

30th Annual Report
2013-2014

Care,
Concern
and Cure...



PARENTERAL DRUGS (INDIA) LIMITED



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Company Information

Board of Directors

Executive Directors

Mr. Manohar Lal Gupta

Chairman

Mr. Vinod Kumar Gupta

Managing Director

Mr. Govind Das Garg

Whole-Time Director

Mr. Anil Mittal

Whole-Time Director & Chief Executive

Non-Executive Directors

Mr. Satish Chandra Consul

Independent Director

Mr. Dharam Pal Khanna

Independent Director

Mr. Dilip Kumar Panchaity

Independent Director

Mr. Dilip Kumar Sinha

Independent Director

Ms. Aradhana Kulkarni

Company Secretary & Compliance Officer

Manufacturing Locations

Madhya Pradesh

Village Asrawad,
Post Dudhia, Nemawar Road,
Indore-452 016

Himachal Pradesh

Village Bhud,
Tehsil Nalagarh,
Dist. Solan-173 205

Registered Office

340, Laxmi Plaza, Laxmi Industrial Estate,
New Link Road, Andheri (West),
Mumbai-400 053 (Maharashtra)
e-mail: pdpl@pdindia.com
website: www.pdindia.com

Corporate Office & Investors Grievances Centre

Shree Ganesh Chambers,
Navlakha Crossing, A. B. Road,
Indore-452 001 (Madhya Pradesh)
e-mail: investor@pdindia.com

Auditors

M/s. T.N. Unni & Co.
Chartered Accountants,
402, Alankar Point, Geeta Bhawan Square,
Indore-452 001 (Madhya Pradesh)

Bankers

State Bank of India
Punjab National Bank

Registrar and Share Transfer Agent

Link Intime India Private Limited
C-13, Kantilal Maganlal Estate,
Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai -400 078
Tel. No.: 022 - 25946970
Fax No.: 022 - 25946969
e-mail : rnt.helpdesk@linkintime.co.in

N O T I C E

NOTICE is hereby given that the 30th Annual General Meeting of the members of Parenteral Drugs (India) Limited will be held on Tuesday, the 30th day of September, 2014, at 9.30 a.m. at The Classique Club, Behind Infinity Mall, Link Road, Oshiwara, Andheri (West), Mumbai-400 053 to transact the following business:-

ORDINARY BUSINESS

1. To consider, approve and adopt the Balance Sheet of the company as on 31st March, 2014 and the Profit and Loss Account for the year ended on that date and the reports of the Directors' and the Statutory Auditors' thereon.
2. To re-appoint Shri Govind Das Garg, Whole-Time Director of the company, who is liable to retire by rotation and being eligible offers himself for re-appointment.
3. To re-appoint the Statutory Auditors of the Company to hold the office from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting of the company and to fix their remuneration.

SPECIAL BUSINESS

ITEM NO. 4

APPOINTMENT OF SHRI DILIP KUMAR SINHA AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provision of sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Dilip Kumar Sinha (DIN: 00366192), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five(5) consecutive years from 1st October, 2014 upto 30th September, 2019;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds or things to give effect to the aforesaid resolution."

ITEM NO. 5

APPOINTMENT OF SHRI DHARAM PAL KHANNA AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provision of sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Dharam Pal Khanna (DIN: 00041106), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five(5) consecutive years from 1st October, 2014 upto 30th September, 2019;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds or things to give effect to the aforesaid resolution."

ITEM NO.6**APPOINTMENT OF SHRI DILIP KUMAR PANCHAITY AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

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

“RESOLVED THAT pursuant to the provision of sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Dilip Kumar Panchaity (DIN: 00081328), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five(5) consecutive years from 1st October, 2014 upto 30th September, 2019;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds or things to give effect to the aforesaid resolution.”

ITEM NO.7**APPOINTMENT OF SHRI SATISH CHANDRA CONSUL AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

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

“RESOLVED THAT pursuant to the provision of sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Satish Chandra Consul (DIN: 00041077), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five(5) consecutive years from 1st October, 2014 upto 30th September, 2019;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds or things to give effect to the aforesaid resolution.”

ITEM NO.8**RATIFICATION OF REMUNERATION OF COST AUDITOR OF THE COMPANY**

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

“RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and as recommended by the Audit Committee, M/s. A. Goyal & Co., Cost Accountant, Jaipur (Firm Registration No. 101308), were appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2015 and the members of the company hereby ratify the payment of remuneration to the Cost Auditors of Rs. 70,000/- (Rupees Seventy Thousand Only) plus service tax, as applicable and out of pocket expenses;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution.”

ITEM NO. 9**RE-APPOINTMENT OF SHRI GOVIND DAS GARG AS WHOLE-TIME DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provision of sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Companies Act, 2013, as amended from time to time and as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of members of the Company be and is hereby accorded to re-appoint Shri Govind Das Garg (DIN: 00520067) as Whole-Time Director of the Company for a period of three(3) years w.e.f. 1st January, 2015 on a consolidated monthly remuneration of Rs. 1,25,000/- (Rupees One Lac Twenty Five Thousand Only) and contribution to Provident and Gratuity Fund as may be applicable and will be liable to retire by rotation under the provisions of section 152 of the Companies Act, 2013;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the Company be and is hereby authorised to file necessary forms with the Registrar of Companies, Maharashtra, as may be required under the provisions of the Companies Act, 2013 in this regard."

