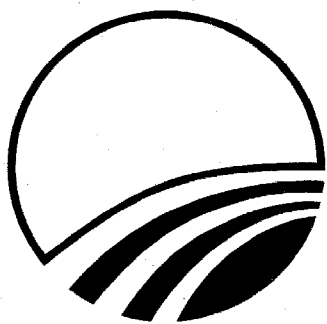




**10<sup>TH</sup>  
ANNUAL REPORT  
2011-12**



**Brooks**

**LABORATORIES LIMITED**

**A WHO GMP & ISO 9001: 2008 Certified Company**

***Registered Office:***

**Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan, H.P.**

**Tel. : 01795-654001/02/03 Fax : 01795-236939**

**Website: [www.brookslabs.net](http://www.brookslabs.net)**

**BOARD OF DIRECTORS**

Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Dr. D.S. Maity	CEO-cum-Technical Director
Mr. Dinesh Puri	Independent Director
Mr. Rajnish Bedi	Independent Director
Mr. Anil Khanna	Independent Director

**COMPANY SECRETARY**

Ms. Ashima Banodha

**BANKERS**

State Bank of India  
Axis Bank

**AUDITORS**

**M/S J. K. JAIN & ASSOCIATES**  
Chartered Accountants  
SCO 1132-33, Sector 22-B  
Chandigarh.  
Tel. : 0172-2704536-37

**REGD. OFFICE & WORKS**

Village Kishanpura  
Nalagarh Road  
Baddi, Distt. Solan, H.P.  
Tel. : 01795-654001/02/03  
Fax : 01795-236939

**CORPORATE OFFICE**

203/204, Eco House  
2nd Floor, Vishveshwar Nagar,  
Goregaon (East)  
Mumbai - 400 063, INDIA.  
Tele : +91-22-29275901/2/3  
Fax : +91-22-29275905

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound  
L.B.S. Marg, Bhandup (W)  
Mumbai.  
Tel. : 022-25946970

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## NOTICE

**NOTICE** is hereby given that the **TENTH ANNUAL GENERAL MEETING** of the Members of **BROOKS LABORATORIES LIMITED** will be held on **Tuesday, the 25<sup>th</sup> day of September, 2012 at 11.30 A.M. at HOTEL GIANZ, BADDI-NALAGARH HIGHWAY, TEH. NALAGARH, DISTT. SOLAN, H.P.** to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012, the Statement of Profit and Loss for the year ended on that date, together with the Report of Auditors, Directors' Report and Report on Corporate Governance thereon.
2. To appoint a Director in place of Mr. Atul Ranchal who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rajesh Mahajan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors for the financial year 2012-13 and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

**"RESOLVED THAT** M/s J K Jain and Associates, Chartered Accountants, Chandigarh, being eligible under Section 224(1B) and 224(1C) of the Companies Act, 1956 and having offered themselves for re-appointment, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company in mutual consultation with the Auditors."

### **SPECIAL BUSINESS:**

#### **5. APPOINTMENT OF MR. DINESH PURI AS INDEPENDENT DIRECTOR**

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

**"RESOLVED THAT** Mr. Dinesh Puri, who was appointed as an Additional Director on the Board w.e.f. 23.05.2012 pursuant to Section 260 of the Companies Act, 1956 and whose term expires at this Annual General Meeting of the Company and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, from a member proposing his candidature for the office of the Director along with a deposit of Rs. 500/-, be and is hereby appointed as Independent Director on the Board of Directors of the Company whose office will be liable to determination by retirement by rotation under Articles 175 and 177 of the Articles of Association of the Company."

#### **6. APPOINTMENT OF MR. RAJNISH KUMAR BEDI AS INDEPENDENT DIRECTOR**

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

**"RESOLVED THAT** Mr. Rajnish Kumar Bedi, who was appointed as an Additional Director on the Board w.e.f. 23.05.2012 pursuant to Section 260 of the Companies Act, 1956 and whose term expires at this Annual General Meeting of the Company and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, from a member proposing his candidature for the office of the Director along with a deposit of Rs. 500/-, be and is hereby appointed as Independent Director on the Board of Directors of the Company whose office will be liable to determination by retirement by rotation under Articles 175 and 177 of the Articles of Association of the Company."

