.58
4.	Mr. Aryan Mahajan	3,13,740	1.94	5,26,240	3.09

10. The Shareholding pattern pre and post Preferential Offer : The shareholding pattern giving the present position as also considering full allotment of Warrants to Promoters/ Promoter Group/ Persons acting in concert and equity shares arising out of the conversion thereof, as per the Resolution set out in the accompanying Notice are given below:

Sr. No.	Category of shareholder	Pre- Issue (As on 30.06.2018)		Post- Issue	
		Total No. of shares	% of Total Voting Rights	Total No. of shares	% of Total Voting Rights
(A)	Promoter and Promoter Group				
(1)	Indian				
(a)	Individuals	98,11,949	60.62	*1,06,61,949	62.58
(b)	Body Corporate	-	-	-	-
	Sub-Total	**98,11,949**	**60.62**	**1,06,61,949**	**62.58**
(2)	Foreign Promoters	-	-	-	
	Total Shareholding of Promoter and Promoter Group (A)	98,11,949	60.62	1,06,61,949	62.58
(B)	Public shareholding				
1	Institutional Investor				
	Financial Institutions/Banks	48,545	0.30	48,545	0.28
2	Non-institutional investors				
	Body Corporate	9,59,965	5.94	9,59,965	5.63
	General Public	45,47,605	28.08	45,47,605	26.69
	Any other – Clearing Member	4,42,393	2.73	4,42,393	2.60
	Any other – NRI (repat and non-repat)	97,219	0.60	97,219	0.57
	Any other – HUF& Office Bearers	2,73,346	1.69	2,73,346	1.60
	Any other-NBFCs	5400	0.04	5,400	0.03
	Total Public Shareholding (B)	**63,74,473**	**39.38**	**63,74,473**	**37.42**
(C)	Shares held by custodian against which Depository receipts have been issued	-	-	-	-
	Promoter and Promoter Group	-	-	-	-
	Public	-	-	-	-
	Total (C)	-	-	-	-
	Grand Total	**1,61,86,422**	**100.00**	**1,70,36,422**	**100.00**

*Assuming full conversion of 8,50,000 Convertible Warrants into Equity Shares and that the holding of all other shareholders shall remain the same post-preferential issue, as they were on the date on which the pre-preferential issue shareholding is prepared.

11. Proposed time within which the allotment shall be completed

As required under the SEBI (ICDR) Regulations, the Company shall complete the allotment of Warrants as aforesaid on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders granting consent for preferential issue or in the event allotment of Warrants would require any approval(s) from any regulatory authority including the Stock Exchanges where the shares of the Company are listed or the Central Government, within 15 (fifteen) days from the date of such approval(s), as the case may be.

12. No change in control

There shall be no change in management or control of the Company pursuant to the issue of equity shares and Warrants. Save and except the Preferential Issue as proposed in the resolution as set in the accompanying Notice, the Company has made no other issue or allotment of securities on preferential basis during the year.

13. The Company hereby undertakes that

a. It would re-compute the price of the securities specified above in terms of the provisions of the SEBI ICDR Regulations, if it is required to do so.

b. If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

14. Statutory Auditors Certificate

M/s. SGCO & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, have certified that the proposed preferential issue is being made in accordance with the requirements contained in the SEBI (ICDR) Regulations, 2009 which will be placed before the shareholders at the AGM.

A copy of the said certificate is available for inspection by the shareholders at the Registered Office of the Company on all working days except Public holidays, Saturdays and Sundays between 11.00 a.m. to 1.00 p.m. upto the date of the ensuing Annual General Meeting and will also be available for inspection at the Meeting

Your Directors, therefore, recommend the resolution for your approvalto be passed as special resolution.

Mr. Atul Ranchal and Mr. Rajesh Mahajan along with their relatives being Promoter and Promoter Group of the Company are deemed to be concerned or interested in the proposed Resolution.

Save and except the above, none of the other Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution.

By order of the Board of Directors

For**Brooks Laboratories Limited**

Place: Mumbai
July 11, 2018

Sd/-

Jyoti Sancheti
Company Secretary &
Compliance Officer
Membership No. F9639

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

ANNEXURE 1

STATEMENT PURSUANT TO 2ND PROVISO 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.9,70,890/- as on 31.03.2018				
II. INFORMATION ABOUT THE APPOINTEE	**Mr. AtulRanchal, Chairman cum Whole Time Director**		**Mr. Rajesh Mahajan, Managing Director**		**Dr.D.S.Maity, Technical Director**
1. Background Details	Refer the Statement to Resolution No. 5 above and Annexure 2		Refer the Statement to Resolution No. 6 above and Annexure 2		Refer the Statement to Resolution No. 7 and 8 above and Annexure 2
2. Past Remuneration	**Year**	**Remuneration**	**Year**	**Remuneration**	**Year Remuneration**
	2017-18	Rs.96.00 lacs	**2017-18**	Rs. 96.00 lacs	**2017- Rs. 23.50 Lacs 18**
	2016-17	Rs.96.07 lacs	**2016-17**	Rs.96.07 lacs	**2016- Rs. 17.11 Lacs 17**
3. Recognition or Awards	N.A.		N.A.		N.A.
4. Job Profile and his suitability	Refer the Statement to Resolution No. 5 above and Annexure 2		Refer the Statement to Resolution No. 6 above and Annexure 2		Refer the Statement to Resolution No. 7 and 8 above and Annexure 2
5. Remuneration proposed	Salary–Rs.8 lacs per month upto maximum of Rs. 10 lacs per month plus Perquisites & Allowances		Salary–Rs.8 lacs per month upto maximum of Rs. 10 lacs per month plus Perquisites & Allowances		Salary –Rs.2 lacs per month upto maximum of Rs. 3 lacs 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		Please refer Exhibit 1.2		
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Atul Ranchal is one of the promoters of the Company. He has no pecuniary relationship with the Company apart from receiving remuneration or relationship with the managerial personnel.		Mr. Rajesh Mahajan is one of the promoters of the Company. He has no pecuniary relationship with the Company apart from receiving remuneration or relationship with the managerial personnel.		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 2017-18, due to high operational and depreciation cost at Vadodara factory, the Company has incurred a loss of Rs. 1381.28 lacs.
2. Steps taken or proposed to be taken for improvement	Our Vadodara unit has received EU-GMP Certificate in December 2017. After that we have initiated the process of registration of our products in various countries. We expect good business once we get registration of our products from International Market. We are getting good response from domestic market & expect good business in the financial year 2018-19 from domestic market.
3. Expected increase in productivity and profits in measurable terms	Due to upgradation of Injectables line at our Factory, the Company expects substantial increase in its output. The performance of the Company is expected to improve in terms of higher turnover, better productivity and commensurate profitability.
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	2017-18	2016-17	2015-16	2014-15	2013-14
Sales and Other Income	5714.44	5766.25	8157.04	8757.75	8527.42
Profits after tax	(1381.28)	195.65	1063.34	946.72	723.94
Earnings Per Share (in Rs.)	*(8.53)*	*1.21*	*6.57*	*5.85*	*4.47*
Fixed Assets	12401.04	11858.96	1633.56	1568.30	2015.02
Capital Work In Progress	52.16	0.00	8708.91	5349.80	3716.10
Long Term Loans & Advances	1725.84	2047.39	1656.05	1116.11	1714.93
Current Assets	2964.82	2400.83	3253.15	5478.26	5469.99
Equity Share Capital	1618.64	1618.64	1618.64	1618.64	1618.64
Reserves & Surplus	9828.59	10782.02	10586.35	9523.04	9610.42
Long Term Borrowings	1725.84	1080.51	34.24	0.00	0.00
Current Liabilities	3984.97	2482.45	2792.16	2173.72	1797.21

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 2017-18) (In lacs)

S. No.	Name of Director	Designation	Remuneration
1.	K. Satish Reddy	Chairman	574.70
2.	G V Prasad	Co-Chairman& CEO	774.80

Aurobindo Pharma Limited(as per Annual Report 2016-17) (In lacs)

S. No.	Name of Director	Designation	Remuneration
1.	K. Nithyananda Reddy	Wholetime Director	150.1
2.	N Govindarajan	Managing Director	1243.3
3.	M. Sivakumaran	Wholetime Director	150.1
4.	M. Madan Mohan Reddy	Wholetime Director	265.5
5.	P. Sarath Chandra Reddy	Wholetime Director	69.0

Cipla Ltd.(as per Annual Report 2016-17) (In lacs)

S. No.	Name of Director	Designation	Remuneration
1.	Mr. Subhanu Saxena (1st April 2016 to 31st August 2016)	Managing Director & CEO	2534
2.	Mr. S. Radhakrishnan	Whole-time Director	406
3.	Mr. Umang Vohra	Managing Director	1366
4.	Ms. Samina Vaziralli	Executive Vice Chairperson	390

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. Atul Ranchal, Chairman cum Whole-time Director and Mr. Rajesh Mahajan, Managing Director of the Company is as given below:

Terms and Conditions:

a) Salary

Rs. 8,00,000/- per month upto maximum of Rs. 10,00,000/- per month with such annual increments/increases as may be decided by Nomination and Remuneration Committee with the approval of Board of Directors from time to time.

b) Commission

Commission on profits not exceeding 1% of the net profits of the Company in any financial year as the Board may determine from time to time.

The amount of Commission shall be payable after the Annual Audited Accounts are approved by the Board of Directors and adopted by the Shareholders.

c) Perquisites

Perquisites are divided into Category A and Category B:

Category A:

Comprises of Medical Reimbursement, Leave Travel Assistance, Accomodation, Personal Accident Insurance, Club fees, Car, Telephone/Telefax, Re-imbursement of Servant's Salary and such other allowances, perquisites and facilities as may be decided by Nomination and Remuneration Committee with the approval of Board of Directors from time to time.

Category B:

Comprises of entitlement of Gratuity and encashment of leave at the end of tenure. These shall not be included in the computation of ceiling on remuneration laid down in Section 197 of the Companies Act, 2013.

d) Re-imbursement of expenses:

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

e) Sitting Fees

Entitled of sitting fees for attending the Meetings of the Board of Directors or any Committee thereof.

f) Minimum Remuneration

To be paid the aforesaid remuneration of Rs. 8,00,000/- per month , as minimum remuneration in the event of absence or inadequacy of profits.

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

Name of Director	Mr. Atul Ranchal	Mr. Rajesh Mahajan	Dr.D.S.Maity
Designation	Chairman cum Whole-time director	Managing Director	Technical Director
DIN:	01998361	02000634	03136361
Date of Birth	09.10.1967	19.07.1969	01.01.1964
Age	50 Years	48 Years	54 Years
Date of Appointment	23.01.2002	23.01.2002	10.09.2010
Qualifications	B.Sc. (Microbiology), PGDFMT	B.Sc.(Biology), MBA	M.Sc.(Chemistry), Phd(Chemistry)
Brief Resume			
Expertise in Specific Functional Areas	Business Management	Business Management	Pharma Quality Assurance, Quality Control and R & D
Number of Board meetings of the Company attended during the year	05	05	05
Relationship with other Directors	Nil	Nil	Nil
Shareholding in Brooks Laboratories Limited	4113071 shares	3493151 shares	3000 shares
Directorships held in other companies	Nil	Nil	Nil
Membership/Chairmanship of Committees in other Companies	Nil	Nil	Nil

Brooks
LABORATORIES LIMITED
A WHO GMP & ISO : 9001-2008 Certified Company

Corp. Off.: 502, Kanakia Atrium - 2,
Next to Courtyard Marriott Hotel,
Andheri Kurla Road, Andheri (East),
Mumbai - 400 093 (India)
Ph.: + 91 22 61933100 Fax : +91 22 61933114

Corrigendum to the Notice of 16th Annual General Meeting to the Shareholders of Brooks Laboratories Limited

The Corrigendum is being issued in continuation of the Notice dated July 11, 2018 for the **16th Annual General Meeting** ("**AGM**") of the Company, dispatched to all the shareholders of the Company by e-mail and courier on July 17, 2018, (an advertisement for Notice of AGM was published on July 18, 2018 in Financial Express in English & on July 18, 2018 in Jansatta in Hindi).

1. In Item no.9 to the Notice of 16th AGM and Explanatory Statement to the Notice annexed thereto, the price at which convertible warrants are to be issued should be read as Rs.95.50 (Rupees Ninety Five and Fifty Paise Only) each including a premium of Rs.85.50 (Rupees Eighty Five and Fifty Paise Only) instead of Rs.95 (Rupees Ninety Five Only) each including premium of Rs.85 per equity share (Rupees Eighty Five Only).
2. In Item no. 9 to the Notice of 16th AGM and Explanatory Statement to the Notice annexed thereto, the funds to be raised by way of issue of convertible warrants should be read as Rs.8,11,75,000 (Rupees Eight Crore Eleven Lakh Seventy Five Thousand only) instead of Rs.8,07,50,000 (Rupees Eight Crores Seven Lakhs Fifty Thousand only)
3. in point 5a of Item No. 9 of the Explanatory Statement under the heading Pricing of the Issue, the average of weekly high and low of the volume weighted average price of the related shares quoted on the stock exchange during the twenty six weeks preceding the relevant date, should be read as Rs.95.31 (Rounded off to Rs.95.50) instead of Rs.94.98, (Rounded off to Rs.95.00)
4. in point 5b of Item No. 9 of the Explanatory Statement under the heading Pricing of the Issue, the average of weekly high and low of the volume weighted average price of the related shares quoted on the stock exchange during the two weeks preceding the relevant date, should be read as Rs.83.51 instead of Rs. 83.16.
5. in point 5 of Item No. 9 of the Explanatory Statement under the heading Pricing of the Issue, the line "In view of the above, the Company has fixed a price of Rs.95 per warrant which is higher than Rs.83.16 calculated in accordance with the above provisions" should be replaced and read as follows:
   In view of the above, the Company has fixed a price of Rs.95.50 per warrant which is higher than Rs.83.51 calculated in accordance with the above provisions.
6. In point No. 20 of Notes to the Notice of 16th AGM and Explanatory Statement to the Notice annexed thereto, the cut-off date(record date) for e-voting should be read as Saturday, 4th August, 2018 instead of Friday, 27th July, 2018.

