

Board of Directors

Dr. Ranabir Mukherjee	Mr. Sukamal Chandra Basu
Dr. Subrata Das Gupta (22.10.2013)	Mr. Dilip Samadar
Mr. Probir Roy	Mr. Chiraranjan Addy
Prof. (Dr.) Suman Kumar Mukerjee	Dr. Abhijit Banerjee
Prof. (Dr.) Himadri Sengupta	

Managing Directors

Mr. Amit Kumar Sen
Mr. Debarshi Dutttagupta

Manager – Project Finance & Company Secretary

Mr. Nirjhar Mukhopadhyay

Chief Financial Officer

Mr. Subrata Ray

Statutory Auditors

M/s APS Associates
Chartered Accountants
3-C, Madan Street, 1st Floor
Kolkata 700 072

Cost Auditors

M/s N.K.Samanta & Co.
Cost Accountants
P-31, Ramkrishna Pally, South Roynagar,
Bansdroni, Kolkata 700 070

Principal Bankers

United Bank of India
Hazra Road Branch
53, S. P. Mukherjee Road, Kolkata 700 026
The Hongkong & Shanghai Banking Corporation Limited
31, B. B. D. Bagh, Kolkata 700 001

Bankers

Andhra Bank, AXIS Bank Ltd., Bank of Baroda, Bank of India, Central Bank of India, HDFC Bank Ltd., Indian Bank, Indian Overseas Bank, ING Vysya Bank, Punjab National Bank, State Bank of India, State Bank of Travancore, The Kapol Co-operative Bank Ltd. & Union Bank of India.

Registered Office

6, Nandalal Bose Sarani, Kolkata 700 071
CIN : U24231WB1936PLC008598
Website : www.eastindiapharma.org



A DECADE AT A GLANCE

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Fixed Assets	1103.69	1260.99	1402.34	1367.92	1401.32	1518.51	1514.75	1369.35	817.35	700.85
Current Assets, Loans & Advances	9176.10	8008.28	7220.88	6885.54	6191.97	5389.37	5025.11	4173.80	4511.46	4372.49
Share Capital	667.45	667.45	667.45*	444.97	444.97	444.97	444.97	444.97	444.97	444.97
Reserves & Surplus	3058.16	2751.12	2907.45	2857.42	2540.97	2329.62	2142.00	2004.33	1847.15	1836.30
Loans	2247.17	2449.85	2211.66	2086.67	2020.61	1865.32	1668.50	1436.59	1299.38	1495.86
Current Liabilities & Provisions	4684.44	3680.55	3077.77	3087.41	2771.09	2409.68	2385.36	1739.37	1803.34	1340.65
Sales	13561.78	12604.61	13375.27	12317.40	11523.93	10621.26	10312.12	9117.19	8335.61	8083.73
Cost of Materials	4204.59	4268.94	4051.96	3722.51	3890.29	3722.08	3166.44	2879.59	2697.48	2341.66
Staff Expenses	3774.07	3615.90	3608.24	3347.13	3087.13	2794.49	2428.82	2279.03	2073.02	2153.66
Contribution to Exchequer	1737.49	1455.00	1591.85	1378.26	1065.60	1033.49	1634.58	1403.67	1408.05	1494.94
Finance Cost	421.69	403.05	324.91	252.92	226.21	223.77	168.67	132.24	133.29	157.50
Profit/(Loss) Before Tax	321.87	(194.91)	566.88	657.04	589.33	473.04	382.94	287.00	136.68	66.30
Profit/(Loss) After Tax	307.04	(156.32)	388.87	472.11	351.44	317.77	254.80	274.63	86.96	55.14
Profit/(Loss) Retained	229.46	(156.32)	272.51	316.45	211.35	187.62	137.66	157.18	10.85	4.40
Dividend on Ordinary Shares	10%+	NIL	15%	30%	27%	25%	22.5%	17%	15%	10%

All figures are in lacs Rs.

+ Proposed

* Bonus Shares issued 1:2 capitalising from General Reserve and Capital Redemption Reserve.

Directors' Report

The Directors present the 77th. Annual Report of the Company for the year ended on 31st. March, 2014.

At the outset, the Directors regret to inform you the sad and sudden demise of Dr. Subrata Dasgupta on 22.10.2013. Late Dr. Dasgupta was a Director from 02.08.1996 till his death. The Directors place on record his contribution to the company during his tenure. During this period Dr. Ram Narayan Mukherjee who was our Director from May, 1983 till he retired on April, 2011 expired on 25.04.2014. On behalf of the shareholders the Directors pay their homage to the departed soul. May their soul rest in peace.

FINANCIAL RESULT

Particulars	2013-2014 (Rs.)	2012-2013 (Rs.)
Profit Before Depreciation, Interest & Tax (PBDIT)	9,40,33,317	4,39,57,067
Interest / Finance Charges	4,21,68,549	4,03,04,934
Profit Before Depreciation and Tax (PBDT)	5,18,64,768	36,52,133
Depreciation / Amortisation	1,96,77,285	2,31,43,629
Profit Before Tax (PBT)	3,21,87,483	(1,94,91,496)
Taxation Charge		
– Current Tax	35,00,000	NIL
– Deferred Tax Charge / (Written Back)	(20,16,116)	(38,59,246)
Profit After Tax (PAT)	3,07,03,599	(1,56,32,250)
Balance available for appropriation	3,07,03,599	(1,56,32,250)
Appropriations		
Proposed Dividend	66,74,518	NIL
Corporate Dividend Tax	10,82,807	NIL
Transfer to General Reserve	2,29,46,274	(1,56,32,250)
Surplus carried to Balance Sheet	—	—
Earnings per Ordinary share (Rs.)		
– Basic	4.60	(2.34)
– Diluted	4.60	(2.34)
Dividend per Ordinary Share (Rs.)	1.00	NIL

REVIEW OF OPERATIONS

In 2013-14 Indian Pharma Market experienced slow down with its growth rate going down to 9.8% from 16.6% of the previous year. This slow down can be attributed to the new Pharmaceutical Pricing Policy (NPPP). The NPPP implementation and the subsequent price corrections have resulted in a low off take in the first and second quarter of 2013-14.