#### **7. APPOINTMENT OF MR. ANIL KHANNA AS INDEPENDENT DIRECTOR**

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

**"RESOLVED THAT** Mr. Anil Khanna, who was appointed as an Additional Director on the Board w.e.f. 28.06.2012 pursuant to Section 260 of the Companies Act, 1956 and whose term expires at this Annual General Meeting of the Company and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, from a member proposing his candidature for the office of the Director along with a deposit of Rs. 500/-, be and is hereby appointed as Independent Director on the Board of Directors of the Company whose office will be liable to determination by retirement by rotation under Articles 175 and 177 of the Articles of Association of the Company."

#### **8. INCREASE IN REMUNERATION OF MR. ATUL RANCHAL, CHAIRMAN**

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

**"RESOLVED THAT** pursuant to the provisions of sections 198, 269 and 309 read with the provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) the consent and approval of the Company be and is hereby accorded for increase in maximum remuneration payable to **Mr. Atul Ranchal, Chairman cum Whole Time Director of the Company**, from Rs. 3,00,000/- per month upto Rs. 3,50,000/- per month w.e.f. 1<sup>st</sup> October, 2012 to 30<sup>th</sup> September, 2015 as approved by the Remuneration Committee, with 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 Mr. Atul Ranchal subject to the conformity with the provisions of the Companies Act, 1956 and Schedule XIII.



**RESOLVED FURTHER THAT** Mr. Atul Ranchal, Chairman cum Whole Time Director, shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as may, from time to time, be available to other senior executives of the Company."

**9. INCREASE IN REMUNERATION OF MR. RAJESH MAHAJAN, MANAGING DIRECTOR**

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

**"RESOLVED THAT** pursuant to the provisions of sections 198, 269 and 309 read with the provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) the consent and approval of the Company be and is hereby accorded for increase in maximum remuneration payable to **Mr. Rajesh Mahajan, Managing Director of the Company**, from Rs. 3,00,000/- per month upto Rs. 3,50,000/- per month w.e.f. 1<sup>st</sup> October, 2012 to 30<sup>th</sup> September, 2015 as approved by the Remuneration Committee, with 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 Mr. Rajesh Mahajan subject to the conformity with the provisions of the Companies Act, 1956 and Schedule XIII.

**RESOLVED FURTHER THAT** Mr. Rajesh Mahajan, Managing Director, shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time be available to other senior executives of the Company."

**10. INCREASE IN REMUNERATION OF DR. D.S. MAITY, TECHNICAL DIRECTOR**

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

**"RESOLVED THAT** pursuant to the provisions of sections 198, 269 and 309 read with the provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) the consent and approval of the Company be and is hereby accorded for increase in maximum remuneration payable to **Dr. D.S. Maity, Technical Director of the Company**, from Rs. 92000/- per month upto Rs. 125000/- per month w.e.f. 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2015 as approved by the Remuneration Committee, with 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, 1956 and Schedule XIII.

**RESOLVED FURTHER THAT** Dr. D.S. Maity, Technical Director, shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time be available to other senior executives of the Company."

**11. APPOINTMENT OF MRS. DAVINDER KUMARI, RELATIVE OF CHAIRMAN, AS CORPORATE OFFICE MANAGER**

**To consider and, if thought fit, to pass with or without modifications, if any, the following Resolution as Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 314 (1B) and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactments thereof for the time being in force, the consent of the Company be and is hereby accorded to the **appointment of Ms. Davinder Kumari**, Mother of Mr. Atul Ranchal, who is the Chairman of the Company, as to hold an office or place of profit (as Manager, Corporate Office) on contractual basis for 5 years from 01.10.2012 till 30.09.2017 at a maximum remuneration of Rs. 2,50,000/- (Rupees Two Lacs Fifty Thousand only) per month together with the usual allowances and benefits, amenities and facilities including retiring gratuity benefits applicable to other employees occupying similar posts within the same salary scale or grade."