All other contents of the Notice to the Members remain same as before. We regret the inconvenience caused to all members of the Company.

For Brooks Laboratories Limited

BROOKS LABORATORIES LTD. 502, Kanakia Atrium-2, Andheri (E), Mumbai - 93.

Jyoti Sancheti
Company Secretary &
Compliance Officer

Place:Mumbai
Date:25.07.2018
Membership No. F9639

Management Discussion & Analysis

Company's revenues stood at Rs. 5690.42 lacs experiencing a decrease of 12.24% over the previous year at Rs. 6484.30 lacs

(**Rs in lacs)**

PARTICULARS	2017-18	2016-17
Turnover	5690.42	6484.30
Other Income	24.02	12.27
Total Income	**5714.44**	**6496.57**
Expenditure	6579.33	5980.14
Profit before Depreciation, Interest & Tax (PBDIT)	**(864.89)**	**516.43**
Financial Expenses (Interest)	244.02	100.94
Profit before Depreciation and Tax (PBDT)	**(1108.91)**	**415.49**
Depreciation and Amortization	644.51	167.20
Profit before Tax (PBT)	**(1753.42)**	**248.29**
Extraordinary items (Gain)	0.81	10.17
Income Tax (net of MAT Credit)	372.14	81.60
Profit after Tax	**(1380.47)**	**176.86**
Earnings per Share (in Rs.)	(8.53)	1.03

Revenues:

The turnover of the company for the year ended March 31, 2018 stood at Rs. 5690.42 lakhs as against Rs. 6484.30 lakhs for the previous year ended March 31, 2017; there was marginal decline over the previous year. The upgradation of injectable line in Baddi facility was carried out for 3 months from June 2018, whereby production in injectable line was affected, upgradation was completed and production started from September onwards in Baddi facility.

Cost of material:

There has been increase in the cost of materials as a percentage to Net sales, from 63.69% of sales in Financial Year 2017 to 73.32% 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:

Our Vadodara facility started commercial operations in current year whereby sales pick up was slow but expenses on account of manpower who specializes in production & documentation for regulated market was High. This resulted in an increase in the employment cost by Rs. 355.49 lakhs, a 43.08% rise as compared to the previous year ended March 31, 2018.

Finance Cost:

Finance expense was Rs. 244.02 lakhs in Financial Year 2018 versus finance cost of Rs. 100.94 in Financial Year 2017. Due to Interest on Term Loan for Vadodara facility, resulting in higher finance cost.

Depreciation:

There is increase in depreciation due to capitalisation of assets of Vadodara plant after start of commercial production.

Tax:

There is no Tax liability for the financial year 2017-18.

Operations during the year

The company operated the Baddi plant at 90% capacity except for 3 months from june to august due to upgradation of injectable facility in baddi. We have started the commercial production and sales at the Vadodara facility and we have received EU-GMP and WHO-GMP certification during this year for the Vadodara plant. Now registration of our products in various countries is underway which take approx. 6-24 months depending upon the country.

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 361 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 Lab Operations:

Manufacturing:

The Company has started production and sales at its state-of-the-art manufacturing facility at Vadodara. In addition, upgradation of injectables was carried out at the Baddi facility to focus on high profit international markets. All facilities and production lines are upgraded regularly to meet current cGMP, Safety, Health and Environmental Standards. Various initiatives are taken towards energy and water conservation. The Company's journey towards achieving operational excellence across functions was driven through its efforts through automation of operations & upgrading the facility to qualify for higher regulatory approvals.

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 assures a culture of compliance and follows systematic interventions to consistently meet and exceed quality standards. Brooks is committed to enhance its quality management systems to meet and exceed the current expectations of regulatory authorities such as CDSCO, US FDA, EU GMP, TGA, MCC, WHO, etc. Its state-of-the-art manufacturing facilities at Vadodara and Baddi are cGMP compliant in conformity with national and international standards. Brooks looks forward for implementation of robust and effective quality management systems for continuously monitoring through quality metrics and internal audits.

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 Acquisition proposals:

The Company looks for opportunities in order to expand its product line either through complimentary or strategic acquisitions of other companies, asset acquisition, licensing agreements or any other arrangement.

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.

Goods and Services Tax (GST):

The Government of India has implemented GST from 1st July, 2017. Thus merging all the significant taxes currently applicable to the Company's business operations (except taxes relating to profit/income) into a single tax. While GST implementation has brought a greater transparency across all the economic activities and reduce multiple tax levies and administration, but in current scenario major inputs are taxed at 18% whereas output i.e. finished formulation attracts 12% GST. Mostly our input tax is more than output tax leading to tax refund from GST on excess inputs which is time consuming & affects working capital. Till 31st march 2018 excess credit of approx. 150 lacs is due towards GST which affects our working capital.

New capital investments:

The Company has earmarked all capital investments in Financial Year 2018-19 towards marketing of our products in domestic & international market. Company has started with own marketing team in Maharashtra to be followed in other states in phased manner.

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**

Sd/-
Atul Ranchal
Chairman
(DIN: 01998361)

Place: Mumbai
Date: 11.07.2018

Directors' Report

The Board of Directors of your Company has pleasure in presenting the 16th Annual Report on the affairs of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2018.

1. **Financial Results**

The Financial Results for the year are as under: -

(**Rs in lacs)**

PARTICULARS	2017-18	2016-17
Turnover	5690.42	6484.30
Other Income	24.02	12.27
Total Income	**5714.44**	**6496.57**
Expenditure	6579.33	5980.14
Profit before Depreciation, Interest & Tax (PBDIT)	**(864.89)**	**516.43**
Financial Expenses (Interest)	244.02	100.94
Profit before Depreciation and Tax (PBDT)	**(1108.91)**	**415.49**
Depreciation and Amortization	644.51	167.20
Extraordinary items (Gain)	0.81	10.17
Profit before Tax (PBT)	**(1752.61)**	**258.46**
Income Tax (net of MAT Credit)	372.14	81.60
Profit after Tax	**(1380.47)**	**176.86**
Earnings per Share (in Rs.)	(8.53)	1.03

2. **Performance of the Company**

During the year under review, your Company has achieved a turnover of Rs.56.90 crores as compared to Rs. 64.84 crores in the previous year showing a decline in turnover as compare to previous year. The Company has incurred a net Loss after tax and depreciation of Rs. 13.80 Crores as compared to profit of Rs. 1.76 Crores in the previous year.

The Vadodara facility of your Company has been approved by European Medicine agency during this year. In Baddi facility we have upgraded the ampoule manufacturing line and vial manufacturing line. We are in process of getting our company registered in various other Countries. After getting EU-GMP certificate we have started the registration of Vadodara facility in various Countries for export purpose.

3. **Utilization of Funds through IPO**

The Company had raised money by way of Initial Public offer in the financial year 2011-12 and has fully utilized the money for the purpose as raised by way of Initial Public offer.

4. **Dividends**

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

5. **Reserves**

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

6. **Deposits**

During the financial year 2017-18, 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.

7. **Share Capital**

The paid up Equity Share Capital of the Company as on 31st March, 2018 was Rs. 1618.64 lacs. During the year under review, there is no change in the Share Capital of the Company.

8. **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.

9. **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.**

They 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.

10. Changes in Directors and Key Managerial Personnel

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

During the year, Dr. D.S.Maity, Technical Director of the Company whose term is expiring on 9th September, 2018 has been recommended by the Nomination and Remuneration Committee and Board of Directors to the members of the Company for giving their consent for his re-appointment for another term of five years commencing from 10th September, 2018 to 9th September, 2023.

11. 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.

12. 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 2017-18 that impacts the going concern status and company's operations in future.

13. Details of Subsidiary/Joint Ventures/Associate Companies

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

14. 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.

15. 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.

16. 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.

17. 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.

18. Audit Committee

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report in Annexure 1, which forms part of this Annual Report. All the recommendations of Audit Committee were accepted by the Board of Directors.

19. 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 suspended 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.

20. 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, 2018, 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, 2018 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.

21. 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.

22. 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.

23. Statutory Auditors

M/s. SGCO & 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 per the provisions of Section 139 of the Companies act, 2013, the appointment of auditors is required to be ratified by Members at every Annual General Meeting.

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.

24. 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, 2019. 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.

25. 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, 2018.

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.

26. 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.

27. 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.

28. 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.

29. 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 2017-18.

30. 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.

31. 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.

32. 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.

33. 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**

Sd/-

Atul Ranchal
(Chairman)
(DIN: 01998361)

Place: Mumbai
Date: 11.07.2018

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. Company has adopted an appropriate Corporate Governance framework to ensure timely and accurate disclosure of all material matters, 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 Director 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
Dr. D. S. Maity	Executive 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 2017-18, 5 Board Meetings were held, that is on 29th May, 2017, 2nd September, 2017, 14th September, 2017, 14th December, 2017 and 14th February, 2018. The gap between any two Board Meetings did not exceeded 120 days. The Annual General Meeting was held on 28th September, 2017. 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	5	YES
Dr. D. S. Maity	5	YES
Rajnish Kumar Bedi	4	YES
Deepak Mahajan	4	No
Sonia Gupta	3	No

- **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 2017-18, the Audit Committee met four times i.e. on 29th May, 2017, 14th September, 2017, 14th December, 2017 and 14th February, 2018. 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 28th September, 2017. 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 2017-18, the Nomination and Remuneration Committee met four times i.e. on 29th May, 2017, 25th September, 2017, 30th December, 2017 and 29th March, 2018. 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
Mr. Atul Ranchal	Chairman cum Whole-Time Director	96.00	1.00
Mr. Rajesh Mahajan	Managing Director	96.00	1.00
Dr. D. S. Maity	CEO cum Technical Director	23.50	1.00

For Non-Executive/Independent Directors

The Remuneration paid to the Non-executive/ Independent Directors for the financial year 2017-18 is as follows:

Name	Designation	Sitting Fees for the year (in Rs.)
Mr. Rajnish Kumar Bedi	Independent Director	80,000
Mr. Deepak Mahajan	Independent Director	80,000
Mr. Sonia Gupta	Independent Director	60,000

Sitting fees paid to Non Executive Directors including independent & women directors is not less than 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, 2018. 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

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 2017-18, there were two complaints received from shareholders, which was resolved and, no complaints were pending as on 31st March, 2018.

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
28th September, 2017	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	Nil
27th September, 2016	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	Nil
29th September, 2015	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	2

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 2017-18, 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. 31(b) 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, described above to the Directors' Report which forms a part of this Annual Report.

iv. Securities and Exchange Board of India (SEBI) has passed an Adjudication Order No. – ID-4/AO/DRK/675-680/01-05/2015 dated January 12, 2015 against the Company and its directors/officials. As per the said Order, a penalty of Rs. 1 crore is imposed on the Company and Rs. 10.8 crores on five other entities comprising of three Directors and two former officials of the Company. The said dispute is settled by Securities Appellate Tribunal by its order dated March 21, 2018 and the penalty of Rs. 15 lacs was imposed on the Company for which a provision has been created in the books as on March 31, 2018.

The said penalty of Rs. 15 lacs was paid during the financial year 2018-19 in the month of April, 2018.

v. CEO / CFO Certification

The Chief Executive Officer 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.

vi. 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.

vii. 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

viii. 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.

ix. 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 2017-18 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.

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 : Friday, 10th August, 2018

Time : 9:00 a.m.

Venue : Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh.

Book Closure : 4th August, 2018 to 10th August, 2018 (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, 2018 : on or before 14th August, 2018

2nd quarter ending 30th September, 2018 : on or before 14th November, 2018

3rd quarter ending 31st December, 2018 : on or before 14th February, 2019

4th quarter and financial year ending : on or before 30th May, 2019 31st March, 2019

17th Annual General Meeting : on or before 30th September, 2019

(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 2018-19 has not been paid to both the above Stock Exchanges.