ITEM NO. 10**ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of section 14 and other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby adopted in substitution of the regulation contained in the existing Articles of Association of the company;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorized to do all such acts, deeds and to take all necessary actions in this regard including filing of forms, if any, with the Registrar of Companies, Maharashtra."

ITEM NO. 11**AUTHORITY TO CREATE CHARGE OVER THE ASSETS OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable rules made thereunder, approval of the members of the company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as 'the Board') to create mortgages and charges in addition to the existing mortgages and charges already created or to be created by the company, as the Board may decide, on the assets of the company, whether movable or immovable, both present and future, in favour of lender banks to secure various financial facilities extended by them to the company to the tune of Rs. 451.93 Crores (Rupees Four Hundred Fifty One Crore and Ninety Three Lacs Only);

RESOLVED FURTHER THAT all monies already borrowed within the aforesaid limit and charges already created and satisfied and other steps taken in respect of the financial facilities availed by the company during the financial year from the above Bankers and also from any other bank or financial institution and the documents executed by the Board in respect of the said financial facilities be and are hereby ratified and confirmed;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorized to do all such acts, deeds and to take all necessary actions in this regard including filing of forms, if any, with the Registrar of Companies, Maharashtra."

ITEM NO. 12**AUTHORITY TO THE BOARD OF DIRECTORS TO BORROW MONEY**

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

"RESOLVED THAT in suppression of the resolution passed at the Annual General Meeting of the members of the company held on 28th December, 2009 and pursuant to the provisions of section 180(1)(c) and other applicable provisions 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) approval of the members of the company be and is hereby accorded to

the Board of Directors (hereinafter referred to as “the Board”) to borrow any sum(s) of money, from time to time, from any one or more of the bankers of the company and/or from any one or more other persons, firms, body corporate or financial institutions whether by way of cash credit, advances or deposits, loans or bill discounting, issue of debentures, bonds or otherwise and whether secured or unsecured by mortgage, hypotheciation, charge, lien or pledge on assets and properties of the company, whether immovable or movable, stock in trade (including raw materials, stores, spare parts and components in stock or in transit) and work in progress and all or any of the undertakings of the company notwithstanding the monies to be borrowed together with the monies already borrowed by the company (apart from temporary loans obtained from the bankers of the company in the ordinary course of business) exceeds the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed by the Board and outstanding at any point of time, in the ordinary course of business, shall not exceed Rs. 1000 Crores (Rupees One Thousand Crores Only);

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorised to execute all such documents, debentures, trust deed or mortgage, charge, hypotheciation, lien, promissory notes, deposit receipts and instruments, or writings containing such conditions and covenants as the Board may think fit;

RESOLVED FURTHER THAT Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorized to do all such acts, deeds and to take all necessary actions in this regard including filing of forms, if any, with the Registrar of Companies, Maharashtra.”

Place: Indore

Date: 14th August, 2014

BY ORDER OF THE BOARD

Vinod Kumar Gupta

Managing Director

NOTES

1. Statement pursuant to section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
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 Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Members holding shares in physical form are requested to forward all applications for transfer and all other share related correspondence (including intimation for change of address) to the Share Transfer Agent of the Company at the following address: Link Intime India Private Limited, C-13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078.
4. The members are requested to:
 - a. Intimate to the Registrar/ Company, changes, if any, in their registered address at an early date along with the PIN code.
 - b. Quote registered folio/client ID and DP ID in all their correspondence.
5. Members holding shares in dematerialized form (electronic form) are requested to intimate any change in their address, bank mandate etc., directly to their respective depository participants.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd September, 2014 to 30th September, 2014 (both days inclusive).
7. Electronic copy of the Annual Report is being sent to all the members whose e-mail IDs are registered with the company/Depository Participants unless any member has requested for a hard copy of the same for members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
8. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
9. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participant for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the Registrar and Share Transfer Agent, giving reference of their folio number.
10. A member who has not claimed his/her dividend for the years 2006-2007 to 2009-2010 are requested to write to the Registrar and Share Transfer Agent to claim his/her dividend. Pursuant to provisions of section 205A(5) of the Companies Act, 1956, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund established by the Central Government.

Further, the Company shall not be in a position to entertain the claims of shareholders for the unclaimed part of the dividend paid for the financial year 2006-2007, after the last date i.e. 28th September, 2014.

11. In accordance with the provisions of section 72 of the Companies Act, 2013, members are entitled to make nomination in respect of Equity Shares held by them, in physical form. Members desirous of making nomination may avail the facility of nomination by nominating in the prescribed "Nomination Form"; a person to whom his/her shares in the Company shall vest in the event of his/her death.

12. Voting through electronic means

Pursuant to the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members, the facility to exercise their right to vote at the 30th Annual General Meeting by electronic means. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

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

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case, the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters eg. if, your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly 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 out print of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 24th September, 2014 at 9.00 a.m. and ends on 26th September, 2014 at 6.00 p.m. During this period, shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 23rd September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 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.co.in under help section or write an e-mail to helpdesk.evoting@cdslindia.com or contact at CDSL helpline Tel. No. 022-66069031.
- (xviii) The Company has appointed Shri R. K. Nuwal, Chartered Accountants, as the Scrutinizer who will scrutinize the electronic voting process in a fair and transparent manner.
- (xix) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xx) The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website.