**12. UTILIZATION OF FUNDS RAISED THROUGH PUBLIC ISSUE**

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

**"RESOLVED THAT** pursuant to the provision(s) of Section 61 and other applicable provisions, if any, of the Companies Act, 1956 and other applicable rules, regulations, guidelines and other statutory provision(s) for the time being in force, approval of the members of the Company be and is hereby accorded and the Board of Directors (hereinafter called the 'Board' which term shall be deemed to include any Board committee authorized to exercise its powers including the powers conferred by this resolution), be and is hereby authorized to vary, alter, modify, revise or amend the terms referred to in the Prospectus dated 22<sup>nd</sup> August, 2011, filed by the Company with the Registrar of the Companies, Punjab and Chandigarh (the 'Prospectus') including to vary, amend, modify and/ or revise the utilization of the proceeds from the Initial Public Offering ('IPO') of Equity Shares made in pursuance of the said Prospectus and to utilize the proceeds from the IPO in relation to the funds intended for setting up a unit in Gujarat for manufacturing of various pharmaceutical formulations including, but not limited to, change in allocation intended for acquisition of land, land development, change in amount or schedule of deployment of funds for Civil Work, plant and machinery, utilities or general corporate purpose for the projects identified in the Prospectus, as the case may be.



**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, deal with such matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question(s) that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to their end and intent that the members 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 to any committee of directors as may be constituted by the Board of Directors or any other officer(s)/ authorized representative(s) of the Company to give effect to the aforesaid resolution."

### 13. INCREASE IN BORROWING POWERS

**To consider and, if thought fit, to pass with or without modifications, if any, the following Resolution as Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or reenactments thereof for the time being in force, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money for and on behalf of the Company from time to time for the purpose of the Company notwithstanding that the money to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the company and its free reserves, which have not been set apart for any specific purpose but so that the total amount upto which the money may be borrowed shall not exceed **Rs. 300 crores** (Rupees Three Hundred crores only), over and above the paid up capital and free reserves."

### 14. ALTERATION OF ARTICLES OF ASSOCIATION

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

**"RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, Articles of Association of the Company be and are hereby altered by inserting the following two new Articles i.e. 113A and 199A after existing Article 113 and Article 199 respectively:

#### 113A: Participation in General Meeting(s) of the Members through electronic mode

- (1) Notwithstanding anything contrary contained in the Articles of Association, the Company may, in pursuance of and subject to compliance with the provisions of applicable rules, regulations, circulars, guidelines, notifications etc. as may be specified by the Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority and the provisions, if any, which may be laid down in this regard by any amendment in or re-enactment of the Companies Act, 1956 or by the rules, regulations, etc. made there under or the Listing Agreement with Stock Exchanges, from time to time, allow the member(s) of the Company to participate in the General Meeting(s) of the members through any type of electronic mode like video conferencing etc. and the members so participating shall be deemed to be present in such General Meeting(s) for the purposes of the quorum, voting, recording of minutes and all other relevant provisions in this regard.
- (2) For conducting the aforesaid meetings, the Company shall follow the procedure specified under the applicable laws for the time being in force and the rules, regulations, circulars, notifications, guidelines etc. issued/ to be issued from time to time by Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority(ies) in this regard.

#### 199A: Participation in Meeting(s) of Directors through electronic mode

- (1) Notwithstanding anything contrary contained in the Articles of Association, the Company may, in pursuance of and subject to compliance with the applicable rules, regulations, circulars, guidelines, notifications etc. as may be specified by the Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority and the provisions, if any, which may be laid down in this regard by any amendment in or re-enactment of the Companies Act, 1956 or by the rules, regulations, etc. made there under or the Listing Agreement with Stock Exchanges, from time to time, the Director(s) may participate in the meeting(s) of the Board or any Committee of the Directors through any type of electronic mode like video conferencing etc. and the Director(s) so participating shall be deemed to be present in the meeting for the purposes of the quorum, voting, recording of minutes and all other relevant provisions in this regard.
- (2) For conducting aforesaid meetings, the Company shall follow the procedure specified under the applicable laws for the time being in force, and the rules, regulations, circulars, notifications, guidelines etc. issued/ to be issued from time to time by Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority(ies) in this regard."