There has been a decline in the growth of the top Indian companies as well as multinational companies. The trends in 2013-14 with the implementation of NPPP by the Govt. of India resulted in a drop of margin of all products that came under the purview of NPPP.

Against the above background, last year was one of the most challenging years. As stated earlier that new Drug Price Control Order came into reality in May, 2013. As a result 9 of our products were affected, particularly, the

Pyrigesic (paracetamol) group. Moreover, it created dispute with the Chemists and Druggists' Association as they demanded status quo on the quantum of commission and in general refused to accept the new norms as prescribed in the new DPCO. This impasse continued for the first 4 months till an understanding was arrived at. As a result, our sales for the first 6 months suffered, as the Pyrigesic (paracetamol) group is one of our important segments.

Enteroquinol came out of the DPCO, which we have already informed you. Fortunately during the year the price of Iodine also came down. As a result, we have been able to produce about 44.93 crores of tablet compared to 40.32 crores of the previous year. Throughout the year, there were concerted efforts to increase the turnover. We are happy to inform you that the turnover has increased to Rs. 135.62 crores as against Rs. 126.05 crores of last year. Rigorous measures are being taken to maintain the upward trend.

The other major challenges we faced during the year under review is cash crunch. As reported earlier, in the first 6 months, the tussle with the Chemists and Druggists' Association adversely affected sales and collection. While negotiation was in process with UBI for enhancing the credit limit as well as for the Capex loan, RBI put an embargo on UBI not to enhance the limit of those who are enjoying the credit limit exceeding Rs.10 crores. It still continues. As a result of this, cash crunch continued throughout the year. We are grateful to our suppliers and employees for bearing with us during this critical period.

DIVIDEND

In view of the improved performance the Directors propose to pay Dividend @ 10% on paid up shares of the Company, which will absorb Rs. 66,74,518/- & Dividend Distribution Tax Rs. 10,82,807/-. The remaining balance of Rs. 2,29,46,274/- is being transferred to general reserve.

DIRECTORS

There are major changes in the Companies Act, 2013. As a result we have to appoint 3 Independent Directors u/s 149, 150 and Schedule IV of Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Nomination & Remuneration Committee, in their meeting held on 28th. June, 2014 after considering the requirement of Independent Directors as laid down in the new Act recommended to the Board their decision to appoint Sarvasree Probir Roy, Dilip Samadar and Sukamal Chandra Basu as Independent Directors. The Board of Directors in their meeting held on 28th. June, 2014 accepted the recommendation of Nomination & Remuneration Committee and decided to appoint Sarvasree Probir Kumar Roy, Dilip Samadar and Sukamal Chandra Basu as Independent Directors. Under the aforesaid provisions of the Companies Act, 2013, they will be appointed for a period of 5 years and will not be liable to retire by rotation during this period. Their appointment along with their duties and responsibilities are subject to your approval in the AGM for which necessary resolution have been put forward.

Accordingly Dr. Ranabir Mukherjee, Prof. Suman K. Mukerjee and Mr. C. R. Addy retire by rotation and being eligible offer themselves for re-election. The Directors recommend that they be re-elected as Directors of the Company.

The Directors recommend that the same be approved.

COMMITTEES OF THE BOARD

Under the Companies Act, 1956 the Company had formed the following Committees:

(1) Audit Committee

(2) Remuneration Committee

After the Companies Act, 2013 being operational the company had to reconstitute the above Committees and also had formed some new Committees. Accordingly the Company now has the following Committees:

Directors' Report

(1) Audit Committee

(a) Mr. Probir Roy, Chairman	Independent Directors
(b) Mr. S. C. Basu	
(c) Mr. Dilip Samadar	
(d) Mr. Amit Kr. Sen	
(e) Mr. Debarshi Duttagupta	

(2) Nomination & Remuneration Committee

(a) Mr. S. C. Basu, Chairman	Independent Directors
(b) Mr. Probir Roy	
(c) Prof. Suman Mukerjee	Non-executive Director

(3) Stakeholders' Relationship Committee

(a) Mr. C. R. Addy, Chairman	Non-executive Director
(b) Dr. Himadri Sengupta	
(c) Dr. Abhijit Banerjee	

A. AUDIT COMMITTEE (Before Reconstitution):

The Audit Committee of the Company, inter alia, provides assurance to the Board on the adequacy of the internal control systems, financial disclosures and ensures that generally accepted accounting principles are observed by the Company. It also provides guidance and liaises with the Internal Auditors, Cost Auditor and the Statutory Auditors of the Company.

The terms of reference of the Audit Committee are in conformity with the requirements of Section 292A of the Companies Act, 1956.

Composition

The Audit Committee comprises of three independent Non-Executive Directors, Mr. Probir Roy, Chairman, Mr. Sukamal Chandra Basu and Dr. Himadri Sengupta. All the members are well versed in corporate finance and related areas. The Managing Directors – Mr. Amit Kr. Sen & Mr. Debarshi Duttagupta are also the members of the Audit Committee.

The Chief Financial Officer – Mr. Subrata Ray, the Chief Accountant – Mr. Somnath Ray and the Chief Internal Auditor – Mr. Arijit Dasgupta (up to 31st. March, 2014) are permanent invitees to the audit committee meeting. Mr. Nirjhar Mukhopadhyay, Manager-Project Finance & Company Secretary is the Secretary of the Committee.

Attendance

During the financial year ended 31st. March, 2014 two Meetings of the Audit Committee were held on 11.08.2013 & 29.03.2014.

Name of the Director	Number of meeting attended
Mr. Probir Roy	2
Mr. Sukamal Chandra Basu	2
Mr. Dilip Samadar	2
Dr. Himadri Sengupta	2
Mr. Amit Kumar Sen	2
Mr. Debarshi Duttagupta	2



The representatives of the Statutory Auditors & the Cost Auditors attended the Audit Committee Meeting held during the year.