(iv) Market Price Data (high, low during each month in the financial year 2017-18):

Month	BSE				NSE			
	Price in		S&P BSE SENSEX		Price in		NIFTY 50	
	High	Low	High	Low	High	Low	High	Low
Apr-17	152.6	135	30184.22	29241.48	152	134.30	9367.15	9075.15
May-17	141.9	98.35	31255.28	29804.12	141.80	95.15	9649.60	9269.90
Jun-17	114	101.5	31522.87	30680.66	117.85	101.10	9709.30	9448.75
Jul-17	144.1	101	32672.66	31017.11	144	101.20	10114.85	9543.55
Aug-17	119.85	100.1	32686.48	31128.02	118.90	100.10	10137.85	9685.55
Sep-17	126.85	99.95	32524.11	31081.83	126.70	99.80	10178.95	9687.55
Oct-17	114.45	104	33340.17	31440.48	114.50	103.50	10384.50	9831.05
Nov-17	116	101.1	33865.95	32683.59	116.50	101.55	10490.45	10094
Dec-17	120.7	100.25	34137.97	32565.16	120.80	100	10552.40	10033.35
Jan-18	116.5	102.3	36443.98	33703.37	114.75	103	11171.55	10404.65
Feb-18	106	91.1	36256.83	33482.81	106.40	91.05	11117.35	10276.30
Mar-18	98.75	79	34278.63	32483.84	98.55	79	10525.50	9951.90

(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. 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, 2018

Category	No. of Shares	% of Shareholding
1. Promoter and Promoter Group	9811949	60.62
2. Bodies Corporate	898850	5.55
3. Resident Individuals	5355735	33.09
4. Non-resident and FII's	119888	0.74
Total	**16186422**	**100.00**

(viii) Distribution of Shareholding as on 31st March, 2018

Number of Shares		Shareholders		No. of Shares	
From	To	Number	% of Total	Number	% of Total
1	500	10119	85.67	1409014	8.70
501	1000	871	7.37	731222	4.52
1001	2000	392	3.32	598899	3.70
2001	3000	146	1.24	370022	2.29
3001	4000	63	0.53	226574	1.40
4001	5000	51	0.43	239328	1.48
5001	10000	85	0.72	602914	3.72
10001	and above	85	0.72	12008449	74.19
TOTAL		**11812**	**100.00**	**16186422**	**100.00**

(ix) Dematerialization of Shares

As on 31st March, 2018, 99.99 % of the total Equity Share Capital was held in dematerialized form. Only 2005 shares were held in physical form.

(x) Plant locations

Unit	Address
Unit - I	Village Kishanpura, Nalagarh Road, Baddi, Dist. Solan, Himachal Pradesh
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
Tel: 01795-654001/04/06
Fax: 01795-236939
E-mail: investors@brookslabs.net
Website: 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, 2018.

For **Brooks Laboratories Limited**

Sd/-

Rajesh Mahajan
Managing Director
(DIN: 02000634)

Place: Mumbai
Date: 11.07.2018

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, 2018, 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, 2018 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. 2692

Place : Chandigarh
Date: 11.07.2018

MD/CFO CERTIFICATION

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

To,
The Board of Directors
Brooks Laboratories Limited

We, Mr. Rajesh Mahajan, Managing Director and Mr. 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, 2018 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 **Brooks Laboratories Limited**

Sd/-

Sd/-

Rajesh Mahajan
Managing Director
(DIN:02000634)

Anil Kumar Pillai
Chief Financial Officer

Date: 11.07.2018
Place: Mumbai

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: 743.96 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 Amount spent during the year: Rs. 10,200

   f. Amount unspent: Rs 61.18 lacs

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.	Rural Sport	Promotion of Rural Sports	Baddi, Himachal Pradesh	Rs. 5,100/-	Rs. 5,100/-	Rs. 5,100/-	Direct
2.	For benefit of War Widows and their Dependents	For benefit of War Widows and their Dependents	Baddi, Himachal Pradesh	Rs. 5,100/-	Rs. 5,100/-	Rs. 10,200	Through Gram Panchayat

*Give 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 2017-18, 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. 10,200/-, however there is a shortfall of Rs. 61.18 lakh in amount to spent on CSR as on 31st March, 2018. 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

Sd/-

Atul Ranchal
(Chairman)
(DIN:01998361

Place: Mumbai
Date: 11.07.2018

Annexure 3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

[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 me a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing my 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, 2018** 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, 2018**, 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. mentioned above subject to the following observations:

a. Securities and Exchange Board of India (SEBI) has passed an Adjudication Order No. – ID-4/AO/DRK/675-680/01-05/2015 dated January 12, 2015 against the Company and its directors/officials. As per the said Order, a penalty of Rs.1 crore is imposed on the Company and Rs.10.8 crores on five other entities comprising of three Directors and two former officials of the Company. The said dispute is settled by Securities Appellate Tribunal by its order dated March 21, 2018 and the penalty of Rs.15 lacs was imposed on the Company for which a provision has been created in the books as on March 31, 2018.

   The said penalty of Rs. 15 lacs was paid during the financial year 2018-19 in the month of April, 2018

b. ***The listing fee for the financial year 2018-19 has not been paid to BSE limited (BSE) and National stock exchange of India Limited (NSE).***

c. ***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 VII under Section 135 of the Companies Act, 2013 as against Rs 61.18 lacs till 31.03.2018.***

d. ***The Company has filed the CHG-1(Creation/Modification of charge) in the financial year 2015-16 which was beyond the 300 days and the same required condonation of delay. Thereafter the Company condoned the delay and filed the requisite form with the concerned ROC in the financial year 2017-18.***

e. ***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)*	*Period to which matter pertains*	*Forum at which dispute is pending*
Income tax	1400.72	A.Y. 2012-13	Income tax appellate tribunal
Income tax	339.51	A.Y. 2013-14	Commissioner of Income Tax-Appeals
Income tax	142.85	A.Y. 2014-15	Commissioner of Income Tax-Appeals
Income tax	0.68	A.Y. 2015-16	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
FCS 2285, CP No. 2692

Place: Chandigarh
Date: 11/07/2018

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 an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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: 11/07/2018

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, both in terms of turnover and 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 $ 4,945.00		
		Euro 20,534.92		
Foreign Exchange Outgo	:	Raw Materials	-	US $ 1,718.00
			-	GBP 1,184.00
Capital Goods	-	US $ 77,400.00		
Service	-	Euro 16,759.10		

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

Sd/-

Atul Ranchal
(Chairman)
DIN: 01998361

Place: Mumbai
Date: 11.07.2018

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, 2018, 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, 2018. Information about the transactions with Related Parties are presented in Note No. 31(b) in Notes to the Financial Statement.

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

Sd/-

Mr. Atul Ranchal
Chairman
(DIN: 01998361)

Place: Mumbai
Date: 11.07.2018

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 2017-18:

Name	Designation	Ratio to Median Remuneration
Mr. Atul Ranchal	Chairman	96.97:1
Mr. Rajesh Mahajan	Managing Director	96.97:1
Dr. D.S. Maity	Whole-time Director	24.24:1

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 2017-18.

Name	Designation	% increase in remuneration
Atul Ranchal	Chairman	No Change
Rajesh Mahajan	Managing Director	No Change
Dr. D.S. Maity	Whole-time Director	37.35%
Anil Kumar Pillai	Chief Financial Officer	24.04%
Jyoti Sancheti	Company Secretary	7.94%

iii) The median remuneration of employees during the financial year 2017-18 is increased to Rs. 8250 as compared to the last financial year 2016-17 was Rs.8000.

iv) The number of permanent employees on the rolls of the Company as on 31st March, 2018 was 361 employees.

v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 and its comparison with the increase in the managerial remuneration for the same financial year.

(Amount in Lakhs)

Remuneration paid to employees excluding managerial personnel for the FY 2016-17	Remuneration paid to employees excluding managerial personnel for the FY 2017-18	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2016-17	Remuneration paid to managerial personnel for the FY 2017-18	(%) change in remuneration paid to managerial personnel
562.95	885.98	57.38	209.25	215.50	2.99

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, 2018)

[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 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										
1	**Indian**									
	Individuals/HUF	7606222	0	7606222	46.99	7606222	0	7606222	46.99	0
	Central Government	-								
	State Government(s)									
	Bodies Corporate									
	Banks / Financial Institutions									
	Any Other									
	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	38457	0	38457	0.24	22799	0	22799	0.14	-0.09
(c)	Central Government									
	State Government(s)									
(d)	Venture Capital Funds									
(e)	Insurance Companies									
(f)	Foreign Institutional Investors									
(g)	Foreign Venture Capital Investors									
(I)	Any Other (specify)									
	Sub Total (B) (1)	**38457**	**0**	**38457**	**0.24**	**22799**	**0**	**22799**	**0.14**	**-0.10**
2	**Non-institutions**									
(a)	Bodies Corporate									
	i. Indian	986776	0	986776	6.09	898850	0	898850	5.55	-0.54
	ii. Overseas									
(b)	Individuals									
	Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	3312143	2005	3314148	20.47	3588307	2005	3590312	22.18	1.71
	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1149423	0	1149423	7.10	1168584	0	1168584	7.22	0.12

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	
(c)	**Any Other**									
i	Non Resident Indians (Repat)	91932	0	91932	0.57	84395	0	84395	0.52	-0.046
ii	Non Resident Indians (Non Repat)	15223	0	15223	0.09	12694	0	12694	0.08	-0.02
iii	Clearing Member	398022	0	398022	2.46	295302	0	295302	1.82	-0.63
iv	Hindu Undivided Family	380091	0	380091	2.35	301161	0	301161	1.86	-0.49
v	Office Bearers	401	0	401	0.01	376	0	376	0.01	0.00
	Sub Total (B)(2)	**6334011**	**2005**	**6336016**	**39.14**	**6349669**	**2005**	**6351674**	**39.24**	**0.10**
	Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	**6372468**	**2005**	**6374473**	**39.38**	**6372468**	**2005**	**6374473**	**39.38**	**0.00**
	Total (A)+(B)	**16184417**	**2005**	**16186422**	**100**	**16184417**	**2005**	**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**	**16184417**	**2005**	**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.	Mr. Atul Ranchal	4113071	25.41	-	4113071	25.41	-	-
2.	Mr. Rajesh Mahajan	3493151	21.58	-	3493151	21.58	-	-

(iii) Change in Promoters' Shareholding

During the financial year 2017-18 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 (01.04.2017 to 31.03.2018)	
		No. shares at the beginning 01.04.2017	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	**Indianivesh Capitals Limited**	204043	1.2606				204043	1.2606
				07.04.2017	32000	Bought	236043	1.4583
				14.04.2017	680	Bought	236723	1.4625
				21.04.2017	(1000)	Sold	235723	1.4563

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. shares at the beginning 01.04.2017	% of total shares of the Company				No. of shares	% of total shares of the Company
				28.04.2017	(7231)	Sold	228492	1.4116
				12.05.2017	(1000)	Sold	227492	1.4054
				02.06.2017	236000	Bought	463492	2.8635
				28.07.2017	(8000)	Sold	455492	2.8140
				18.08.2017	231	Bought	455723	2.8155
				08.09.2017	(140000)	Sold	315723	1.9505
				22.09.2017	(50000)	Sold	265723	1.6416
				24.11.2017	(4703)	Sold	261020	1.6126
				29.12.2017	(25000)	Sold	236020	1.4581
				05.01.2018	(5000)	Sold	231020	1.4272
				12.01.2018	6520	Bought	237540	1.4675
				09.02.2018	429	Bought	237969	1.4702
				02.03.2018	(45020)	Sold	192949	1.1920
				23.03.2018	(186000)	Sold	6949	0.0429
				31.03.2018	159571	Bought	166520	1.0288
	Closing Balance			**31.03.2018**			**166520**	**1.0288**
2.	**Indianivesh Securities Limited**	220885	1.3646				220885	1.3646
				07.04.2017	89082	Bought	309967	1.9150
				14.04.2017	(5592)	Sold	304375	1.8804
				21.04.2017	25	Bought	304400	1.8806
				28.04.2017	(8714)	Sold	295686	1.8268
				05.05.2017	23212	Bought	318898	1.9702
				12.05.2017	(30638)	Sold	288260	1.7809
				19.05.2017	2391	Bought	290651	1.7956
				26.05.2017	18066	Bought	308717	1.9073
				02.06.2017	(236156)	Sold	72561	0.4483
				09.06.2017	7899	Bought	80460	0.4971
				16.06.2017	4936	Bought	85396	0.5276
				23.06.2017	1000	Bought	86396	0.5338
				30.06.2017	(4816)	Sold	81580	0.5040
				07.07.2017	(27111)	Sold	54469	0.3365
				14.07.2017	11518	Bought	65987	0.4077
				21.07.2017	(2651)	Sold	63336	0.3913
				28.07.2017	(2529)	Sold	60807	0.3757
				04.08.2017	8311	Bought	69118	0.4270
				11.08.2017	12889	Bought	82007	0.5066
				18.08.2017	1715	Bought	83722	0.5172
				25.08.2017	2146	Bought	85868	0.5305
				01.09.2017	(5072)	Sold	80796	0.4992
				08.09.2017	107	Bought	80903	0.4998
				15.09.2017	18261	Bought	99164	0.6126