Place: Baddi  
Date: 29.08.2012

By order of the Board of Directors  
Sd/-  
Ashima Banodha  
Company Secretary

**NOTES:**

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

PROXIES, TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. PROXY FORM ATTACHED.

2. Corporate members intending to send their authorized 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, as provided Under Section 187 of the Companies Act, 1956.
3. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is annexed hereto as Annexure I and forms part of the Notice.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from **Tuesday, 18<sup>th</sup> September, 2012 to Tuesday, 25<sup>th</sup> September, 2012**, both days inclusive.
5. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is annexed hereto as Annexure II.
6. Members holding shares in physical form are requested to forward all applications for transfers and all other shares-related correspondence (including intimation for change of address) to the Share Transfer Agents of the Company at the following address:

**Link Intime India Private Limited**  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W), Mumbai- 400078  
Tel: 022- 2594 6970 Fax: 022- 2594 6969  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Contact person: Ms. Chaitali Jadahav

7. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling Form 2B in duplicate with the Share Transfer Agents which, on request will supply blank forms.  
Members holding shares in the dematerialised form may contact the Depository Participant for recording nomination in respect of their shares.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
9. Members who wish to obtain any information on the Company may send their queries at least 7 days before the Annual General Meeting to the Company Secretary at the Company's Registered Office at Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan, H.P.
10. Members may please note that, Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transactions and off market/ private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish copy of PAN card to the Company/Share Transfer Agents for registration of such transfer of shares.  
Members may please note that, SEBI has also made it mandatory for submission of PAN in the following cases viz., (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s), and (iii) Transposition of shares.
11. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing companies to send documents to their shareholders in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, members who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the Share Transfer Agents of the Company and register their email-id. Members holding shares in dematerialised form are requested to contact their Depository Participant.  
Members who have registered their email ids with the Depository will be sent the Notice of the AGM and Annual Report by email. Members may please note that notices, annual reports, etc. will be available on the Company's website - [www.brookslabs.net](http://www.brookslabs.net) and the same shall also be available for inspection, during office hours, at the Registered Office of the Company. Members will be entitled to receive the said documents in physical form free of cost at any time upon request.

Place: Baddi  
Date: 29.08.2012

By order of the Board of Directors  
Sd/-  
Ashima Banodha  
Company Secretary



### **Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**

#### **ITEM No. 5:**

Mr. Dinesh Puri was appointed as Additional Director of the Company w.e.f. 23.05.2012 as per the Articles of Association of the Company and pursuant to Section 260 of the Companies Act, 1956, to hold office up to the date of this Annual General Meeting.

Notice under Section 257 of the said Act has been received from a member alongwith a deposit of Rs.500/- proposing the name of Mr. Dinesh Puri, for appointment as Director of the Company. Mr. Dinesh Puri has already filed his consent to act as a Director, with the Company.

The Resolution as set out in Item No. 5 of the Notice will be placed before the meeting for the approval of the Members.

Your Directors recommend the approval of the proposed resolution by the Members.

None of the Directors of the Company is directly or indirectly interested, except Mr. Dinesh Puri, in the Resolution.

#### **ITEM No. 6:**

Mr. Rajnish Kumar Bedi was appointed as Additional Director of the Company w.e.f. 23.05.2012 as per the Articles of Association of the Company and pursuant to Section 260 of the Companies Act, 1956, to hold office up to the date of this Annual General Meeting.

Notice under Section 257 of the said Act has been received from a member alongwith a deposit of Rs.500/- proposing the name of Mr. Rajnish Kumar Bedi, for appointment as Director of the Company. Mr. Rajnish Kumar Bedi has already filed his consent to act as a Director, with the Company.

The Resolution as set out in Item No. 6 of the Notice will be placed before the meeting for the approval of the Members.

Your Directors recommend the approval of the proposed resolution by the Members.

None of the Directors of the Company is directly or indirectly interested, except Mr. Rajnish Kumar Bedi, in the Resolution.

#### **ITEM No. 7:**

Mr. Anil Khanna was appointed as Additional Director of the Company w.e.f. 28.06.2012 as per the Articles of Association of the Company and pursuant to Section 260 of the Companies Act, 1956, to hold office up to the date of this Annual General Meeting.

