



Spreading Wings across the globe



Registered Office:
ALKEM LABORATORIES LIMITED,
ALKEM HOUSE, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.



ALKEM LABORATORIES LIMITED



SHRI. SAMPRADA SINGH



SHRI. BASUDEO NARAIN SINGH

VISION

*To achieve value driven leadership in
Indian Health Care Industry and beyond...*

*Through
Quality that is infinite
Service that cares
Hardwork that endures*



ALKEM LABORATORIES LTD

Board of Directors

*Samprada Singh (Chairman)
B N Singh (Managing Director)
P N Singh
N K Singh
B P Singh
D K Singh
M K Singh
M C Shah
E N Shankar*

Bankers

*State Bank of India
Dena Bank
The Saraswat Co-operative Bank Ltd.
Kotak Mahindra Bank Ltd.
HDFC Bank Ltd.
Nova Scotia.
Citi Bank*

Auditors

R S Sanghai & Associates

Registered Office

*Alkem House, Devashish, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013*

Factories

- 1. N. H. No. 8, Mandva, Dist-Bharuch, Gujarat*
- 2. 333/1, Kachigam, Daman*
- 3. 167/2, Amaliya, Dabhel, Daman*
- 4. 289/290, GIDC, Ankleshwar, Dist-Bharuch, Gujarat*
- 5. 167/1, GIDC, Amaliya, Dabhel, Daman*
- 6. Units 1 & 2 at Purana Barrier, Village-Thana, Baddi, Dist - Solan, H.P.*
- 7. Kumrek, Ragpokhola, East Sikkim*
- 8. Samardung, Karek Block, PO - Namthang, Dist - South Sikkim - 737137.*

R & D Centres

- 1. C 17/7, MIDC Industrial Estate, Taloja, Dist-Raigad, Maharashtra*
- 2. 473 - D2, 13th Cross, IV Phase, Peenya Industrial Area, Bangalore, Karnataka.*



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 39th Annual Report along with the audited accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS:

(Rs. in Lakhs)

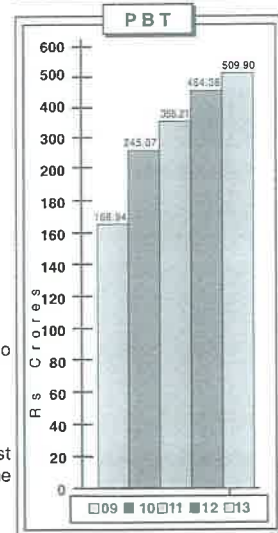
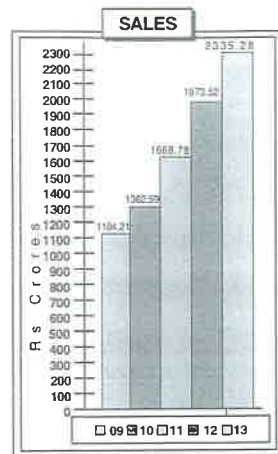
	2012-13	2011-12
Sales (Gross)	2,33,528.73	1,97,352.60
Profit before tax	50,990.98	45,438.23
(Less): Provision for Income Tax	(10,300.00)	(9,200.00)
Add/(Less): Provision for Deferred Taxation	(1,348.75)	(551.69)
Add : MAT Credit Entitlement	10,270.76	7,693.86
Add/(Less): Income Tax of earlier years	-	(832.28)
Profit after tax	49,612.99	42,548.12
Add: Balance of profit from previous years	44,304.77	24,535.90
Profit available for appropriation	93,917.76	67,084.02
Appropriations :		
Proposed Dividend	-	2,391.30
Interim Dividend	2,391.30	-
Corporate Tax on Dividend	387.93	387.93
General Reserve	25,000.00	20,000.00
Balance Carried Forward	66,138.53	44,304.79
	93,917.76	67,084.02

DIVIDEND :

The Company has paid an interim dividend of 200% during the year. Your Directors do not recommend any further dividend for the year ended 31st March, 2013.

OPERATIONS :

The Company's sales (Gross) has increased to Rs. 2,33,528.73 lakhs as against Rs. 1,97,352.60 lakhs for the previous year resulting in an increase of 18.33 % over the previous year.



DIRECTORS' REPORT

SUBSIDIARIES:

During the year, the Company has incorporated a wholly owned subsidiary in the name of Alkem Laboratories Korea, Inc on 7th August, 2012 in Korea having 15000 units of 100 Korean Won each amounting to Korean Won 1,50,00,000.