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. shares at the beginning 01.04.2017	% of total shares of the Company				No. of shares	% of total shares of the Company
				22.09.2017	(35405)	Sold	63759	0.3939
				29.09.2017	(11143)	Sold	52616	0.3251
				13.10.2017	75	Bought	52691	0.3255
				20.10.2017	5761	Bought	58452	0.3611
				27.10.2017	1530	Bought	59982	0.3706
				03.11.2017	2000	Bought	61982	0.3829
				10.11.2017	(750)	Sold	61232	0.3783
				17.11.2017	(12978)	Sold	48254	0.2981
				24.11.2017	(50)	Sold	48204	0.2978
				01.12.2017	(110)	Sold	48094	0.2971
				08.12.2017	50	Bought	48144	0.2974
				15.12.2017	1970	Bought	50114	0.3096
				22.12.2017	1575	Bought	51689	0.3193
				29.12.2017	(2220)	Sold	49469	0.3056
				05.01.2018	800	Bought	50269	0.3106
				12.01.2018	(300)	Sold	49969	0.3087
				19.01.2018	162808	Bought	212777	1.3145
				26.01.2018	(520)	Sold	212257	1.3113
				02.02.2018	(1329)	Sold	210928	1.3031
				09.02.2018	2386	Bought	213314	1.3179
				16.02.2018	832	Bought	214146	1.3230
				23.02.2018	2091	Bought	216237	1.3359
				02.03.2018	1799	Bought	218036	1.3470
				09.03.2018	22466	Bought	240502	1.4858
				16.03.2018	(75264)	Sold	165238	1.0208
				23.03.2018	252651	Bought	417889	2.5817
				31.03.2018	(257889)	Sold	160000	0.9885
	Closing Balance			**31.03.2018**			**160000**	**0.9885**
3.	**Varalakshmi Guttikonda**	98000	0.6054				98000	0.6054
				31.03.2018	27708	Bought	125708	0.7766
	Closing Balance			**31.03.2018**			**125708**	**0.7766**
4.	**IL and FS Securities Services Limited**	26455	0.1634				26455	0.1634
				07.04.2017	41543	Bought	67998	0.4201
				14.04.2017	1380	Bought	69378	0.4286
				21.04.2017	(4600)	Sold	64778	0.4002
				28.04.2017	13309	Bought	78087	0.4824
				05.05.2017	(13262)	Sold	64825	0.4005
				12.05.2017	(12)	Sold	64813	0.4004
				19.05.2017	(549)	Sold	64264	0.3970
				26.05.2017	(15076)	Sold	49188	0.3039

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. shares at the beginning 01.04.2017	% of total shares of the Company				No. of shares	% of total shares of the Company
				02.06.2017	3138	Bought	52326	0.3233
				09.06.2017	(8504)	Sold	43822	0.2707
				16.06.2017	(50)	Sold	43772	0.2704
				23.06.2017	5561	Bought	49333	0.3048
				30.06.2017	(16867)	Sold	32466	0.2006
				07.07.2017	26696	Bought	59162	0.3655
				14.07.2017	4556	Bought	63718	0.3937
				21.07.2017	(7831)	Sold	55887	0.3453
				28.07.2017	13699	Bought	69586	0.4299
				04.08.2017	875	Bought	70461	0.4353
				11.08.2017	(1609)	Sold	68852	0.4254
				18.08.2017	94	Bought	68946	0.4259
				25.08.2017	(3438)	Sold	65508	0.4047
				01.09.2017	(923)	Sold	64585	0.3990
				08.09.2017	(230)	Sold	64355	0.3976
				15.09.2017	7430	Bought	71785	0.4435
				22.09.2017	752	Bought	72537	0.4481
				29.09.2017	(7478)	Sold	65059	0.4019
				06.10.2017	4348	Bought	69407	0.4288
				13.10.2017	(10309)	Sold	59098	0.3651
				20.10.2017	(6972)	Sold	52126	0.3220
				03.11.2017	(2900)	Sold	49226	0.3041
				10.11.2017	1625	Bought	50851	0.3142
				17.11.2017	13828	Bought	64679	0.3996
				24.11.2017	(7850)	Sold	56829	0.3511
				01.12.2017	2488	Bought	59317	0.3665
				08.12.2017	(1074)	Sold	58243	0.3598
				15.12.2017	(82)	Sold	58161	03593
				22.12.2017	(2328)	Sold	55833	0.3449
				29.12.2017	(9301)	Sold	46532	0.2875
				30.12.2017	(50)	Sold	46482	0.2872
				05.01.2018	900	Bought	47382	0.2927
				12.01.2018	(450)	Sold	46932	0.2899
				19.01.2018	1650	Bought	48582	0.3001
				26.01.2018	(3321)	Sold	45261	0.2796
				02.02.2018	14031	Bought	59292	0.3663
				09.02.2018	4600	Bought	63892	0.3947
				16.02.2018	(233)	Sold	63659	0.3933
				23.02.2018	(7500)	Bought	56159	0.3470
				02.03.2018	(2200)	Sold	53959	0.3334
				09.03.2018	(36292)	Sold	17667	0.1091
				16.03.2018	86212	Sold	103879	0.6418
				23.03.2018	(71828)	Sold	32051	0.1980

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. shares at the beginning 01.04.2017	% of total shares of the Company				No. of shares	% of total shares of the Company
				31.03.2018	69171	Bought	101222	0.6254
	Closing Balance			**31.03.2018**			**101222**	**0.6254**
5.	**Satish Jagannath Aggarwal**	99000	0.6116				99000	0.6116
	Closing Balance			**31.03.2018**			**99000**	**0.6116**
6.	**Ambika Anil Raika**	167000	1.0317				167000	1.0317
				12.05.2017	(5110)	Sold	161890	1.0002
				19.05.2017	(13145)	Sold	148745	0.9189
				16.06.2017	(7940)	Sold	140805	0.8699
				01.09.2017	(51001)	Sold	89804	0.5548
				15.09.2017	196	Bought	90000	0.5560
	Closing Balance			**31.03.2018**			**90000**	**0.5560**
7.	**Nilesh R Roongta**	0	0.0000				0	0.0000
				04.08.2017	6000	Bought	6000	0.0371
				13.10.2017	16900	Bought	22900	0.1415
				03.11.2017	2600	Bought	25500	0.1575
				24.11.2017	7400	Bought	32900	0.2033
				16.02.2018	40000	Bought	72900	0.4504
	Closing Balance			**31.03.2018**			**72900**	**0.4504**
8.	**Dilip Jayantilal Shah**	41500	0.2564				41500	0.2564
				19.05.2017	500	Bought	42000	0.2595
				26.05.2017	2000	Bought	44000	0.2718
				23.06.2017	2500	Bought	46500	0.2873
				21.07.2017	1500	Bought	48000	0.2965
				04.08.2017	8047	Bought	56047	0.3463
				11.08.2017	1953	Bought	58000	0.3583
				20.10.2017	5000	Bought	63000	0.3892
				17.11.207	2000	Bought	65000	0.4016
				19.01.2018	5000	Bought	70000	0.4325
				09.02.2018	(5000)	Sold	65000	0.4016
				09.03.2018	5000	Bought	70000	0.4325
	Closing Balance			**31.03.2018**			**70000**	**0.4325**
9.	**Edelweiss Custodial Services Limited**	30122	0.1861				30122	0.1861
				07.04.2017	(2110)	Sold	28012	0.1731
				14.04.2017	505	Bought	28517	0.1762
				21.04.2017	(658)	Sold	27859	0.1721
				28.04.2017	5949	Bought	33808	0.2089

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. shares at the beginning 01.04.2017	% of total shares of the Company				No. of shares	% of total shares of the Company
				05.05.2017	1325	Bought	35133	0.2171
				12.05.2017	(495)	Sold	34638	0.2140
				19.05.2017	2468	Bought	37106	0.2292
				26.05.2017	410	Bought	37516	0.2318
				02.06.2017	(5372)	Sold	32144	0.1986
				09.06.2017	2000	Bought	34144	0.2109
				16.06.2017	(3667)	Sold	30477	0.1883
				23.06.2017	(5510)	Sold	24967	0.1542
				30.06.2017	(3352)	Sold	21615	0.1335
				07.07.2017	(200)	Sold	21415	0.1323
				14.07.2017	(5597)	Sold	15818	0.0977
				21.07.2017	(2397)	Sold	13421	0.0829
				28.07.2017	5786	Bought	19207	0.1187
				04.08.2017	1678	Bought	20885	0.1290
				11.08.2017	(492)	Sold	20393	0.1260
				18.08.2017	(1836)	Sold	18557	0.1146
				25.08.2017	(11992)	Sold	6565	0.0406
				01.09.2017	(1420)	Sold	5145	0.0318
				08.09.2017	(1251)	Sold	3894	0.0241
				15.09.2017	(30)	Sold	3864	0.0239
				22.09.2017	1201	Bought	5065	0.0313
				29.09.2017	664	Bought	5729	0.0354
				06.10.2017	(20)	Sold	5709	0.0353
				13.10.2017	370	Bought	6079	0.0376
				20.10.2017	510	Bought	6589	0.0407
				27.10.2017	(235)	Sold	6354	0.0393
				03.11.2017	(155)	Sold	6199	0.0383
				10.11.2017	2836	Bought	9035	0.0558
				17.11.2017	(3507)	Sold	5528	0.0342
				24.11.2017	10189	Bought	15717	0.0971
				01.12.2017	(2100)	Sold	13617	0.0841
				08.12.2017	16021	Bought	29638	0.1831
				15.12.2017	905	Bought	30543	0.1887
				22.12.2017	761	Bought	31304	0.1934
				29.12.2017	1922	Bought	33226	0.2053
				30.12.2017	(20)	Sold	33206	0.2051
				05.01.2018	6381	Bought	39587	0.2446
				12.01.2018	44320	Bought	83907	0.5184
				19.01.2018	(3820)	Sold	80087	0.4948
				26.01.2018	(2605)	Sold	77482	0.4787
				02.02.2018	(790)	Sold	76692	0.4738
				09.02.2018	1127	Bought	77819	0.4808
				16.02.2018	1105	Bought	78924	0.4876

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. shares at the beginning 01.04.2017	% of total shares of the Company				No. of shares	% of total shares of the Company
				23.02.2018	(4573)	Sold	74351	0.4593
				02.03.2018	(1750)	Sold	72601	0.4485
				09.03.2018	(162)	Sold	72439	0.4475
				16.03.2018	(2709)	Sold	69730	0.4308
				23.03.2018	(1033)	Sold	68697	0.4244
				31.03.2018	205	Bought	68902	0.4257
	Closing Balance			**31.03.2018**			**68902**	**0.4257**
10.	**Sabsons International Pvt. Ltd.**	55000	0.3398				55000	0.3398
	Closing Balance			**31.03.2017**			**55000**	**0.3398**
11.	**Neelima Karlapudi**	50000	0.3089				50000	0.3089
				07.07.2017	(7003)	Sold	42997	0.2656
				14.07.2017	(114)	Sold	42883	0.2649
				11.08.2017	(21)	Sold	42862	0.2648
				15.12.2017	(5311)	Sold	37551	0.2320
	Closing Balance			**31.03.2018**			**37551**	**0.2320**
12.	**Sai Prasanna Manchineni**	49134	0.3036				49134	0.3036
				28.04.2017	(44134)	Sold	5000	0.0309
				05.05.2017	249	Bought	5249	0.0324
				18.08.2017	10751	Bought	16000	0.0988
				01.09.2017	(2048)	Sold	13952	0.0862
				22.09.2017	(8952)	Sold	5000	0.0309
	Closing Balance			**31.03.2018**			**5000**	**0.0309**
13.	**Rajesh Nuwal**	130000	0.8031				130000	0.8031
				07.04.2018	(130000)	Sold	0	0.0000
	Closing Balance			**31.03.2018**			**0**	**0.0000**
14.	**Brightlight Agency Private Limited**	49625	0.3066				49625	0.3066
				07.04.2017	(19625)	Sold	30000	0.1853
				19.05.2017	(3027)	Sold	26973	0.1666
				21.07.2017	(26973)	Sold	0	0.0000
	Closing Balance			**31.03.2018**			**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 (01.04.2017)/ end of the year 31.03.2018	% of total shares of the Company				No. of Shares	% of total shares of the Company
	Mr. Atul Ranchal, Chairman	4113071	25.41				4113071	25.41
	Mr. Rajesh Mahajan, Managing Director	3493151	21.58				3493151	21.58
	Dr. D.S. Maity, Executive Director	3000	0.02				3000	0.02
	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 ii) Interest due but not paid iii) Interest accrued but not due	1259.51			1259.51
Total (i+ii+iii)	1259.51			1259.51
Change in Indebtedness during the financial year • Addition • Reduction	2695.60 1259.51			2695.60 1436.09
Net Change	1436.09			1436.09
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	2695.60			2695.60
Total (i+ii+iii)	2695.60			2695.60

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 Mahajan	Rajesh Mahajan	D.S. Maity	
	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	23.50	215.50
	Stock Option	-	-	-	-
	Sweat Equity	-	-	-	-
	Commission - As % of profit - Others, please specify	-	-	-	-
	Others, please specify	-	-	-	-
	Total A	96.00	96.00	23.50	215.50
	Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)				

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	0.60	2.20
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total B	0.80	0.80	0.60	2.20
	Total Managerial Remuneration (A+B)				217.70
	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	
	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	13.88	6.12	20.00
	Stock Option	-	-	
	Sweat Equity	-	-	
	Commission - As % of profit - Others, please specify	-	-	
	Others, please specify	-	-	
	Total	13.88	6.12	20.00

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 Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Brooks Laboratories Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

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 including the Ind AS, of the financial position of the Company as at 31stMarch2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 of Section 143 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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder;

e) On the basis of the written representations received from the Directors as on 31st March 2018 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March 2018 from being appointed as a Director in terms of subsection 2 of Section 164 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**" and ;

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 no. 31 of the Ind AS 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. The disclosures regarding details of specified bank notes held and transacted during 8th November, 2016 to 30th December, 2016 has not been made since the requirement does not pertain to financial year ended 31st March 2018.