Notice under Section 257 of the said Act has been received from a member alongwith a deposit of Rs.500/- proposing the name of Mr. Anil Khanna, for appointment as Director of the Company. Mr. Anil Khanna has already filed his consent to act as a Director, with the Company.

The Resolution as set out in Item No. 7 of the Notice will be placed before the meeting for the approval of the Members.

Your Directors recommend the approval of the proposed resolution by the Members.

None of the Directors of the Company is directly or indirectly interested, except Mr. Anil Khanna, in the Resolution.

#### **ITEM NO. 8:**

Mr. Atul Ranchal has been associated with the Company since incorporation and has been instrumental in formulation of long-term vision and strategy of the Company. Since working of the Company has increased manifold and Mr. Atul Ranchal is involved in the day to day affairs of the Company, it is recommended that maximum remuneration of Rs. 3,50,000 per month be payable to Mr. Atul Ranchal, Chairman cum Whole Time Director of the Company, for a period of 3 years w.e.f. 01.10.2012.

The Directors of the Company, on recommendation made by the Remuneration Committee, have approved the proposal of increase in his remuneration, subject to the approval of the members.

The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person.

#### **I. GENERAL INFORMATION ABOUT THE COMPANY:**

##### **Nature of Industry:**

Pharmaceuticals

##### **Date of Commencement of Commercial Production:**

June 2006

##### **Financial Performance of the Company:**

##### **Turnover**

Rs. 560,758,292

##### **Net Profit after tax**

Rs. 88,359,057

##### **Export performance and net foreign exchange collaborations:**

NIL

##### **Foreign investments:**

NIL



**II. INFORMATION ABOUT THE APPOINTEE:****i) Background Details & Job Profile:**

Details are enclosed in Annexure II.

**ii) Past Remuneration:**

Remuneration was being paid to Mr. Atul Ranchal on a monthly basis of Rs. 3,00,000/- .

**iii) Remuneration Proposed:**

It is recommended that maximum remuneration of Rs. 3,50,000 per month be paid to Mr. Atul Ranchal, Chairman cum Whole Time Director of the Company for a period of 3 years w.e.f. 01.10.2012.

**iv) Pecuniary Relationship:**

Mr. Atul Ranchal is in pecuniary relationship with the Company in the form of Remuneration only.

Your approval is also sought to the proposed resolution. The directors recommend adoption of the aforesaid resolution.

None of the Directors of the Company is directly or indirectly interested, except Mr. Atul Ranchal, in the Resolution.

**ITEM NO. 9:**

Mr. Rajesh Mahajan has been associated with the Company since incorporation and has been instrumental in formulation of long-term vision and strategy of the Company. Since working of the Company has increased manifold and Mr. Rajesh Mahajan is involved in the day to day affairs of the Company, it is recommended that maximum remuneration of Rs. 3,50,000 per month be payable to Mr. Rajesh Mahajan, Managing Director of the Company, for a period of 3 years w.e.f. 01.10.2012.

The Directors of the Company, on recommendation made by the Remuneration Committee, have approved the proposal of increase in his remuneration, subject to the approval of the members.

The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person.

**I. GENERAL INFORMATION ABOUT THE COMPANY:****Nature of Industry:**

Pharmaceuticals

**Date of Commencement of Commercial Production:**

June 2006

**Financial Performance of the Company:****Turnover**

Rs. 560,758,292

**Net Profit after tax**

Rs. 88,359,057

**Export performance and net foreign exchange collaborations:**

NIL

**Foreign investments:**

NIL

**II. INFORMATION ABOUT THE APPOINTEE:****i) Background Details & Job Profile:**

Details are enclosed in Annexure II.

**ii) Past Remuneration:**

Remuneration was being paid to Mr. Rajesh Mahajan on a monthly basis of Rs. 3,00,000/- .

**iii) Remuneration Proposed:**

It is recommended that maximum remuneration of Rs. 3,50,000 per month be paid to Mr. Rajesh Mahajan, Managing Director of the Company for a period of 3 years w.e.f. 01.10.2012.