During the year, the Company has incorporated a wholly owned limited liability Partnership in the name of The Pharma Network Limited Liability Partnership in Kazakhstan on 14th August, 2012 with a charter capital of Tenge 1.61.800.

During the year S & B Pharma Inc was incorporated on 25.01.2012 in the State of Delaware, USA with a authorized share capital of 100 shares of common stock at 0.01\$ per share in which the Company holds 49 share and the balance 51 share are held by S & B Holdings BV, a wholly owned subsidiary of the Company in Netherlands.

During the year, the Company has acquired 6,83,13,954 shares being 100% of the share capital of Pharmacor Limited, Australia. Consequent to this Pharmacor Limited has become a wholly owned subsidiary of the Company. Out of this 100% share capital 54,651,163 shares constituting 80% of the share capital in Pharmacor Limited were acquired by the Company from S & B Holdings BV, a wholly owned subsidiary of the Company in Netherlands and the balance 13,662,791 shares constituting 20% of the share capital in Pharmacor Limited were acquired by the Company from Pharmacy I pty Limited as a trustee for the Jean Pierre Salama No. 2 Family Trust.

S & B Holding BV, a wholly owned subsidiary of the Company in Netherlands had acquired 51% of total shares i.e. 34,883,721 shares in Pharmacor Limited, Australia on 30.06.2009. S & B Holding BV further acquired 29% of the total share capital i.e. 19,767,442 shares in Pharmacor Limited on 1st April, 2011 thus acquiring 80% of total share capital i.e. 54,651,163 shares in Pharmacor Limited, Australia.

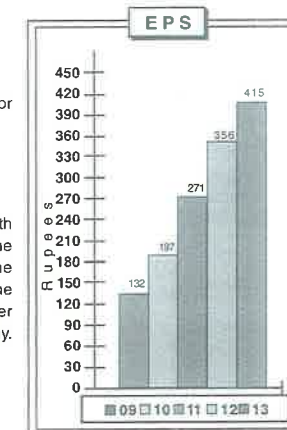
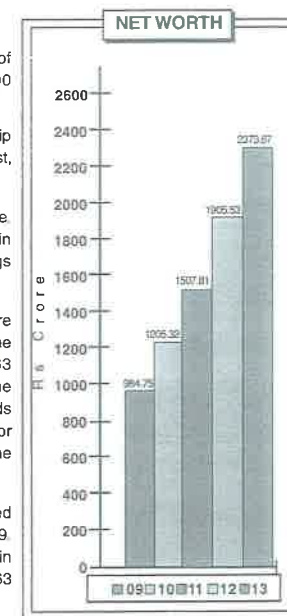
A statement pursuant to Section 212 of the Companies Act, 1956 relating to the above subsidiaries have been given as an annexure to the Annual Report.

DIRECTORS:

Mr. M. K. Singh, Mr. M. C. Shah and E. N. Shankar retire by rotation and are eligible for reappointment.

PERSONNEL:

As required by the provision of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended, the particulars of the employees are set out in the Annexure to the Directors Report. However, as per the provision of the Companies Act, 1956, the Report and Accounts are being sent to all the shareholders of your Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Registered Office of the Company.



DIRECTORS' REPORT

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- That the selected accounting policies were applied consistently and the directors 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 March 31, 2013 and of the profit of the Company for the year ended on that date;
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the annual accounts have been prepared on a going concern basis.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE:

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure forming part of this report.

AUDITORS:

M/s R.S.Sanghai & Associates, Chartered Accountants, the Company's Auditors will retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to act as Auditors of the Company, if re-appointed. Members are requested to appoint the auditors and fix their remuneration.

AUDITORS REMARKS:

The auditors have not given any adverse remark in their report which requires any further clarification. The report is self explanatory.

ACKNOWLEDGEMENT:

Your Directors would like to express their grateful appreciation to the Bankers and trade associates for their valuable assistance, continued support and co-operation and also wish to extend their thanks and appreciation to the Management team, Staff and Workers of the Company for their commitment, dedication and respective contributions to the Company's operations during the year under review.

For and on behalf of the Board

SAMPRADA SINGH
Chairman

Mumbai, 12th June, 2013

ANNEXURE TO DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors' Report.