B. REMUNERATION COMMITTEE (Before Reconstitution):

The Remuneration Committee of Directors recommends the Board of compensation terms of Executive Directors. Dr. Ranabir Mukherjee, Chairman of the Committee is an independent Non-Executive Director. The other members of the Committee are Mr. Sukamal Chandra Basu and Mr. Probir Roy.

Attendance

During the financial year ended 31st. March, 2014, one meeting of the Remuneration Committee was held on 30.12.2013.

Name of Director	Number of meeting attended
Dr. Ranabir Mukherjee	1
Mr. Probir Roy	1
Mr. Sukamal Chandra Basu	1

EXPORT

There has not been any significant activity. The total amount of export was Rs.57,566/- only.

FIXED DEPOSIT

The members are aware under the new Companies Act, 2013, the deposit accepted from public has to be repaid in full by March, 2015. Total amount outstanding up to 31st. March, 2014 was Rs.2,03,98,000/- and the same will be repaid during the year.

QASAR

There has not been any activity during the year. It suffered a loss of Rs. 6,393/- only during the year, which is being carried forward.

PARTICULAR OF EMPLOYEES

There is no employee whose remuneration is required to be disclosed Under Section 217(2A) of the Companies Act, 1956.

STATUTORY AUDITORS

M/s. APS Associates, Chartered Accountants, Kolkata – the Statutory Auditors of the Company will retire at the conclusion of this Annual General Meeting and are eligible for reappointment as Statutory Auditors for 2014-15. M/s. APS Associates, Chartered Accountants, Kolkata have sent their consent in writing of such appointment along with a certificate stating that their appointment, if made, shall be in accordance with Section 139 read with Section 141 of the new Companies Act, 2013. Based on the recommendation of the Audit Committee the Board of Directors of the Company proposed that M/s. APS Associates, Chartered Accountants, Kolkata be appointed as Statutory Auditors of the Company for a period of 5 consecutive years from the date of the conclusion of the AGM till the conclusion of the AGM to be held in 2019 subject to the approval and ratification, as the case may be, of the members.

Directors' Report

COST AUDITORS & COST AUDIT REPORT

M/s. N. K. Samanta & Co., Cost Accountants have been appointed Cost Auditors for the year 2014-15.

MANAGEMENT DISCUSSION AND OUTLOOK

As a developing country the demand of quality healthcare in India is growing faster. Therefore, it is imperative the policy makers should put more emphasis on the growth of healthcare service so that it caters every section of our society. It is expected that in the next 5 years the government expenditure on healthcare should increase to 5% of GDP as compared to little over 1% now. Currently only a negligible portion of India's 12 billion population have any access to affordable healthcare services. With widening scope of the Indian healthcare services, it is expected the Pharma Sector will also grow tremendously in the next 5 years.

We are now at the doorstep of our 80th. year. The last two years have been both trying and challenging for us. In spite of all the hurdles, our Shareholders have put their faith on us. Hopefully, we have left behind our nightmarish days and with all your support, the year 2014-15 will be the turnaround year. We need to spend about Rs. 8 crores for refurbishing our factories at Sarsuna and Durgapur to comply with the new regulations. We are confident that with a much improved result, we will be able to procure necessary funds for Capex.

The current year has started on a positive note. If the trend continues, we will be able to reach our target. Our strength is our employees. They have stood by us during the last two years and we are grateful to them. We are also indebted to medical fraternity for their support. Our suppliers have continued to support us in difficult times. Our grateful thanks to them. Our Bankers, UBI and HSBC, in spite of their difficulties have helped us and we hope after the end of current impasse, we will have the privilege of their support again. With all our stakeholders support, we hope for a bright 2014-15.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility Statement, your Directors confirm having:

- a) Followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- b) 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 at the end of the financial year ended on 31st. March, 2014 and of the profit of the Company for that period;
- c) Taken proper and sufficient care 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; and
- d) Prepared the Annual Accounts on a 'going concern' basis.

CONSERVATION OF ENERGY:

As a measure of conservation of energy, your Company has been conducting regular energy audits, equipment rationalization, particularly compressors and pumps, to maximize energy conservation and replacement of old equipment with new energy efficient items.



FORM – A

I. Form for disclosure of particulars with respect to conservation of energy.

A. Power & Fuel Consumption		Year ended 31st March, 2014	Year ended 31st March, 2013
1. Electricity			
(a) Purchased Unit	KWH	18,94,411	21,38,450
Total Amount	Rs.	1,79,86,417	1,86,94,921
Rate / Unit	Rs.	9.49	8.74
(b) Own Generation			
(i) Through Diesel			
Generator-Unit	KWH	40,164	41,976
Units per Lt. of Diesel Oil	KWH	3.23	3.66
Cost / Unit	Rs.	16.89	12.73
(ii) Through Steam			
Turbine/Generator		NIL	NIL
2. Furnace Oil			
Quantity	KL	NIL	NIL
Total Amount	Rs.	NIL	NIL
Average Rate	Rs. / KL	NIL	NIL
3. Others			
(a) LDO			
Quantity	KL	226.53	222.27
Total Amount	Rs.	1,40,81,194	1,50,38,550
Average Rate	Rs. / KL	62,160.39	67,658.93
(b) Servotherm			
Quantity	Lt	NIL	840
Total Amount	Rs.	NIL	1,59,914
Average Rate	Rs. / Lt	NIL	190.37

FORM - B

II. Form for disclosure of particulars with respect to Research & Development and Technology absorption.

A. Research and Development (R&D)

1. Tablets of Azithromycin and Levofloxacin, two antibiotic drugs, have been developed in the R&D. An anti-inflammatory and pain-management tablet comprising Paracetamol and Aceclofenac is in the process of development.

2. Benefits derived as a result of R&D

Some products developed in the R&D are awaiting commercialisation. Manufacturing processes of several existing products have been improved and implemented in the production scale.