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, 2018

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 2018.

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 account.

(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, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, 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, 2018 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, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, and Value Added Tax which have not been deposited on account of disputes with the related authorities are as under.

Nature of Liability	Amount (Rs. in lacs)	Period to which matter pertains	Forum at which dispute is pending
Income Tax	1,400.72	A.Y 2012-13	Income Tax Appellate Tribunal
	339.51	A.Y 2013-14	Commissioner of Income Tax – Appeals
	142.85	A.Y 2014-15	Commissioner of Income Tax – Appeals
	0.68	A.Y 2015-16	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. The Company did not have any outstanding dues to any financial institution & debenture holders during the year.

(ix) According to the information & explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments). In our opinion and according the explanations given to us, on an overall basis, the term loans were applied for the purposes for which those were raised.

(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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(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.

ForS 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, 2018

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 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section3 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, 2018 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 undersection143 (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 be come in adequate 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, 2018, 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.

ForS 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, 2018

Balence Sheet Statement for the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3A	12,401.04	12,531.45	2,306.04
Capital work-in-progress	3B	52.16	-	8,685.84
Investment Property	4	63.35	63.35	63.35
Financial assets				
Investments	5	2.00	2.00	2.00
Other financial assets	6	140.63	164.63	183.90
Income tax assets (net)	7	438.92	363.54	261.66
Deferred tax assets (net)	8	1,073.97	699.19	714.88
Other non-current assets	9	129.57	402.18	387.66
Total non-current assets		**14,301.64**	**14,226.34**	**12,605.33**
Current assets				
Inventories	10	1,140.91	769.89	668.89
Financial assets				
Trade receivables	11	1,018.24	1,068.88	1,828.49
Cash and cash equivalents	12	64.55	13.97	36.90
Other bank balances	13	131.95	169.71	185.68
Loans	14	1.20	2.05	1.41
Other financial assets	15	32.22	25.94	71.16
Other current assets	16	575.75	136.22	35.81
Total current assets		**2,964.82**	**2,186.66**	**2,828.34**
TOTAL ASSETS		**17,266.46**	**16,413.00**	**15,433.67**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	17A	1,618.64	1,618.64	1,618.64
Other equity	17B	9,828.59	11,209.05	11,032.19
Total equity		**11,447.23**	**12,827.69**	**12,650.82**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	18	1,725.84	1,072.59	34.24
Provisions	19	108.42	86.64	76.18
Total non-current liabilities		**1,834.26**	**1,159.23**	**110.42**
Current liabilities				
Financial liabilities				
Borrowings	20	854.44	217.55	528.36
Trade payables	21			
- Due to micro and small enterprises		76.68	54.40	5.40
- Due to Others		2,572.87	1,782.00	1,566.20
Other financial liabilities	22	353.98	289.88	493.78
Other current liabilities	23	92.49	69.74	67.54
Provisions	24	34.51	12.51	11.15
Total current liabilities		**3,984.97**	**2,426.08**	**2,672.43**
TOTAL EQUITY AND LIABILITIES		**17,266.46**	**16,413.00**	**15,433.67**

Notes 1 to 42 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, 2018

For and on behalf of the Board of Diretors

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, 2018

Statement of Profit and Loss for the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Revenue from operations	25	5,690.42	6,484.30
Other income	26	24.02	12.27
Total income		**5,714.44**	**6,496.57**
Expenses			
Cost of materials consumed	27	4,084.63	3,664.91
Changes in inventories of finished goods, work - in progress	28	(147.03)	1.35
Excise Duty		119.27	730.32
Employee benefits expense	29	1,180.73	825.24
Finance costs	30	244.02	100.94
Depreciation and amortisation expense		644.51	167.20
Other expenses	31	1,341.73	758.32
Total expenses		**7,467.86**	**6,248.28**
Profit / (Loss) before tax		**(1,753.42)**	**248.29**
Tax expense/ (credit)			
- Current tax		-	4.24
- Deferred tax		(375.09)	73.04
- Tax of earlier years		2.95	4.32
Total Tax expense/ (credit)		**(372.14)**	**81.60**
Profit/ (loss) for the year (A)		**(1,381.28)**	**166.69**
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss			
- Measurement of defined employee benefit plans		1.12	15.20
- Income tax relating to above items		(0.31)	(5.03)
Other comprehensive income for the year, net of tax (B)		**0.81**	**10.17**
Total comprehensive income/ (loss) for the year, net of tax (A+B)		**(1,380.47)**	**176.86**
Earnings per equity share of Rs. 10 each	32		
Basic and diluted (in Rs.)		**(8.53)**	**1.03**

Notes 1 to 42 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
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Place: Mumbai
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Din : 02000634

Sd/-
Anil Kumar Pillai
CFO

Sd/-
Jyoti Sancheti
Company Secretary

Place: Mumbai
Date : May 29, 2018

Cash Flow Statement for the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / profit before tax	**(1,753.42)**	**248.29**
Adjustments for		
Depreciation and amortisation expense	644.51	167.20
Finance cost	244.02	100.94
Interest income	(13.53)	(10.84)
Remeasurement of Defined benefit obligations	1.12	15.20
Dividend from current investments	-	(0.20)
Loss on sale of asset	6.44	-
Profit on sale of asset	(7.25)	-
Provision for Expected credit loss	108.36	53.53
Unrealised Foreign Exchange Gain	(0.84)	(0.06)
Operating profit before working capital changes	**(770.60)**	**574.05**
Adjustments for changes in working capital:		
Decrease / (increase) in Trade Receivables	(66.53)	742.33
Decrease / (increase) in Inventories	(371.03)	(100.99)
Decrease / (increase) in Other Assets	(166.93)	(114.94)
Decrease / (increase) in Other Financial Assets	27.59	28.33
(Decrease) / Increase in Trade and Other Payables	813.14	264.80
(Decrease) / Increase in Other Financial Liabilities	(72.01)	(278.30)
(Decrease) / Increase in Other Liabilities	22.76	2.20
(Decrease) / Increase in Long term Provisions	21.78	10.45
(Decrease) / Increase in Short term Provisions	22.00	1.35
Cash generated from / (used in) operations	**(539.83)**	**1,129.28**
Direct taxes paid (net of refunds received)	(78.30)	(172.81)
Net cash (used in) / from generated from operating activities	**(618.13)**	**956.47**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(573.25)	(1762.54)
Proceeds from sale of property, plant and equipment	7.80	55.77
Loan Received/Repaid	0.85	(0.64)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	37.77	15.96
Interest received	13.31	10.84
Dividend received	-	0.20
Net cash (used in) / generated from investing activities	**(513.52)**	**(1,680.41)**

Cash Flow Statement for the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (net)	1,438.96	801.94
Finance costs paid	(256.74)	(100.94)
Net cash (used in) / from financing activities	**1,182.23**	**701.01**
Net decrease in cash and cash equivalents (A+B+C)	**50.58**	**(22.93)**
Cash and cash equivalents at the beginning of the year	13.97	36.90
Cash and cash equivalents at the end of the year	**64.55**	**13.97**

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 :

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
In bank current accounts in Indian rupees	63.35	12.11
Cash on hand	1.20	1.86
	64.55	**13.97**

3. Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in the liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconcilliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from April 1, 2017 and the required disclosure is made below. There are no other impact on financial statements due to this amendment

Particulars	As at 31 March 2017	Cash Flows (Net)	Non - cash changes		As at 31 March 2018
			Fair Value Changes	Current / Non current Classification	
Borrowings - Non current	1,072.59	884.17	(12.72)	(218.20)	1,725.84
Other financial liabilities	82.09	(82.09)	-	218.20	218.20
Borrowings - Current	217.55	636.89	-	-	854.44

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

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, 2018

For and on behalf of the Board of Diretors

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, 2018

Statement of Changes in Equity for the year ended 31 March 2018

A) Equity share capital

Particulars	Number	(₹ in lakhs)
Equity shares of Rs. 10/- each issued, subscribed and paid		
As at 1 April 2016	**16,186,422**	**1,618.64**
Changes in Equity Share Capital	-	-
As at 31 March 2017	**16,186,422**	**1,618.64**
Changes in Equity Share Capital	-	-
As at 31 March 2018	**16,186,422**	**1,618.64**

B) Other equity

(₹ in lakhs)

Particulars	Reserves and surplus		Other comprehensive income	Total equity attributable to equity holders
	Securities premium reserve	Retained earnings	Remeasurement of Defined Benefit Plans	
As at 1 April 2016	**5,341.40**	**5,690.79**	**-**	**11,032.19**
Profit for the Year	-	166.69	-	**166.69**
Other Comprehensive Income for the year	-	-	10.17	**10.17**
As at 31 March 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**

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, 2018

For and on behalf of the Board of Diretors

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Din : 02000634

Sd/-
Anil Kumar Pillai
CFO

Sd/-
Jyoti Sancheti
Company Secretary

Place: Mumbai
Date : May 29, 2018

Accompanying notes to the financial statement for the Year ended March 31, 2018

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.

The financial statements of the Company for the year ended March 31, 2018 were authorised for issue in accordance with resolution of the Board of Directors on May 29, 2018

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 for all periods upto and including year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP"). The financial statements for the year ended 31 March 2018 are the first financial statements prepared by the Company in accordance with Ind AS. Refer note 2.2 for information on how the Company adopted Ind AS.

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 criteira 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.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Property, Plant and Equipment and use that carrying value as the deemed cost except for land which is measured at fair value as deemed cost on the date of transition i.e. 1 April 2016.

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.

On transition to Ind AS, the Company has elected to continue with the carrying value of the investment property existing as at 1st April 2016 as per Previous GAAP and use that as its deemed cost.

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 (FVPL), 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.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its equity investments, and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2016.

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 using retail method
- 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.

xxi Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration : On March 28, 2018, the ministry of Corporate Affairs (the MCA) notified the Companies (Indian Acounting Standards Amendment Rules 2018 containing Appendix B to Ind AS 21 Foreign currency transactions and advance consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency.

The amendment will come into force from April 1, 2018. The company has evaluated the effect of this on the financial statements and the impact is not material.

Ind As 115, Revenue from Contract with Customers : On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature , amount, timing and uncertainity of revenue and cashflows arising from the entity's contract with customers.

The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018.

NOTE 2.2 : FIRST TIME ADOPTION OF IND AS

These are Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2.1 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet as at April 1, 2016 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies(Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes :

A) Exemptions and exceptions availed

1) Ind-AS optional exemptions :

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a) Deemed cost

Ind AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS.

The company has elected to measure items of property plant & equipment at its carrying value at the transition date except for certain class of assets which are measured at Fair value as deemed cost.

b) For financial instruments, wherein fair market values are not available (viz. interest free and below market rate security deposits or loans) the Company has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.

2) Ind AS mandatory exceptions :

a) Estimates

An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Impairment of financial assets based on expected credit loss model.

b) Derecognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly,the Company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

c) Classification of financial assets and liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Company has applied the above requirement prospectively.Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

d) Impairment of financial assets

Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognised and compare that to the credit risk at the date of transition to Ind AS. The Company has applied this exception prospectively.

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

III. Reconciliation of Equity as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

(Rs. in lakhs)

Particulars	Foot notes	As at 31 March 2017 (Regrouped IGAAP)	Ind AS Adjustments	As at 31 March 2017 (IND AS)	As at 1 April 2016 (Regrouped IGAAP)	Ind AS Adjustments	As at 1 April 2016 (IND AS)
ASSETS							
Non-current assets							
Property, plant and equipment	3 & 4	11,795.61	735.84	12,531.45	1,570.20	735.84	2,306.04
Capital work-in-progress		-	-	-	8,685.84	-	8,685.84
Investment Property	4	63.35	-	63.35	63.35	-	63.35
Financial assets							
Investments		2.00	-	2.00	2.00	-	2.00

(Rs. in lakhs)

Particulars	Foot notes	As at 31 March 2017 (Regrouped IGAAP)	Ind AS Adjustments	As at 31 March 2017 (IND AS)	As at 1 April 2016 (Regrouped IGAAP)	Ind AS Adjustments	As at 1 April 2016 (IND AS)
Other financial assets	1	194.51	(29.88)	164.63	208.75	(24.84)	183.90
Deferred tax assets (net)	5	711.50	(12.31)	699.19	751.04	(36.16)	714.88
Other non-current assets	5	402.18	-	402.18	387.66	-	387.66
Income tax assets (net)		363.54	-	363.54	261.66	-	261.66
Total non-current assets		**13,532.69**	**693.65**	**14,226.34**	**11,930.50**	**674.84**	**12,605.33**
Current assets							
Inventories		769.89	-	769.89	668.89	-	668.89
Financial assets		-					
Trade receivables	1	1,149.17	(80.29)	1,068.88	1,891.44	(62.95)	1,828.49
Cash and cash equivalents		13.97	-	13.97	36.90	-	36.90
Other bank balances		169.71	-	169.71	185.68	-	185.68
Loans		2.05	-	2.05	1.41	-	1.41
Other financial assets	1	223.17	(197.23)	25.94	237.23	(166.07)	71.16
Other current assets		136.22	-	136.22	35.81	-	35.81
Total current assets		**2,464.18**	**(277.51)**	**2,186.66**	**3,057.36**	**(229.02)**	**2,828.34**
TOTAL ASSETS		**15,996.87**	**416.13**	**16,413.00**	**14,987.87**	**445.82**	**15,433.67**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		1,618.64	-	1,618.64	1,618.64	-	1,618.64
Other equity		10,782.02	427.03	11,209.05	10,586.37	445.82	11,032.19
Total equity		**12,400.66**	**427.03**	**12,827.69**	**12,205.02**	**445.82**	**12,650.82**
Liabilities							
Non-current liabilities							
Financial liabilities							
Borrowings		1,072.59	-	1,072.59	34.24	-	34.24
Provisions	2	97.54	(10.90)	86.64	76.18	-	76.18
Total non-current liabilities		**1,170.13**	**(10.90)**	**1,159.23**	**110.42**	**-**	**110.42**
Current liabilities							
Financial liabilities							
Borrowings		217.55	-	217.55	528.36	-	528.36
Trade payables		1,836.40	-	1,836.40	1,571.60	-	1,571.60
Other financial liabilities		289.88	-	289.88	493.78	-	493.78
Other current liabilities		69.74	-	69.74	67.54	-	67.54
Provisions		12.51	-	12.51	11.15	-	11.15
Total current liabilities		**2,426.08**	**-**	**2,426.08**	**2,672.43**	**-**	**2,672.43**
TOTAL EQUITY AND LIABILITIES		**15,996.87**	**416.13**	**16,413.00**	**14,987.87**	**445.82**	**15,433.67**