A. CONSERVATION OF ENERGY:

- Energy Conservation Measures taken:

Energy conservation continues to receive top priority in the company, energy consumption are monitored, maintenance systems improved and distribution losses are reduced. Specific Energy Conservation measures taken include installation of energy efficient system in the existing equipment configuration.

- Additional proposals or activities, if any:

Improving the insulation of low and high temperature services.

- Impact of measures taken:

Energy conservation measures of the type mentioned above have resulted in gradual savings.

- Total energy consumption and energy conservation per unit of production :

As per Form A of the Annexure hereunder.

FORM A :

	31.03.2013	31.03.2012
CONSERVATION OF ENERGY		
1. Power & Fuel Consumption		
a) Electricity Purchased		
Unit (Nos. Lakhs)	447.04	401.65
Total Amount (Rs. Lakhs)	2,187.43	1,972.89
Unit Rate (Rs.)	4.89	4.91
b) Own Generation		
i) Through Diesel Generator		
(No. of units in Lakhs)	37.85	22.39
Cost of HSD (Rs. Lakhs)	472.23	269.39
Cost / Unit (Rs.)	12.48	12.03
ii) Through Steam Turbine/Generator	NIL	NIL
Units per litre of Oil / Gas	NIL	NIL
Cost per Unit	NIL	NIL
2. Coal		
Quantity (M.T.)	4,025.94	9,224.52
Cost (Rs. Lakhs)	162.62	371.56
Average Rate / M.T. (Rs.)	4039.31	4,027.97
3. Furnace Oil		
Quantity (Ltrs in Lakhs)	19.57	39.70
Total Cost (Rs. Lakhs)	784.37	1,466.26
Average Rate / Litre (Rs.)	40.07	36.94
4. Others		
Quantity (M.T.)	130.96	48.53
Total Cost (Rs. Lakhs)	1047.87	376.99
Average Rate / M.T. (Rs.)	8.00	7.77

ANNEXURE TO DIRECTORS' REPORT
CONSUMPTION PER UNIT OF PRODUCTION

Electricity	Since the Company manufactures different types of formulations
Coal	(Capsules, Tablets, Ointments, Liquids & Injectables) there is no
Furnace Oil	specific standard as the consumption per unit depends on the
Others	product mix of formulations.

B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION:
RESEARCH & DEVELOPMENT (R&D)

1. Specific areas in which R & D work is carried out :
The focus of the Company's R & D efforts was on the following areas:
 - i. Development of new drug formulations for existing and newer active drug substances.
 - ii. Development of agro technology, genetics and biotechnology for cultivation of medicinal plants and isolation of active ingredients from plant materials.
 - iii. Development of new drug delivery systems for existing and newer active drug substances as also newer medical devices.
 - iv. Patenting of newer processes/newer products/newer drug delivery systems/newer medical devices/newer usage of drugs for both local and international markets.
 - v. Development of new innovative technology for the manufacture of existing APIs and their intermediates.
 - vi. Development of new products, both in the area of APIs as well as formulations, specifically for export.
 - vii. Development of methods to improve safety procedures, effluent control, pollution control, etc.
 - viii. Projects to develop APIs and formulations jointly with overseas companies.
 - ix. Development of products related to the indigenous system of medicines.
2. Some of the major benefits derived as a result of R&D include:
 - i. Successful commercial scale up of several new APIs and formulations.
 - ii. Development of new drug delivery systems and devices.
 - iii. Improved processes and enhanced productivity in both APIs and formulations.

ANNEXURE TO DIRECTORS' REPORT

3. Future plan of action:
 - i. Optimisation of process parameters with emphasis on cost reduction and simplification.
 - ii. Development of new drug delivery systems, pharmaceutical and nutritive supplements.
 - iii. Studying feasibility of using new manufacturing technology in existing solid dosage forms.
 - iv. Development of formulations based on certain herbal preparation, a set of diagnostic kits based on Elisa techniques, etc.
 - v. Development of new molecules for formulations & processes for manufacture of bulk drugs.
4. Expenditure on R & D : (Rs lakhs)

(i) Capital	: 4,810.04
(ii) Recurring	: 9,453.30 (excluding depreciation of Rs. 419.71 lakhs)
(iii) Total	: 14,263.34