Directors' Report

3. Expenditure on R&D:

Capital	Rs. NIL
Recurring	Rs. 1,13,83,230
Total	Rs. 1,13,83,230
Total R&D Expenditure (As a percentage of total turnover)	0.84%

B. Technology Absorption, Adaptation and Innovation

1. Quality medicines could be produced due to the introduction of modern equipment in the manufacturing and quality control facilities.
2. Innovation & newer technology absorption & adaptation has enabled the organisation to stay competitive in the pharma market.

III. Foreign Exchange Earnings and Outgo:

- A. Registration of our products – some products are already registered in Myanmar, Cambodia, Lao PDR, Chile, Brazil, Mozambique and are in process in Zambia.

B. Foreign Exchange:

Earned	Rs. 0.58 lakhs
Outgo	Rs. 1,302.55 lakhs
(including Rs. 1302.37 lacs for import of raw materials).	

For and on behalf of the Board of East India Pharmaceutical Works Ltd.

Kolkata, Dated, the 9th. August, 2014

Sd/- Ranabir Mukherjee
Chairman

Brief Profile of Directors seeking re-appointment at the Annual General Meeting

Prof. (Dr.) Ranabir Mukherjee

Date of Birth	3rd December, 1928
Qualification	MBBS (Cal), DMOS (Cal), MS (Lucknow), Ph. D (Cal), FRC Ophth. (London)
Resume	Prof. Mukherjee is a leading Eye Surgeon of the country. He was the President of the All India Ophthalmological Society (Chennai – 2000-2001), Former Vice Principal and Professor and Head of the Department of Ophthalmology, Calcutta National Medical College. Dr. Mukherjee was a member of the Senate of the Calcutta University for many years. He is a Fellow of the State Medical Faculty of West Bengal and a member of its Governing Body. He is the Founder and Director of the Eye Care & Research Centre, Kolkata. Author of books on ophthalmology. Dr. Mukherjee has contributed about 70 scientific papers in different journals and in National and International conferences. He received the "Distinguished Service Award" of the Asia Pacific Academy of Ophthalmology for meritorious service in Ophthalmology in the Asia Pacific area in 1997.

Prof. (Dr.) Suman K. Mukerjee

Date of Birth	2nd August, 1949
Qualification	M.A., Ph. D
Resume	<ol style="list-style-type: none">i) Fellow, All India Management Associationii) Environmental Fellow, USAEP (under USAID)iii) Member of Indo British Scholars' Associationiv) He is a faculty of Delhi University Colleges, IIT (Delhi), St. Xavier's College, Calcutta, Professor to XLRI, Jamshedpur and IISWBM, Calcutta University.v) Visiting Professor of Economics and Management, Sellinger School of Business and Management, Loyola College, Baltimore, USA 1994, 1995. Director of J. D. Birla Institute, (Affiliated to Jadavpur University), Birla School of Management and all Institutions under Sukriti Education Society.vi) Resource person to UGC's Open University Programme for National Telecasts presented 18 programmes on Economic Development and Planning. Consultant and Editor of Perspective 2000-2003 (a page dedicated to Management, sponsored by IOL), Initially to Business Standard and later Hindustan Times, Calcutta.vii) British Council sponsored 'visitor' to British Universities for talks and seminars 1990 and 1995. USAEP Asian Delegate to the World Bank Conference on Sustainable development, Washington, 1994. International Observer at Mr. Bill Clinton's White House conference on Small Business, 1995. Presented papers in national & international conference in Delhi, USA, UK, Australia.viii) National Director (Consulting) Ernst & Young, India, Subject Expert to World Bank, Buxa Tiger Project, Consultant to NCAER, Govt. of India, Ministry of Finance Project "Problems of Economic Reforms in India". Industrial Environment Coordinator, to Calcutta Environment Management and Strategy Action Plan (DFID) Project, Govt. of WB. Advisor and Consultant to many corporates (NCJM, Rohtas Inds., ITC, INDAL, etc.) on Management and Policy matters.ix) Member, State Advisory Council, Govt. of West Bengal.x) Awarded 'Mother Teresa International Award' for excellence in education in 2014.

Mr. Chiraranjan Addy

Date of Birth	4th September, 1937
Qualification	B.A., LLB., Attorney of Law
Resume	<ol style="list-style-type: none">i) Enrolled as Solicitor & Advocate, Calcutta High Court and Supreme Court of Indiaii) Senior Partner M/s. Sandersons & Morgans, Calcutta and Sandersons Morgans & Co., Bhubaneswar.iii) Past President Rotary Club of Jodhpur Garden and presently member – Rotary Club of South Calcutta.iv) Past Master Lodge Stanley No.78,v) Past Supreme Ruler, Empress of India

Independent Auditors' Report

To The Members of **EAST INDIA PHARMACEUTICAL WORKS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of EAST INDIA PHARMACEUTICAL WORKS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st. March, 2014, the Statement of Profit & Loss 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

The Company's Management 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 Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th. September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' 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 policies 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 evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st. March, 2014 ;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date ; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.