II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

(Rs. in lakhs)

Particulars	Foot notes	For the period ended March 31,2017		
		(Regrouped IGAAP)	IND AS Adjustment	(IND AS)
Income				
Revenue from operations	6	5,753.98	730.32	6,484.30
Other income		12.27	-	12.27
Total income		**5,766.25**	**730.32**	**6,496.57**
Expenses				
Cost of materials consumed		3,664.91	-	3,664.91
Changes in inventories of finished goods, work - in progress		1.35	-	1.35
Excise Duty	6	-	730.32	730.32
Employee benefits expense	2	820.94	4.30	825.24
Finance costs		100.94	-	100.94
Depreciation and amortisation expense		167.20	-	167.20
Other expenses	1	704.78	53.53	758.32
Total expenses		**5,460.12**	**788.15**	**6,248.28**
Profit/ (loss) before tax		**306.13**	**(57.83)**	**248.29**
Tax expense				
- Current tax		4.24	-	4.24
- Deferred tax	5	101.91	(28.88)	73.04
- Tax of earlier years		4.32	-	4.32
		110.47	**(28.88)**	**81.60**
Profit/ (loss) for the year (A)		**195.66**	**(28.95)**	**166.69**
Other comprehensive income				
Items not to be reclassified subsequently to profit or loss				
- Measurement of defined employee benefit plans	7	-	15.20	15.20
- Income tax effect on above		-	(5.03)	(5.03)
Other comprehensive income for the year, net of tax (B)		**-**	**10.17**	**10.17**
Total comprehensive income for the year, net of tax (A+B)		**195.66**	**(18.78)**	**176.86**

IV. Reconciliation of Total Equity as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS

Particulars	Foot notes	As at 31-Mar-17	As at 1-Apr-16
Total Equity as per Previous GAAP		**12,400.66**	**12,205.02**
Add/(Less) :			
Provision for Expected Credit Loss	1	(307.39)	(253.87)
Increase in Gratuity expense on acturial valuation as per Ind AS	2	5.87	-
Deferred Tax impact on above adjustment	5	103.06	83.93
Gains on Revaluation of Land	3	735.84	735.84
Deferred Tax on indexed cost of land	5	(110.33)	(120.09)
Total Equity as per IND AS		**12,827.69**	**12,650.82**

Footnotes to the reconciliation of equity as at April 1, 2016 & March 31, 2017 and Statement of profit and loss for the year ended March 31, 2017

1) Expected Credit Loss (ECL) Provision

The Company has provided ECL as per Ind AS. Impact of ECL as on date of transition is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss .

2) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit and loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to other equity through OCI.

3) Property, plant and equipment

The Company have considered fair value for property, viz land in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

4) Investment Properties

Investment Properties Under previous GAAP,investment properties were presented as a part of non-current Investments or Plant, Property and Equipment. Under Ind AS,investment properties are required to be separately presented on the face of the balance sheet.There is no impact on the total equity or profit as a result of this adjustment.

5) Deferred Tax (Including MAT Credit)

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. This has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences.Deferred tax adjustments are recognised in correlation to the underlying transaction either in other equity or a separate component of equity.

Under Previous GAAP, MAT credit was disclosed under non-current assets. In accordance with Ind AS 12, deferred tax asset shall include any carry forward unused tax credits. Hence, MAT credit entitlement has been included in deferred tax asset.

Leasehold land is a non-depreciable asset, Management is expecting that its carrying value will be recovered through sale and the indexation benefit at the time of disposal will be available, accordingly deferred tax asset on the difference between carrying value and indexed value has been created.

6) Revenue

Under Indian GAAP, revenue from sale of products was presented excluding excise duty.Under Ind AS, revenue from sale of products is presented inclusive of excise duty.Excise duty paid is presented on the face of the statement of profit and loss as part of expenses.There is no impact on total equity and profits.

7) Other Comprehensive Income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

8) Statement of Cash Flows

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

Note 3A : Property, plant and equipment

(Rs. in lakhs)

Particulars	Land	Factory Building	Office Building	Plant and Machinery	Lab Equipment's	Electrical Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	Generator	Air Conditioner	Server	Total
Gross carrying value														
Balance as at 1 April 2016 (at deemed cost)	**805.17**	**239.56**	**416.60**	**645.40**	**6.76**	**8.18**	**33.57**	**81.77**	**10.62**	**6.66**	**23.67**	**28.09**	**-**	**2,306.04**
Additions	991.29	4,132.57	21.98	4,562.36	-	448.62	84.99	127.82	17.58	18.23	-	-	42.94	10,448.38
Disposals	(55.77)	-	-	-	-	-	-	-	-	-	-	-	-	(55.77)
Balance as at 31 March 2017	**1,740.69**	**4,372.13**	**438.58**	**5,207.76**	**6.76**	**456.80**	**118.56**	**209.58**	**28.20**	**24.89**	**23.67**	**28.09**	**42.94**	**12,698.65**
Additions	-	29.09	-	434.15	0.28	0.68	19.02	24.68	3.99	9.19	-	-	-	**521.08**
Disposals	-	-	-	-	-	-	-	8.95	-	-	-	-	-	**8.95**
Balance as at 31 March 2018	**1,740.69**	**4,401.22**	**438.58**	**5,641.91**	**7.04**	**457.48**	**137.58**	**225.32**	**32.19**	**34.09**	**23.67**	**28.09**	**42.94**	**13,210.79**
Accumulated depreciation														
Depreciation charge	-	21.26	7.32	75.46	1.71	4.87	8.76	28.15	5.44	6.78	3.31	3.64	0.49	**167.20**
Deletions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	**-**	**21.26**	**7.32**	**75.46**	**1.71**	**4.87**	**8.76**	**28.15**	**5.44**	**6.78**	**3.31**	**3.64**	**0.49**	**167.20**
Depreciation charge	-	150.07	7.67	365.21	1.61	46.39	13.69	29.22	6.29	10.26	3.31	3.64	7.16	**644.51**
Deletions / Adjustments	-	-	-	-	-	-	-	1.96	-	-	-	-	-	**1.96**
Balance as at 31 March 2018	**-**	**171.34**	**14.99**	**440.67**	**3.32**	**51.25**	**22.45**	**55.42**	**11.73**	**17.04**	**6.62**	**7.27**	**7.65**	**809.75**
Net carrying value														
Balance as at 1 April 2016	**805.17**	**239.56**	**416.60**	**645.40**	**6.76**	**8.18**	**33.57**	**81.77**	**10.62**	**6.66**	**23.67**	**28.09**	**-**	**2,306.04**
Balance as at 31 March 2017	**1,740.69**	**4,350.86**	**431.25**	**5,132.29**	**5.05**	**451.93**	**109.80**	**181.43**	**22.76**	**18.11**	**20.36**	**24.45**	**42.45**	**12,531.45**
Balance as at 31 March 2018	**1,740.69**	**4,229.88**	**423.59**	**5,201.24**	**3.72**	**406.23**	**115.13**	**169.90**	**20.47**	**17.04**	**17.05**	**20.82**	**35.29**	**12,401.04**

Note 3B : Capital work-in-progress

Particulars	Capital Work in Progress*
Gross carrying value	
Balance as at 1 April 2016 (at deemed cost)	**8,685.84**
Additions	1,578.58
Transferred to Property, plant & equipment	(10,264.42)
Balance as at 31 March 2017	**-**
Additions	**52.16**
Transferred to Property, plant & equipment	**-**
Balance as at 31 March 2018	**52.16**
Net carrying value	
Balance as at 1 April 2016	**8,685.84**
Balance as at 31 March 2017	**-**
Balance as at 31 March 2018	**52.16**

*Capital Work - in - progress includes cost of Plant and machinery which is yet to be installed

Note 4 : Investment Property

(Rs. in lakhs)

Particulars	Land	Total
Gross carrying value		
Balance as at 1 April 2016 (at deemed cost)	**63.35**	**63.35**
Additions	-	**-**
Disposals	-	**-**
Balance as at 31 March 2017	63.35	63.35
Additions		
Disposals		
Balance as at 31 March 2018	**63.35**	**63.35**
Accumulated depreciation		
Amortisation charge	-	-
Balance as at 31 March 2017	**-**	-
Amortisation charge	-	-
Balance as at 31 March 2018	**-**	-
		-
Net carrying value		-
Balance as at 1 April 2016	**63.35**	**63.35**
Balance as at 31 March 2017	**63.35**	**63.35**
Balance as at 31 March 2018	**63.35**	**63.35**

Note: For Investment Property exisiting as on the date of transition to Ind AS the company has used IGAAP carrying value as Deemed cost.

i) Fair Value

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investment Properties	65.08	65.08	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 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
I. Investments valued at FVTPL (Unquoted)			
Investment in equity shares			
i) In other companies	2.00	2.00	2.00
Total non-current investments	**2.00**	**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 2018		As at 31 March 2017		As at 1 April 2016	
	Nos	Rs. in lakhs	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	20,000	2.00
Total non-current investments	**20,000**	**2.00**	**20,000**	**2.00**	**20,000**	**2.00**

Particular	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
Aggregate of non-current investments:			
Book value of investments (net of impairment allowance)	2.00	2.00	2.00
Investments carried at deemed cost	2.00	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 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
Security Deposits	160.86	194.51	208.75
Less : Provision for expected credit loss	(20.23)	(29.88)	(24.84)
	140.63	**164.63**	**183.90**

Note 7 : Income Tax Expense

(a) Amounts recognised in Statement of Profit and Loss		Rs. in lakhs
Particulars	**2017-18**	**2016-17**
Current tax expense (A)		
Current year	-	4.24
Short/(Excess) provision of earlier years	2.95	4.32
Deferred tax expense (B)		
Origination and reversal of temporary differences	(375.09)	73.04
Tax expense recognised in the income statement (A+B)	**(372.14)**	**81.60**

(b) Amounts recognised in other comprehensive income

Particulars	2017-18			2016-17		
	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	1.12	(0.31)	0.81	15.20	(5.03)	10.17
	1.12	**(0.31)**	**0.81**	**15.20**	**(5.03)**	**10.17**

(c) Reconciliation of effective tax rate

Particulars	2017-18	2016-17
Profit before tax	**(1,753.42)**	**248.29**
Tax using the Company's domestic tax rate (Current year 27.55% and Previous Year 33.063%)	(483.07)	82.09
Tax effect of :		
Effect of expenses that is non-deductible in determining taxable profit	(16.50)	(10.25)
Indexed Cost of Land	8.28	9.75
Effect of current year losses for which deferred tax asset is recognised	119.14	-
Tax expense as per Statement of Profit & Loss	**(372.14)**	**81.59**
Effective tax rate	21.224%	32.862%

(d) Income tax assets (net)

Particular	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
Advance income tax and TDS	506.16	427.83	381.38
Less : Provision for Taxation	(67.23)	(64.29)	(119.72)
Total income tax assets (Net)	**438.92**	**363.54**	**261.66**

* includes Rs. 413.84 lacs (31 March 2017 : Rs 404.41 lacs, 1 April 2016 : Rs. 357.96 lacs) paid against income tax dispute (Refer Note no. 31)

Note 8 : Deferred tax assets (net)

Particular	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
Deferred income tax asset			
Provision for employee benefits	42.55	32.78	28.88
Provision for expected credit loss on trade receivables	109.21	101.64	83.93
Financial asset carried at amortised cost	0.01	-	-
Unabsorbed depreciation	968.95	224.00	-
MAT credit entitlement	959.52	959.52	897.14
Deferred tax assets	**2,080.25**	**1,317.93**	**1,009.96**
Deferred income tax liabilities			
Excess of net block of fixed assets as per books over net block for tax	(900.72)	(508.40)	(174.98)
Financial liabilities carried at amortised cost	(3.50)	-	-
Indexed Cost of Land	(102.06)	(110.34)	(120.09)
Deferred tax liabilities	**(1,006.28)**	**(618.74)**	**(295.08)**
Deferred tax assets (net)	**1,073.97**	**699.19**	**714.88**