 (iv) Total R & D expenditure as percentage to total turnover : 6.11%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:
 - i. Development and patenting of new molecular forms and methods of synthesis.
 - ii. Development of new drug delivery systems.
2. Benefits derived as a result of the above efforts:
 - i. Improvement in operational efficiency through reduction in batch hours, increase in batch sizes, better solvent recovery and simplification of processes.
 - ii. Meeting norms of external regulatory agencies to facilitate more exports.
 - iii. Improvements in effluent treatment, pollution control and all-round safety standards.
 - iv. Maximum utilization of indigenous raw materials.
 - v. Development of products for import substitution.
3. In case of imported technology(imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished : N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- (a) Activities relating to exports : Initiatives taken to increase export development of new export markets for products and services. The Company is continuously exploring possibilities of exporting more of its products to different markets. The exports have been mainly to Europe, Mauritius, New Zealand, South American, African countries etc.
- (b) Earnings in foreign exchange was equivalent to Rs. 22,640.29 lakhs and expenditure was Rs. 5,650.25 lakhs.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary Companies	Alkem Laboratories (Nigeria) Ltd Nigeria	Alkem Laboratories Pty Ltd South Africa	Alkem Laboratories SDN BHD Malaysia	Alkem Laboratories Corporation Philippines	Alkem Pharma GmbH Germany
1. Extent of interest in the subsidiary companies	100%	100%	100%	100%	100%
2. Financial year of the subsidiary Companies	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
3. The amount of profit/ (losses) of the subsidiary companies for the financial year so far as they concern the members of holding company:					
a) Dealt within the accounts of holding company					
I) for the financial year of the subsidiary company	NIL	NIL	NIL	NIL	NIL
II) for the previous financial year of the subsidiary co. since it became subsidiary	NIL	NIL	NIL	NIL	NIL
b) Not dealt within accounts of Holding company:					
I) for the financial year of the subsidiary company	Naira (33511992)	S A Rand (51,307)	Ringgit NIL	Pesos (14711279)	Euro (17,412)
II) for the previous financial year of the subsidiary co. since it became subsidiary	(48506031)	(65647)	NIL	(8059064)	(9068)
4. Changes in the interest of the company or the subsidiary company between the end of the financial year of the subsidiary company or sub-subsidiary company and 31.03.2013	Does not arise	Does not arise	Does not arise	Does not arise	Does not arise
Number of shares acquired					
5. Material changes between the end of the financial year of the subsidiary or sub-subsidiary company as the case may be and 31.03.2013					
a) Fixed Assets					
b) Investments					
c) Money lent by the subsidiary company.					
d) Moneys borrowed by the subsidiary company other than for meeting current	Does not arise	Does not arise	Does not arise	Does not arise	Does not arise

Place: Mumbai
Dated: 12th June, 2013

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary Companies	Enzene Biosciences Limited INDIA	Ascends Laboratories SpA Chile	S & B Holdings BV Netherland	Pharmacor Ltd. Australia	The Pharmanet-work LLC USA	Angelic Holdings SA Switzerland
1. Extent of interest in the subsidiary companies	80%	100%	100%	100%	100%	100%
2. Financial year of the subsidiary Companies	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
3. The amount of profit/ (losses) of the subsidiary companies for the financial year so far as they concern the members of holding company:						
a) Dealt within the accounts of holding company						
I) for the financial year of the subsidiary company	NIL	NIL	NIL	NIL	NIL	NIL
II) for the previous financial year of the subsidiary co. since it became subsidiary	NIL	NIL	NIL	NIL	NIL	NIL
b) Not dealt within accounts of Holding company:						
I) for the financial year of the subsidiary company	INR (6082895)	PESOS (29657058)	Euro (1868799)	AUD (585105)	USD (10380156)	CHF (14090)
II) for the previous financial year of the subsidiary co. since it became subsidiary	(19125445)	NIL	(1098372)	(587727)	(4702855)	(4006)
4. Changes in the interest of the company or the subsidiary company between the end of the financial year of the subsidiary company or sub-subsidiary company and 31.03.2013	Does not arise	Does not arise	Does not arise	20%	Does not arise	Does not arise
Number of shares acquired				13662791		
5. Material changes between the end of the financial year of the subsidiary or sub-subsidiary company as the case may be and 31.03.2013						
a) Fixed Assets						
b) Investments						
c) Money lent by the subsidiary company.						
d) Moneys borrowed by the subsidiary company other than for meeting current	Does not arise	Does not arise	Does not arise	Does not arise	Does not arise	Does not arise