Auditors' Report

2. As required by Section 227(3) of the Act, we report that :
- i) 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.
 - ii) 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.
 - iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15 / 2013 dated 13th. September, 2013 of the Ministry of Corporate Affairs).
 - v) On the basis of written representations received from all the Directors as on 31st. March, 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st. March, 2014 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

Kolkata,
Dated, the 9th. August, 2014

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693

Auditors' Report

Annexure to Independent Auditors' Report

To The Members of **EAST INDIA PHARMACEUTICAL WORKS LIMITED**

Refer our report of even date

1. i) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - ii) During the year the fixed assets were physically verified by the management.
 - iii) No substantial part of the fixed assets of the Company was disposed off during the year.
2. i) During the year, the inventories were physically verified by the management at reasonable intervals.
 - ii) In our opinion, the procedure of physical verification of inventories followed by the management is adequate considering the size of the Company and the nature of its business.
 - iii) Based on examination of records, we are of the opinion that, the Company is maintaining proper records of inventories. The 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.
3. On the basis of examination of the records and the explanations given to us by the management, the Company has not taken or granted any loans, secured or unsecured from or to Companies, Firms or other parties covered in the register, maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods. During the course of our audit, we have not come across any instance of major weakness in the internal controls.
5. According to information and explanations given to us, the Company has not entered into any transaction during the year, which is required to be entered in the register maintained under Section 301 of the Act.
6. On the basis of examination of records and according to information and explanation given to us, the Company has complied with the provisions of Section 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975, with regard to deposits accepted from the public. We have been informed by the management that no orders under the aforesaid Sections were passed by the Company Law Board.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. On the basis of records broadly reviewed by us, we are of the opinion that prima facie, the cost records and accounts prescribed by the Central Government under Section 209 (1)(d) of the Act have been maintained. However, we are not required to carry out and have not carried out any detailed examination of those records and accounts.
9. According to information and explanations given to us and the records examined by us,
 - a) the Company was generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other Statutory dues applicable with the appropriate authorities; and
 - b) no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty were outstanding as at 31st. March, 2014 for a period of more than six months from the date they became payable.
 - c) details of particulars of disputed statutory dues of Income Tax, Sales Tax, Excise Duty, Customs Duty, as at 31st. March, 2014, which has not been paid are given below :



Name of the Statute	Nature of Demand	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	54,24,565	1995-1996 and 1997-1998 to 1999-2000	Calcutta High Court
Central Excise Act, 1944	Cenvat Credit & Education Cess	1,27,500	2007-2008	Assistant Comm. of Central Excise Kolkata - V Commissionerate
Central Excise Act, 1944	Central Excise Duty	2,61,23,380	2000-2001 to 2004-2005	Calcutta High Court
Central Excise Act, 1944	Penalty	2,61,23,380	2000-2001 to 2004-2005	
Central Excise Act, 1944	Interest	63,97,113	2000-2001 to 2013-2014	
Central Excise Act, 1944	Interest	23,508	2008-2009 to 2012-2013	Commissioner, (Appeal - III A), Central Excise, Kolkata
Central Excise Act, 1944	Penalty	54,539	2008-2009 to 2012-2013	
Tamil Nadu General Sales Tax Act	Penalty under Central Sales Tax	2,45,205	2005-2006 and 2006-2007	Appellate Deputy Commissioner (CT), Chennai
U.P. Trade Tax Act	Central Sales Tax	58,728	2005-2006	Additional Commissioner, Grade - II (Appeals)
U.P. Trade Tax Act	U.P. Trade Tax	1,00,964	2005-2006	Additional Commissioner, Grade - II (Appeals)
U.P. Trade Tax Act	U.P. Trade Tax	38,340	2006-2007	Additional Commissioner, Grade - II (Appeals)
U.P. Trade Tax Act	Central Sales Tax	70,272	2006-2007	Additional Commissioner, Grade - II (Appeals)

10. The Company has no accumulated loss as on 31st. March, 2014. Further, the Company has not incurred cash loss during the year ended 31st. March, 2014 or in the immediately preceding financial year ended 31st. March, 2013.

11. According to the records of the Company and the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers and financial institutions.

12. According to the information given to us, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

Auditors' Report

13. In our opinion and according to the information and explanations given to us, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
14. In our opinion, the Company does not deal or trade in shares, securities, debentures or other investments.
15. According to the information given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. In our opinion there were no fresh term loans taken during the year and the existing term loans have already been applied for the purpose for which the said loans were received.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no fund raised on short term basis was used for long term investment.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no instance of fraud on or by the Company was reported during the year.

Kolkata,
Dated, the 9th. August, 2014

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693



Balance Sheet

AS AT 31ST MARCH, 2014

	Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	6,67,45,179	6,67,45,179
(b) Reserves and Surplus	3	29,80,58,732	27,51,12,458
(2) Non-current Liabilities			
(a) Long-term Borrowings	4	83,15,000	1,90,33,515
(b) Long-term Provisions	8A	3,84,08,000	3,83,84,000
(3) Current Liabilities			
(a) Short-term Borrowings	5	21,53,81,390	22,12,21,668
(b) Trade Payables	6	24,05,12,800	17,61,52,240
(c) Other Current Liabilities	7	17,47,65,938	15,69,87,512
(d) Short-Term Provisions	8B	1,57,78,212	12,61,260
TOTAL		1,05,79,65,251	95,48,97,832
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	9	10,37,96,062	11,58,78,658
(ii) Intangible Assets	9	46,22,230	57,77,787
(iii) Capital work-in-progress		19,50,783	44,42,662
(b) Non-Current Investments	10	99,500	99,500
(c) Deferred Tax Assets (net)	11	2,98,87,158	2,78,71,042
(d) Long-Term Loans and Advances	12	62,64,007	56,22,965
(2) Current assets			
(a) Inventories	13	18,63,83,599	17,77,29,139
(b) Trade Receivables	14	54,89,59,417	46,42,68,089
(c) Cash and Cash Equivalents	15	11,29,81,152	9,64,40,646
(d) Short-Term Loans and Advances	16	6,30,21,343	5,67,67,344
TOTAL		1,05,79,65,251	95,48,97,832
Significant Accounting Policies	1		

The accompanying notes numbered 1 - 36 form an integral part of the financial statements

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

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata, Dated, the 9th. August, 2014

Sd/- R. Mukherjee, P. Roy, D. Samadar,
C. R. Addy, H. Sengupta, S. C. Basu,
Directors S. K. Mukerjee, A. Banerjee
Managing Directors A. K. Sen, D. Duttgupta
Mgr.- Proj. Fin. & C.S. N. Mukhopadhyay
Chief Financial Officer S. Ray
Kolkata, Dated, the 9th. August, 2014

Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	Rs.	31st March, 2014 Rs.	Rs.	31st March, 2013 Rs.
I. REVENUE FROM OPERATIONS	17				
Revenue from Sales		135,61,78,154		126,04,60,817	
Less : Excise Duty		<u>(8,48,98,037)</u>	127,12,80,117	<u>(7,29,06,314)</u>	118,75,54,503
Other Operating Revenues	17		42,41,296		59,03,447
II. OTHER INCOME	18		46,02,080		14,73,970
III. TOTAL REVENUE (I + II)			<u>128,01,23,493</u>		<u>119,49,31,920</u>
IV. EXPENSES :					
Cost of materials consumed	19		41,71,15,774		42,11,64,227
Purchases of Traded Goods			33,43,151		57,29,794
Changes in inventories of finished goods, work-in-progress and Traded Goods	20		20,77,626		1,85,85,387
Employee benefits expenses	21		37,74,07,334		36,23,47,858
Finance Costs	22		4,21,68,549		4,03,04,934
Depreciation and amortization Expenses			1,96,77,285		2,31,43,629
Research and Development expenses	23		1,13,83,230		1,08,39,157
Other expenses	24		37,47,63,061		33,23,08,430
Total expenses			<u>124,79,36,010</u>		<u>121,44,23,416</u>
V. PROFIT/(LOSS) BEFORE TAX (III – IV)			3,21,87,483		(1,94,91,496)
VI. TAX EXPENSE :					
(1) Current tax		35,00,000		NIL	
(2) Deferred tax		<u>(20,16,116)</u>	14,83,884	<u>(38,59,246)</u>	<u>(38,59,246)</u>
VII. PROFIT/(LOSS) FOR THE YEAR (V-VI)			<u>3,07,03,599</u>		<u>(1,56,32,250)</u>
VIII. EARNINGS PER EQUITY SHARE :	25				
(1) Basic			4.60		(2.34)
(2) Diluted			4.60		(2.34)

Significant Accounting Policies 1

The accompanying notes numbered 1 - 36 form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata, Dated, the 9th. August, 2014

Sd/- R. Mukherjee, P. Roy, D. Samadar,
C. R. Addy, H. Sengupta, S. C. Basu,
Directors S. K. Mukerjee, A. Banerjee
Managing Directors A. K. Sen, D. Duttagupta
Mgr.- Proj. Fin. & C.S. N. Mukhopadhyay
Chief Financial Officer S. Ray
Kolkata, Dated, the 9th. August, 2014



Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2014

	31st March, 2014 Rs.	31st March, 2013 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax & extraordinary items	3,21,87,483	(1,94,91,496)
Adjustments For :		
Depreciation/Amortisation	1,96,77,285	2,31,43,629
(Profit)/Loss on sale of Fixed Assets	(8,22,359)	(7,46,476)
Interest Received	(12,65,722)	(6,93,409)
Interest Paid	4,21,68,549	4,03,04,934
Operating Profit before working capital changes	9,19,45,236	4,25,17,182
(Increase)/Decrease in Inventories	(86,54,460)	1,55,71,703
(Increase)/Decrease in Trade & Other Receivables	(9,15,86,369)	(10,39,86,697)
Increase/(Decrease) in Trade Payables	8,91,95,093	8,13,48,907
Cash generated from operations	8,08,99,500	3,54,51,095
Direct Tax Paid	(94,113)	(1,05,88,417)
Net Cash Flow from Operating Activities	8,08,05,387	2,48,62,678
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(50,73,094)	(94,47,688)
Sale of Fixed Assets	19,48,200	11,84,999
Investments written off	NIL	NIL
Interest Received	12,65,722	6,93,409
Net Cash Flow from Investing Activities	(18,59,172)	(75,69,280)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) borrowings (Net)	(2,02,37,160)	2,49,72,520
Payment of Dividend and Dividend Tax	NIL	(1,16,35,938)
Interest Paid	(4,21,68,549)	(4,03,04,934)
Net Cash Flow from Financing Activities	(6,24,05,709)	(2,69,68,352)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	1,65,40,506	(96,74,954)
Cash & Cash Equivalents at the beginning of the year	9,64,40,646	10,61,15,600
Cash & Cash Equivalents at the end of the year	11,29,81,152	9,64,40,646

The accompanying notes numbered 1 - 36 form an integral part of the financial statements

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

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata, Dated, the 9th. August, 2014

Sd/- R. Mukherjee, P. Roy, D. Samadar,
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Mgr.- Proj. Fin. & C.S. N. Mukhopadhyay
Chief Financial Officer S. Ray
Kolkata, Dated, the 9th. August, 2014

Notes forming part of Balance Sheet as at 31st. March, 2014 and Statement of Profit and Loss for the year ended on 31st. March, 2014

Note No.

1 Significant Accounting Policies

- (i) **Basis of Accounting :**
The accounts have been prepared on the principles of historical costs and going concern basis.
- (ii) **Revenue Recognition :**
All revenues are generally recognised on accrual basis. Gross sales is stated inclusive of Excise Duty, Sales Tax and VAT.
- (iii) **Fixed Assets :**
Fixed assets, including those utilised in R&D activities, are capitalised at cost of acquisition inclusive of freight, duties and taxes and incidental expenses for installation.
- (iv) **Borrowing Costs :**
Borrowing costs are recognised as expense in the period in which they are incurred.
- (v) **Depreciation :**
Depreciation is provided on the Written Down Value basis at the rates as per Schedule XIV and read with Section 350 of the Companies Act, 1956. Patent and Licence Fees are amortised over the useful life of the asset, as estimated by the Management.
- (vi) **Research and Development Expenses :**
Revenue expenditure on Research and Development is charged to revenue in the year in which it is incurred. Expenses of capital nature are capitalised.
- (vii) **Inventories :**
Inventories are valued at lower of costs and estimated net realisable value. Cost is determined as follows :
- | | |
|---------------------------------------|-------------------------------------------|
| (a) Raw Materials | : Weighted average basis |
| (b) Work-in-Progress | : Weighted average basis |
| (c) Finished Goods | : Cost of input plus appropriate overhead |
| (d) Traded Goods | : Cost |
| (e) Packing materials and consumables | : Weighted average basis |
- (viii) **Employee Benefits :**
Liabilities in respect of retirement benefits to employees are provided for as follows :
- (I) Defined Benefit Plans :
- (a) Leave encashment benefits are provided for on the basis of actuarial valuation.
 - (b) Superannuation Fund and Gratuity Fund on the basis of premium paid to the Life Insurance Corporation of India.
- (II) Defined Contribution Plans :
- Provident / Pension Fund and ESI on the basis of actual liability accrued and paid to Trust / Authority.
- (ix) **Foreign Currency Transaction :**
Transaction in foreign currencies are accounted for at exchange rates prevailing on the date of transaction. Gain / Loss arising on account of rise or fall in overseas currencies vis-a-vis reporting currency between the date of transaction and that of payment is charged to revenue.
- (x) **Taxes on Income :**
Current Tax is determined as per the provisions of Income Tax Act, 1961. Deferred Tax liabilities / assets are recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income.



Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	Rs.	31st March, 2014 Rs.	Rs.	31st March, 2013 Rs.
2 SHARE CAPITAL				
(a) <u>Authorised</u> :				
1,00,00,000 Ordinary Shares		10,00,00,000		10,00,00,000
(b) <u>Issued</u> :				
66,75,543 Ordinary Shares		6,67,55,430		6,67,55,430
Subscribed and paid up :				
66,74,858 Ordinary Shares fully called up		6,67,48,580		6,67,48,580
Less : Calls Unpaid		3,401		3,401
		6,67,45,179		6,67,45,179
(c) Par value per share		10.00		10.00
(d) <u>Quantitative Reconciliation</u> :				
Opening Balance as on 01.04.2013		66,74,518		66,74,518
Add : Shares issued during the year		NIL		NIL
Closing Balance as on 31.03.2014		66,74,518		66,74,518
(e) Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held :				
<u>Name of the shareholder</u>		No. of shares		No. of shares
■ Shri Amit Kumar Sen		6,43,918		6,44,018
■ Shri Debarshi Duttagupta		6,50,019		6,46,264
(f) Aggregate number of shares allotted as fully paid-up bonus shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared		22,24,778		22,24,778
(g) Calls unpaid		3,401		3,401
● Calls unpaid by Directors and Officers		NIL		NIL
3 RESERVES AND SURPLUS				
(a) General Reserve :				
Opening Balance	26,71,02,458		28,27,34,708	
Add/(Less) : Profit/(Loss) after tax for the year	3,07,03,599		(1,56,32,250)	
	29,78,06,057		26,71,02,458	
Less : Provision for Dividend @ 10% (PY NIL)	66,74,518		NIL	
Provision for Dividend Distribution Tax	10,82,807	29,00,48,732	NIL	26,71,02,458
(b) Other Reserves :				
(i) Investment Fluctuation Reserve		10,000		10,000
(ii) Contingency Reserve		80,00,000		80,00,000
		29,80,58,732		27,51,12,458

Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
4 LONG – TERM BORROWINGS		
Secured		
From banks :		
● Term Loan from United Bank of India (Repayable in monthly instalment and secured by first charge on immovable properties)	NIL	1,82,948
● Term Loan from HDFC Bank Ltd. (Repayable in equated monthly instalment and secured against hypothecation of Vehicles)	NIL	4,95,859
From others :		
● Term Loan from Kotak Mahindra Primus Ltd. (Repayable in equated monthly instalment and secured against hypothecation of Vehicles)	NIL	1,68,647
● Term Loan from Tata Motors Finance Ltd. (Repayable in equated monthly instalment and secured against hypothecation of Vehicles)	NIL	1,70,061
Unsecured		
■ From Public Deposit Scheme Terms of Repayment : On maturity.	83,15,000	1,80,16,000
	<u>83,15,000</u>	<u>1,90,33,515</u>



Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
5 SHORT – TERM BORROWINGS		
Secured		
■ From banks -		
■ Cash Credit :		
● From United Bank of India	17,33,79,485	16,49,76,473
● From The Hongkong & Shanghai Banking Corporation Limited	2,99,18,905	4,47,16,644
Nature of Security :		
Secured by first charge over the stock and debtors of the Company with additional collaterals of holding first charge over immovable properties.		
■ From Small Industries Development Bank of India (Under Direct Discounting Scheme)	NIL	30,35,551
Nature of Security :		
Secured by a second charge on the immovable properties of the Company.		
Unsecured		
■ From Public Deposit Schemes	1,20,83,000	84,93,000
Terms of Repayment : On maturity.		
	<u>21,53,81,390</u>	<u>22,12,21,668</u>
6 TRADE PAYABLES		
Sundry Creditors	24,05,12,800	17,61,52,240
	<u>24,05,12,800</u>	<u>17,61,52,240</u>
7 OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt (Refer Note No. 4)		
■ From banks -		
● From United Bank of India	1,82,948	25,33,332
● From HDFC Bank Ltd.	4,95,859	14,89,881
■ From others -		
● From Kotak Mahindra Primus Ltd.	1,68,647	2,01,476
● From Tata Motors Finance Ltd.	1,70,061	4,71,193

Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
7 OTHER CURRENT LIABILITIES (Contd.)		
(b) Interest accrued but not due on public deposits	19,15,629	22,36,173
(c) Interest accrued and due on borrowings	29,70,891	27,46,681
(d) Unclaimed dividends *	1,07,16,096	1,13,98,852
(e) Other payables - (includes Statutory Dues)	15,81,45,807	13,59,09,924
	<u>17,47,65,938</u>	<u>15,69,87,512</u>