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, 2016	(295.08)	83.93	28.88	897.14	-	**714.88**
Charged / (credited)						
– to Statement of Profit and Loss	(99.67)	17.71	(1.13)	62.37	-	**(20.71)**
– to other comprehensive income	-	-	5.03	-	-	**5.03**
At March 31, 2017	**(394.74)**	**101.64**	**32.78**	**959.52**	**-**	**699.19**
Charged / (credited)						
– to Statement of Profit and Loss	360.92	7.57	9.47	-	(3.49)	**374.47**
– to other comprehensive income	-	-	0.31	-	-	**0.31**
At March 31, 2018	**(33.82)**	**109.21**	**42.55**	**959.52**	**(3.49)**	**1,073.97**

Note 9 : Other assets

(Unsecured, Considered Good)

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Prepaid rent	12.18	-	-
Capital advances	12.87	56.48	105.42
Deposits with government authorities	104.52	345.70	282.23
	129.57	**402.18**	**387.66**

Note 10 : Inventories

(Valued at lower of cost or net realisable value)

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Work-in-progress s	85.09	87.76	44.00
Finished goods	183.61	33.90	79.02
Raw materials	682.07	474.74	357.47
Packing materials	190.15	173.48	188.41
	1,140.91	**769.89**	**668.89**

Note 11 : Trade receivables

(Unsecured)

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Trade receivables			
- considered good	1,216.54	1,149.17	1,891.44
Less: Provision for expected credit loss	(198.31)	(80.29)	(62.95)
	1,018.24	**1,068.88**	**1,828.49**

Note 12 : Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Balances with banks			
- Current accounts in Indian rupees	63.35	12.11	35.59
Cash on hand	1.20	1.86	1.31
	64.55	**13.97**	**36.90**

Note 13 : Other bank balances

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Earmarked balances with banks for:			
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months *	131.95	169.71	185.68
	131.95	**169.71**	**185.68**

* includes Rs. 124.85 lacs (31 March 2017: Rs. 155.05 lacs, 01 April 2016: Rs. 190.63 lacs) pledged with bank as margin against bank guarantee.

Note 14 : Loans

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Loans to staff	1.20	2.05	1.41
	1.20	**2.05**	**1.41**

Note 15 : Other financial assets

(Unsecured)

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Interest accrued but not due on bank deposits	10.30	4.03	18.09
Other Receivables	219.14	219.14	219.14
Less : Provision for Expected credit loss	(197.23)	(197.23)	(166.07)
	32.22	**25.94**	**71.16**

Note 16 : Other assets

(Unsecured, Considered Good)

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Advance to suppliers	45.39	63.54	14.70
Duties and Taxes Receivable	506.51	49.88	3.56
Prepaid expenses	10.05	7.09	3.68
Others	13.80	15.70	13.87
	575.75	**136.22**	**35.81**

Note 17A : Equity Share capital

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 01 April 2016 Rs. in lakhs
Authorised share capital			
20,000,000 Equity Shares of Rs.10/- each	2,000.00	2,000.00	2,000.00
Total authorised share capital	**2,000.00**	**2,000.00**	**2,000.00**
Issued, subscribed and paid-up equity share capital:			
16,186,422 Equity shares of Rs. 10/- each	1,618.64	1,618.64	1,618.64
Total issued, subscribed and paid-up equity share capital	**1,618.64**	**1,618.64**	**1,618.64**

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

Particulars	Number	Rs. in lakhs
As at 1 April 2016	**16,186,422**	**1,618.64**
Issued during the year	-	-
As at 31 March 2017	**16,186,422**	**1,618.64**
Issued during the year	-	-
As at 31 March 2018	**16,186,422**	**1,618.64**

b. 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.

c. Shareholding of more than 5%:

Name of the Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	% held	No. of shares	% held	No. of shares	% held	No. of shares
Atul Ranchal	4,113,071	25.41%	4,113,071	25.41%	4,113,071	25.41%
Rajesh Mahajan	3,493,151	21.58%	3,493,151	21.58%	3,493,151	21.58%

Note 17B : Other Equity

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 01 April 2016 Rs. in lakhs
Securities premium reserve	5,341.40	5,341.40	5,341.40
Retained earnings	4,476.20	5,857.48	5,690.79
Items of Other Comprehensive Income			
- Remeasurements of defined benefit plans	10.98	10.17	-
	9,828.59	**11,209.05**	**11,032.19**

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.

Note 18 : Borrowings

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 01 April 2016 Rs. in lakhs
Secured			
Term loan from bank	1,828.45	1,034.04	-
Less: Current Maturities of Long Term debts	(184.77)	(56.25)	-
	1,643.68	977.79	-
Hire Purchase Loans			
From Banks	25.79	34.24	41.92
Less: Current Maturities of Long Term debts	(9.36)	(8.45)	(7.69)
	16.42	25.79	34.24
From Others	89.80	86.40	-
Less: Current Maturities of Long Term debts	(24.06)	(17.39)	-
	65.74	69.01	-
Total non-current borrowings	**1,725.84**	**1,072.59**	**34.24**

Nature of security and terms of repayment :

Term loan from bank

Rs 1,241.17 lacs (PY Rs. 1034.04 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 587.28 lacs (PY Rs. Nil). 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. 11.05 lacs per month commencing from April, 2018. Interest is to be serviced as and when debited to the account

Hire Purchase Loans

Rs 25.79 lacs (PY Rs. 34.24 lacs) Hire purchase loan from Axis Bank. The loan is secured by hypothecation of vehicles financed.Hire purchase loans from Axis Bank Ltd carries interest @ 9.5% p.a. The loans are repayable in 60 equal monthly instalments starting from November, 2015.

From Others

Rs. 89.80 lacs (PY Rs. 86.40 lacs) Hire Purchase Loan from Kotak Mahindra Prime Ltd.The loan is secured by hypothecation of vehicles financed. Hire purchase loans from Kotak Mahindra Prime Ltd carries interest @ 10.67% p.a. The loan is repayable in 60 equal monthly instalments starting from June, 2016.

Note 19 : Provisions

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
Provision for employee benefits (Refer note 38)			
- Gratuity	73.76	61.40	56.57
- Leave entitlement and compensated absences	34.66	25.24	19.61
	108.42	**86.64**	**76.18**

Note 20 : Borrowings

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 01 April 2016 Rs. in lakhs
Secured			
Cash Credit from banks	854.44	217.55	528.36
	854.44	**217.55**	**528.36**

Secured loans from Banks includes :

a) Cash Credit facility from Kotak Mahindra Bank amounting to Rs. 684.04 lacs (PY Rs. 180.27 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 from Indian Bank amounting to Rs. 170.40 lacs (PY 37.28 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 21 : Trade payables

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note below)	76.68	54.40	5.40
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,572.87	1,782.00	1,566.20
	2,649.55	**1,836.40**	**1,571.60**

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 2017.

The disclosure pursuant to the said Act is as under:

Particulars	31 March 2018 Rs. in lakhs	31 March 2017 Rs. in lakhs	1 April 2016 Rs. in lakhs
Principal amount due to suppliers under MSMED Act	76.68	54.40	5.4
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	31.41	45.17	54.53
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 22 : Other financial liabilities

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
Current maturities of long term borrowings (Refer note 18)	218.20	82.09	7.69
Interest accrued and due on borrowings	17.14	8.70	0.17
Salary & wages payable	96.20	66.97	62.08
Payable for capital goods	7.44	100.13	376.67
Retention Amount	15.00	31.99	47.17
	353.98	**289.88**	**493.78**

Note 23 : Other liabilities

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
Duties & Taxes payable	69.42	34.65	43.96
Advance from customer	23.07	35.08	23.58
	92.49	**69.74**	**67.54**

Note 24 : Provisions

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs	As at 1 April 2016 Rs. in lakhs
Provision for employee benefits (Refer note 38)			
- Gratuity	14.49	8.96	7.97
- Leave entitlement and compensated absences	5.02	3.55	3.18
Other Provisions	15.00	-	-
	34.51	**12.51**	**11.15**

Note 25 : Revenue from operations

Particulars	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Sale of drugs	5,690.42	6,484.30
Total Revenue from Operations	**5,690.42**	**6,484.30**

Note : W.e.f 2nd June 2016, excise duty has been levied on the product manufactured at baddi unit at Himachal Pradesh which was exempted earlier by central government being backward state.

Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise Duty, Value Added Tax (VAT),etc. have been replaced by GST. In accordance with AS-9 "Revenue Recognisation" and Schedule III of Companies Act 2013, GST is not Included in Revenue from operations from 1st July 2017 onwards. However, for the period April 2017 to June 2017 and Earlier Comparative Periods, excise duty is included in the revenue form operations hence not comparable

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

Note 26 : Other income

Particulars	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Interest income	13.53	10.84
Gain on exchange fluctuation (net)	0.84	0.06
Dividend from long term investments	-	0.20
Miscellaneous income	9.64	1.17
Total other income	**24.02**	**12.27**

Note 27 : Cost of materials consumed

Particulars	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Raw Material (Including Packing Material)		
Opening stock	648.22	545.88
Add: Purchases	4,308.63	3,767.25
Less: Closing stocks	(872.22)	(648.22)
	4,084.63	**3,664.91**

Note 28 : Changes in inventories of finished goods, work - in progress

Particulars	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Opening inventory		
- Finished Goods	33.90	79.02
- Work-in-progress	87.76	44.00
	121.66	**123.02**
Closing inventory		
- Finished Goods	183.61	33.91
- Work-in-progress	85.09	87.76
	268.70	**121.67**
Changes in inventories	**(147.03)**	**1.35**

Note 29 : Employee benefits expense

Particulars	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Salaries and wages	885.98	562.95
Contribution to provident and other funds (Refer note 38)	45.60	37.33
Director Remuneration	215.50	209.25
Staff welfare	33.64	15.71
Total employee benefits expense	**1,180.73**	**825.24**

Note 30 : Finance costs

Particulars	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Interest on:		
- Loan from banks/others	240.43	87.68
Bank charges	3.58	13.25
Total finance costs	**244.02**	**100.94**

Note 31 : Other expenses

Particulars	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Manufacturing expenses		
Stores & spares consumed	109.99	37.05
Power & fuel	362.36	153.99
Packing charges	69.07	55.51
Repairs & maintenance :	-	
- Plant & machinery	10.72	13.07
- Factory building	7.48	1.07
Labour charges	98.97	5.48
Other factory expenses	71.92	28.22
Administration, selling and distribution expenses		
Rent	3.12	6.17
Insurance expenses	10.41	6.85
Repairs & maintenance		
- Building	7.25	5.92
- Others	11.66	2.08
Legal and professional fees	96.65	36.12
Auditor's remuneration	9.00	9.00
Travelling & conveyance	111.14	56.91
Advertising & sales promotion expenses	74.04	48.04
Commission paid	29.44	133.63
Transportation, freight & handling charges	19.62	20.63
Provision for Expected credit loss	108.36	53.53
Miscellaneous expenses	130.52	85.05
	1,341.73	**758.32**
Auditors' remuneration:		
i) Statutory audit fees	8.40	8.40
ii) Taxation Matters	0.60	0.60
	9.00	**9.00**

Note 32 : 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 period. 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 2018	Year ended 31 March 2017
Profit computation for basic earnings per share of Rs. 5 each			
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	Rs. in lakhs	(1,381.28)	166.69
Weighted average number of equity shares for EPS computation	(Nos.)	16,186,422	16,186,422
EPS - Basic and Diluted EPS	(Rs.)	(8.53)	1.03

Note 33 : 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
(B) Key managerial personel	
Mr. Anil Kumar Pillai	Chief Financial Officer
Mrs. Jyoti Sancheti	Company Secretary
Mr. Ankit Parekh	Company Secretary (upto 20th June 2015)
(B) 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 2018	Year ended 31 March 2017	Year ended 1 April 2016
Mr. Atul Ranchal	Director Remuneration	96.00	96.07	87.00
	Sitting Fees	1.00	1.20	1.00
	Leave Encashment	2.36	2.36	-
Mr. Rajesh Mahajan	Director Remuneration	96.00	96.07	87.00
	Sitting Fees	1.00	1.20	1.00
	Leave Encashment	2.36	2.36	-
Dr. Durga Shankar Maity	Director Remuneration	23.50	17.11	14.04
	Sitting Fees	1.00	1.00	1.00
	Leave Encashment	0.42	-	-
Mrs. Saras Gupta	Salary	28.80	28.87	28.80
	Leave Encashment	0.94	0.94	-
Mrs. Rajani Ranchal	Salary	28.80	28.87	28.80
	Leave Encashment	0.88	0.88	-
Mrs. Davinder Kumari	Salary	24.00	24.07	24.00
	Leave Encashment	0.63	0.63	-
Mr. Anil Kumar Pillai	Salary	13.88	11.19	9.92
	Leave Encashment	0.02	-	-
Mr. Ankit Parekh(upto 20 June 2015)	Salary	-	-	0.93
Mrs. Jyoti Sancheti	Salary	6.12	5.67	2.01

c. Balance Outstanding of Related Parties :