Place: Mumbai
Dated: 12th June, 2013

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary Companies	The Pharma Network LLP	Pharmacor LTD	Alkem Laboratories Korea Inc.	S & B Pharma Inc.
	Kazakhstan	Kenya	Korea	USA
1. Extent of interest in the subsidiary companies	100%	100%	100%	49%
2. Financial year of the subsidiary Companies	31.03.2013	31.03.2013	31.03.2013	31.03.2013
3. The amount of profit/ (losses) of the subsidiary companies for the financial year so far as they concern the members of holding company:				
a) Dealt within the accounts of holding company				
i) for the financial year of the subsidiary company	NIL	NIL	NIL	NIL
ii) for the previous financial year of the subsidiary co. since it became subsidiary	NIL	NIL	NIL	NIL
b) Not dealt within accounts of Holding company:				
i) for the financial year of the subsidiary company	TENGE (787)	KES (5950)	WON NIL	USE (1693847)
ii) for the previous financial year of the subsidiary co. since it became subsidiary	NIL	NIL	NIL	NIL
4. Changes in the interest of the company or the subsidiary company between the end of the financial year of the subsidiary company or sub-subsidiary company and 31.03.2013	Does not arise	Does not	Does not arise	49%
Number of shares acquired				49
5. Material changes between the end of the financial year of the subsidiary or sub-subsidiary company as the case may be and 31.03.2013				
a) Fixed Assets				
b) Investments				
c) Money lent by the subsidiary company.				
d) Moneys borrowed by the subsidiary company other than for meeting current	Does not arise	Does not arise	Does not arise	Does not arise

Place: Mumbai
Dated: 12th June, 2013

AUDITOR'S REPORT

To the Members of,
ALKEM LABORATORIES LIMITED

Report on the Financial Statements :

We have audited the accompanying financial statements of ALKEM LABORATORIES LIMITED ('the Company') which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss Account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial statements :

Managements is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a base for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- In the case of the Statement of Profit and Loss of the Profit of the Company for the year ended on that date; and
- In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditors' Report) Order, 2003 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by Section 227 (3) of the Act, we report that.
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 Act.
 - e. On the basis of written representations received from the directors, as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For R.S. SANGHAI & ASSOCIATES
Chartered Accountants
Registration No. 109094W

R.S. SANGHAI
Partner
Membership No.: 036931
Mumbai, 12th June, 2013

ANNEXURE TO THE AUDITOR'S REPORT

Re: Alkem Laboratories Limited (Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our Report of even date)

1. In respect of its fixed assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets on the basis at available information.
 - (b) As explained to us, certain items of fixed assets have been physically verified by the management during the year, and there is a regular program of verification, in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its fixed assets. According to the information and explanations given to us, no material discrepancies have been noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
2. In respect of its inventories:
 - (a) As explained to us, the inventories (excluding goods-in-transit) have been physically verified by the management at reasonable regular intervals during the year. In respect of inventories which are not physically verified being goods in transit, they are not material. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate considering the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancy noticed on physical verification of inventories as compared to the book records.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) The Company has granted loans to its eight subsidiaries covered in the register maintained under Section 301 of the Act. The maximum amount outstanding at any time during the year was Rs. 7500.00 lakhs and the year end year end balances of such loan amounted to Rs 4775.24 lakhs. Other than above, the Company has not granted any loan, secured or unsecured, to Companies, Firms or parties covered in the register maintained under Section 301 of Act.
 - (b) In our opinion, the rate of interest and other terms and conditions on which these loans have been granted to the subsidiaries covered in the register maintained under Section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.
 - (c) The Company is regular in receipt of interest and principal amount of unsecured loans wherever applicable and there is no default.
 - (d) There are no overdue amounts of more than Rupees One Lakh in respect of the loans granted to the subsidiaries listed in the register maintained under Section 301 of the Act.
 - (e) The Company has taken unsecured loans from 33 parties covered in the register maintained under Section 301 of the Companies Act, 1956 being directors and their relatives. The aggregate of the year end balances of such loans is Rs. 4610.99 Lakhs and the maximum amount involved during the year was Rs. 4855.04 Lakhs from these parties.
 - (f) The rate of interest, wherever applicable and other terms and conditions of such loan are, in our opinion, prima facie not prejudicial to the interest of the Company.
 - (g) The company is regular in repayment of interest and principal amount of unsecured loans and there is no default.