**iv) Pecuniary Relationship:**

Mr. Rajesh Mahajan is in pecuniary relationship with the Company in the form of Remuneration only.

Your approval is also sought to the proposed resolution. The directors recommend adoption of the aforesaid resolution.

None of the Directors of the Company is directly or indirectly interested, except Mr. Rajesh Mahajan, in the Resolution.

**ITEM NO. 10:**

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. Since working of the Company has increased manifold and Dr. D. S. Maity is involved in the day to day affairs of the Company, it is recommended that maximum remuneration of Rs. 1,25,000 per month be payable to Dr. D. S. Maity, Technical Director of the Company, for a period of 3 years w.e.f. 01.04.2012.



- The Directors of the Company, on recommendation made by the Remuneration Committee, have approved the proposal of increase in his remuneration, subject to the approval of the members.
- The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person.

#### I. GENERAL INFORMATION ABOUT THE COMPANY:

<b>Nature of Industry:</b>	Pharmaceuticals
<b>Date of Commencement of Commercial Production:</b>	June 2006
<b>Financial Performance of the Company:</b>	
Turnover	Rs. 560,758,292
Net Profit after tax	Rs. 88,359,057
<b>Export performance and net foreign exchange collaborations:</b>	NIL
<b>Foreign investments:</b>	NIL

#### II. INFORMATION ABOUT THE APPOINTEE:

- Background Details & Job Profile:**  
Details are enclosed in Annexure II.
- Past Remuneration:**  
Remuneration was being paid to Dr. D. S. Maity on a monthly basis of Rs. 92,000/- .
- Remuneration Proposed:**  
It is recommended that maximum remuneration of Rs. 1,25,000 per month be paid to Dr. D. S. Maity, Technical Director of the Company for a period of 3 years w.e.f. 01.04.2012.
- Pecuniary Relationship:**  
Dr. D. S. Maity is in pecuniary relationship with the Company in the form of Remuneration only.  
Your approval is also sought to the proposed resolution. The directors recommend adoption of the aforesaid resolution.  
None of the Directors of the Company is directly or indirectly interested, except Dr. D. S. Maity, in the Resolution.

#### ITEM NO. 11

Under Section 314 (1B) of the Companies Act, 1956, it is necessary to obtain the prior consent of the Company by a special resolution for holding or continuing to hold office or place of profit under the Company carrying a prescribed monthly remuneration.

Mrs. Davinder Kumari possesses exceptional organisational capacity and leadership qualities. In order to strengthen the activities of Corporate Office, it is proposed to appoint her as Corporate Office Manager at a maximum remuneration of Rs. 2,50,000/- per month with usual allowances and benefits. Since she is the Mother of Mr. Atul Ranchal, Chairman of the Company, the proposed resolution is intended to obtain the consent of the shareholders.

None of the Directors, except Mr. Atul Ranchal, is interested or connected in this Resolution.

#### ITEM NO. 12

The Company had issued Prospectus dated 22<sup>nd</sup> August, 2011 for raising funds through the Initial Public Offering ('IPO' / 'Issue') of the Equity Shares. Accordingly, the Company had made the IPO through 100% Book building route and raised Rs. 6300 Lacs by issuing 63,00,000 Equity Shares of Rs. 10 each of the Company for cash, at a price of Rs. 100 per Equity Share (including securities premium of Rs. 90 per Equity Share). The total proceeds of IPO were planned with certain objects ('Identified Objects'), as more particularly stated and described under section titled 'Objects of the Issue' on Page 67 of the Prospectus, as were considered appropriate and necessary by the management at that point of time and as detailed hereunder:-

##### Cost of the Project

Sr. No.	Object	Rs. In Lacs
		Total Estimated Cost
1	Land	635.00
2	Building Construction	1220.00
3	Plant & Machinery	1994.00
4	Utilities	1100.00
5	Misc. Fixed Assets	230.00
6	Long term working capital	500.00
7	General corporate purposes	328.29
8	Listing Fees to Stock Exchanges	0.96
9	Issue Expenses	291.75
	<b>Total Cost of the Project</b>	<b>6300.00</b>