Particulars	Nature of Transaction	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
		Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Mr. Atul Ranchal	Director Remuneration	0.80	4.78	7.00
	Sitting fees payable	1.00	-	0.90
Mr. Rajesh Mahajan	Director Remuneration	5.65	4.54	6.50
	Sitting fees payable	1.00	-	0.90
Dr. Durga Shankar Maity	Salary & Wages Payable	4.98	1.01	1.09
	Sitting fees payable	1.00	-	0.90
Mrs. Saras Gupta	Salary & Wages Payable	1.87	0.11	2.00
Mrs. Rajani Ranchal	Salary & Wages Payable	1.97	1.53	2.40
Mrs. Davinder Kumari	Salary & Wages Payable	1.40	1.34	2.00
Mr. Anil Kumar Pillai	Salary & Wages Payable	0.54	0.88	0.77
Mrs. Jyoti Sancheti	Salary & Wages Payable	0.51	0.47	0.47

Note 34 : Contingent liabilities and Commitments

(A) Contingent liabilities

II)Gurantees

Particular	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
i) Bank Guarantee	124.85	155.05	190.63

III) Other money for which the company is contingently liable

Particular	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Disputed liability in respect of Income tax (Refer Note below)	1,883.76	1,883.08	1,740.23

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 2018	Stay amount paid till FY 2018	Demand Amount Raised in FY 2017	Stay amount paid till FY 2017	Demand Amount Raised in FY 2016	Stay amount paid till FY 2016
2012-13	1,400.72	291.39	1,400.72	281.96	1,400.72	281.96
2013-14	339.51	101.00	339.51	101.00	339.51	76.00
2014-15	142.85	21.45	142.85	21.45	-	-
2015-16	0.68	-	-	-	-	-
Total	**1,883.76**	**413.84**	**1,883.08**	**404.41**	**1,740.23**	**357.96**

Particular	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Statutory Liabilities (Refer Note below)	-	100.00	100.00

Note :

Securities and Exchange Board of India (SEBI) had passed an Adjudication Order No – ID-4/AO/DRK/675-680/01-05/2015 dated January 12, 2015 against the Company and its directors/officials. As per the said Order, a penalty of Rs 100 lacs was imposed on the Company and Rs 1,080 lacs on five other persons comprising of three directors and two former officials of the Company.
The said dispute is settled by an order dated March 21, 2018 and the penalty of Rs.15 lacs was imposed on the company for which a provision has been created in the books as on March 31, 2018

(B) Commitments

Particular	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
I) Contracts Remaining to Be Executed	25.08	93.82	65.46
II) EPCG Commitment (Refer Note below)	443.21	443.21	449.16

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 & Rs. 1,873.34 lacs needs to be completed within 8 years from the date of purchase of respective Capital Goods.

Note 35 : 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:

(Rs. in lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
Not later than one year	29.71	-	4.47
Later than one year and not later than five years	118.83	-	0.73
TOTAL	**148.53**	**-**	**5.20**

Note 36 : Expenditure on Corporate Social Responsibility Activities

Particulars	As at 31 March 2018	As at 31 March 2017
	Rs. in lakhs	Rs. in lakhs
Details of CSR Expenditure:		
Gross amount required to be spent by the Company during the year.	61.18	46.41

Particulars	Amount Spent		Amount yet to be Spent		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Contribution to Gram Panchayat & Sahidi Sabhyacharak Mela	0.10	-	61.18	46.41	61.29	46.41

Note 37 : 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 38 : 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 2018	Year ended 31 March 2017	Year ended 31 March 2016
	Rs. in lakhs	Rs. in lakhs	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	68.17	65.67	60.64
Service cost	16.45	12.10	8.00
Interest cost	5.45	4.60	4.85
Actuarial loss / (gain)	(1.12)	(0.09)	(5.89)
Benefits paid	(0.70)	(1.01)	(3.06)
Present value of obligation as at the end of the year	**88.25**	**81.26**	**64.54**
b) Expenses recognised in the Statement of Profit and Loss			
Current service cost	16.45	12.10	8.00
Past service cost	-	1.13	
Interest cost	5.45	4.60	4.85
Expected return on plan assets	-	-	-
Net actuarial (gain) / loss recognized in the year	-	-	(5.89)
Total	**21.90**	**17.83**	**6.96**
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	(1.12)	(0.09)	-
Total	**(1.12)**	**(0.09)**	**-**

d) Actuarial assumptions	**31 March 2018**	**31 March 2017**	**1 April 2016**
Discount rate	8% p.a.	7% p.a.	8% p.a.
Normal retirement age (in years)	58	58	58
Salary escalation rate (% p.a.) *	6% p.a.	5% p.a.	5% p.a.
Attrition rate	10% at all ages	10% at all ages	10% at all ages
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) 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:

Particulars	31 March 2018 Rs. in lakhs	31 March 2017 Rs. in lakhs
	1% increase	
i. Discount rate	84.46	64.57
ii. Salary escalation rate - over a long-term	94.14	72.22
	1% decrease	
i. Discount rate	94.09	72.18
ii. Salary escalation rate - over a long-term	84.34	64.48

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 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs	Year ended 31 March 2016 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	28.79	23.45	15.43
Service cost	16.57	16.87	12.37
Interest cost	2.30	1.64	1.23
Actuarial loss / (gain)	(6.08)	(2.20)	2.66
Benefits paid	(1.90)	(10.98)	(8.89)
Present value of obligation as at the end of the year	**39.68**	**28.79**	**22.80**
b) Expenses recognised in the Statement of Profit and Loss			
Current service cost	16.57	16.87	12.37
Past service cost	-	0.65	-
Interest cost	2.30	1.64	1.23
Expected return on plan assets	-	-	-
Net actuarial (gain) / loss recognized in the year	(6.08)	(2.20)	2.66
Total	**12.79**	**16.97**	**16.26**
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 2018 Rs. in lakhs	31 March 2017 Rs. in lakhs
	1% increase	
i. Discount rate	37.75	27.29
ii. Salary escalation rate - over a long-term	41.81	30.46
	1% decrease	
i. Discount rate	41.79	30.44
ii. Salary escalation rate - over a long-term	37.70	27.25

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 2018 Rs. in lakhs	31 March 2017 Rs. in lakhs	01 April 2016 Rs. in lakhs
Gratuity			
Current	14.49	8.96	7.97
Non-current	73.76	61.40	56.57
	88.25	**70.36**	**64.54**
Leave entitlement (including sick leave)			
Current	5.02	3.55	3.18
Non-current	34.66	25.24	19.61
	39.68	**28.79**	**22.80**

Note 39 : Fair Value Measurement

(i) Financial instruments by category

Rs. in lakhs

Particulars	Refer note	31 March 2018					31 March 2017					01 April 2016				
		Non - Current	Current	FVTPL	FVOCI	Amortised Cost	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	-	-	-	2.00	2.00	-	-	-	2.00
Trade receivables	11	-	1,018.24	-	-	1,018.24	-	1,068.88	-	-	1,068.88	-	1,828.49	-	-	1,828.49
Others financial assets	6	140.63	32.22	-	-	172.85	164.63	25.94	-	-	190.57	183.90	71.16	-	-	255.06
Cash and cash equivalents	12	-	64.55	-	-	64.55	-	13.97	-	-	13.97	-	36.90	-	-	36.90
Other bank balances	13	-	131.95	-	-	131.95	-	169.71	-	-	169.71	-	185.68	-	-	185.68
Loans	14	-	1.20	-	-	1.20	-	2.05	-	-	2.05	-	1.41	-	-	1.41
Total Financial Assets		**142.63**	**1,248.16**	**-**	**-**	**1,390.79**	**166.63**	**1,280.55**	**-**	**-**	**1,447.18**	**185.90**	**2,123.64**	**-**	**-**	**2,309.54**
Financial Liabilities:																
Borrowings	18	1,725.84	854.44	-	-	2,580.28	1,072.59	217.55	-	-	1,290.14	34.24	528.36	-	-	562.60
Trade payables	21	-	2,649.55	-	-	2,649.55	-	1,836.40	-	-	1,836.40	-	1,571.60	-	-	1,571.60
Other financial liabilities	22	-	353.98	-	-	353.98	-	289.88	-	-	289.88	-	493.78	-	-	493.78
Total Financial Liabilities		**1,725.84**	**3,857.97**	**-**	**-**	**5,583.81**	**1,072.59**	**2,343.83**	**-**	**-**	**3,416.42**	**34.24**	**2,593.74**	**-**	**-**	**2,627.98**

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 -

a) recognised and measured at fair value

b) 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 are classified 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 : Fair Value Measurement

Value of financial assets and liabilities measured at amortised cost

Rs. in lakhs

Particulars	Refer note	31 March 2018		31 March 2017		01 April 2016	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets:							
Investments							
Investments in equity shares	5	2.00	2.00	2.00	2.00	2.00	2.00
Trade receivables	11	1,018.24	1,018.24	1,068.88	1,068.88	1,828.49	1,828.49
Others financial assets	6	172.85	172.85	172.85	172.85	172.85	172.85
Cash and cash equivalents	12	64.55	64.55	13.97	13.97	36.90	36.90
Other bank balances	13	131.95	131.95	169.71	169.71	185.68	185.68
Total Financial Assets		**1,389.58**	**1,389.58**	**1,427.42**	**1,427.42**	**2,225.92**	**2,225.92**
Financial Liabilities:							
Borrowings	18	2,580.28	2,580.28	1,290.14	1,290.14	562.60	562.60
Trade payables	21	2,649.55	2,649.55	1,836.40	1,836.40	1,571.60	1,571.60
Other financial liabilities	22	353.98	353.98	289.88	289.88	493.78	493.78
Total Financial Liabilities		**5,583.80**	**5,583.80**	**3,416.42**	**3,416.42**	**2,627.97**	**2,627.97**

Note 40 : 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 2018 Rs. in lakhs	31 March 2017 Rs. in lakhs	1 April 2016 Rs. in lakhs
Increase in basis points	50 basis points	50 basis points	50 basis points
Effect on profit/(loss) before tax, increase by	-2.02	-0.09	0.00
Decrease in basis points	50 basis points	50 basis points	50 basis points
Effect on profit/(loss) before tax, decrease by	2.02	0.09	0.00

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.

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:

Rs. in lakhs

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2018					
Borrowings	-	1,072.64	1,284.65	441.18	2,798.47
Trade payables	2,649.55	-		-	2,649.55
Other financial liabilities	135.78	-		-	135.78
	2,785.32	**1,072.64**	**1,284.65**	**441.18**	**5,583.80**
As at 31 March 2017					
Borrowings	-	299.64	895.59	176.99	1,372.23
Trade payables	1,836.40	-	-	-	1,836.40
Other financial liabilities	207.79	-	-	-	207.79
	2,044.19	**299.64**	**895.59**	**176.99**	**3,416.42**
As at 01 April 2016					
Borrowings	-	536.05	34.24	-	570.28
Trade payables	1,571.60	-	-	-	1,571.60
Other financial liabilities	486.09	-	-	-	486.09
	2,057.69	**536.05**	**34.24**	**-**	**2,627.97**

Note 41 : 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.

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Total debts	2,815.61	1,380.93	570.45
Total equity	11,447.23	12,827.69	12,650.82
Total debts to equity ratio (Gearing ratio)	**19.74%**	**9.72%**	**4.31%**

Note 42 : 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

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Diretors

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, 2018

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): _____

_____

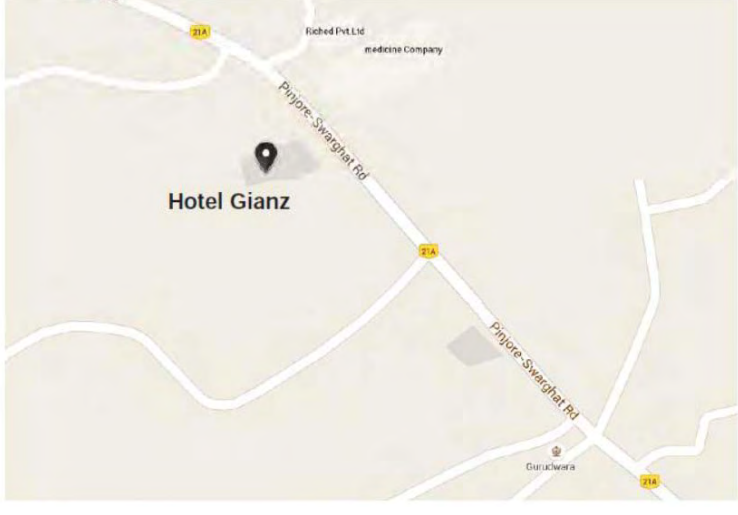
I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 16th 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 **Friday, the 10th day of August, 2018**.

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:_____EmailId:_____

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 16th Annual General Meeting of the Company to be held on **Friday, the 10th day of August, 2018** 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	Appointment of Director in place of those retiring by rotion		
3	Ratification of appointment of statutory Auditors		
4	Ratification of the remuneration of the Cost Auditors.		
5	Increase in the remuneration of Mr. Atul Ranchal (DIN: 01998361), Whole-time Director.		
6	Increase in the remuneration of Mr. Rajesh Mahajan (DIN: 02000634), Managing Director.		
7	Re-appointment of Dr. D.S. Maity (DIN: 03136361) as a Whole-time Director designated as Technical Director.		
8	Increase in remuneration of Dr. D.S.Maity, Whole Time Director of the Company.		
9	Preferential Issue of Warrants.		

Signed this.....day of.....2018

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.

NOTES

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Brooks
LABORATORIES LIMITED
AN EU-GMP approved carbapenem facility

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

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