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

8 PROVISIONS

A. Long Term Provision -		
Provision for Leave Encashment	<u>3,84,08,000</u>	<u>3,83,84,000</u>
B. Short Term Provision -		
(a) Provision for Leave Encashment	46,15,000	34,02,000
(b) Provision for Income Tax (Net of Advance Tax of Rs. 94,2113, Previous Year Rs. 21,40,740)	34,05,887	(21,40,740)
(c) Provision for Proposed Dividend	66,74,518	NIL
(d) Provision for Tax on Proposed Dividend	10,82,807	NIL
	<u>1,57,78,212</u>	<u>12,61,260</u>

Note No. 9 FIXED ASSETS

SI No	Particulars	Cost as on March 31, 2013 Rs.	Additions during the year Rs.	Deletions Rs.	Cost as on March 31, 2014 Rs.	Depreciation / Amortisation				
						Upto March 31, 2013 Rs.	For the year 2013-2014 Rs.	Deletions 2013-2014 Rs.	March 31, 2014 Rs.	
TANGIBLE ASSETS										
(a)	Land	7,82,047	–	–	7,82,047	–	–	–	–	–
(b)	Buildings	8,23,48,831	45,62,319	–	8,69,11,150	4,06,11,785	40,52,038	–	–	–
(c)	Plant and Equipment*	29,06,40,602	29,55,194	86,74,430	28,49,21,366	23,55,56,526	1,05,16,689	83,40,409	2,00,00,000	2,00,00,000
(d)	Furniture and Fixture	2,26,67,012	–	1,33,000	2,25,34,012	1,68,77,054	10,41,514	93,658	–	–
(e)	Vehicles	1,96,83,179	–	23,59,813	1,73,23,366	1,17,82,122	20,02,329	16,77,998	–	–
(f)	Office Equipment	2,20,70,913	47,460	1,24,070	2,19,94,303	1,74,86,439	9,09,158	53,407	–	–
	Total	43,81,92,584	75,64,973	1,12,91,313	43,44,66,244	32,23,13,926	1,85,21,728	1,01,65,472	2,00,00,000	2,00,00,000
	Previous Year	43,44,47,203	61,46,646	24,01,265	43,81,92,584	30,25,77,486	2,16,99,182	19,62,742	–	–
INTANGIBLE ASSETS										
	Copyrights, and patents and other intellectual property rights, services and operating rights	1,56,47,278	–	–	1,56,47,278	98,69,491	11,55,557	–	–	–
	Total	1,56,47,278	–	–	1,56,47,278	98,69,491	11,55,557	–	–	–
	Previous Year	1,56,47,278	–	–	1,56,47,278	84,25,044	14,44,447	–	–	–

*Includes additions to Research and Development assets : Rs. NIL (Rs. 1,22,344)

Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
10 NON-CURRENT INVESTMENTS		
Investment in Equity Instruments -		
■ 9,950 Equity Shares of Rs. 10 each fully paid up – Qasar Healthcare Pvt. Ltd. (Subsidiary Company – unquoted)	99,500	99,500
	99,500	99,500
11 DEFERRED TAX ASSETS (NET)		
Deferred Tax Liabilities :		
Depreciation as per Income Tax Act, 1961	5,56,26,228	5,08,16,019
Privilege Leave paid during the year	66,82,004	57,19,887
Research & Development Assets	1,01,92,980	1,01,92,980
Total (A)	7,25,01,212	6,67,28,886
Deferred Tax Assets :		
Depreciation charged in Accounts	8,09,46,341	7,45,70,901
Provision for Doubtful Debts	4,02,212	3,52,115
Provision for Leave Encashment for the year	2,10,39,817	1,96,76,912
Total (B)	10,23,88,370	9,45,99,928
Deferred Tax Asset (net) (B-A)	2,98,87,158	2,78,71,042
12 LONG – TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
(a) Capital Advances	17,19,900	10,00,000
(b) Security Deposits	45,44,107	46,22,965
	62,64,007	56,22,965
13 INVENTORIES (at lower of cost or estimated net realisable value)		
(a) Raw materials	2,50,49,603	1,70,19,550
(b) Work-in-progress	4,42,918	8,76,583
(c) Finished Goods	13,57,94,718	13,71,85,444
(d) Traded Goods	8,83,797	11,37,032
(e) Packing materials and consumables	2,42,12,563	2,15,10,530
	18,63,83,599	17,77,29,139
The above includes goods in transit as under :		
(a) Raw materials	NIL	NIL
(b) Finished Goods	43,26,677	2,88,484
(c) Traded Goods	2,00,914	1,713
	45,27,591	2,90,197



Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	Rs.	31st March, 2014 Rs.	Rs.	31st March, 2013 Rs.
14 TRADE RECEIVABLES				
(i) Debts outstanding for a period exceeding six months :				
Unsecured, considered good		2,61,57,408		2,18,06,050
Unsecured, considered doubtful	55,22,949		53,68,330	
Less : Provision	55,22,949	NIL	53,68,330	NIL
(ii) Other Debts :				
Unsecured, considered good		52,28,02,009		44,24,62,039
		<u>54,89,59,417</u>		<u>46,42,68,089</u>
15 CASH AND BANK BALANCES				
(a) Cash and Cash Equivalents :				
■ Cash in Hand		4,10,295		5,31,663
■ Balances with Banks - In Current Accounts		9,98,60,007		8,25,93,258
(b) Other Bank Balances :				
■ In Unclaimed Dividend Accounts		1,07,16,096		1,13,98,852
■ In Fixed Deposit Accounts		19,94,754		19,16,873
		<u>11,29,81,152</u>		<u>9,64,40,646</u>
16 SHORT – TERM LOANS & ADVANCES (Unsecured, Considered Good)				
(a) Security Deposits		37,32,330		38,60,331
(b) Other advances		5,92,89,013		5,29,07,013
		<u>6,30,21,343</u>		<u>5,67,67,344</u>
17 REVENUE FROM OPERATIONS				
(a) Revenue from Sales	135,61,78,154		126,04,60,817	
Less : Excise Duty	(8,48,98,037)	127,12,80,117	(7,29,06,314)	118,75,54,503
(b) Other operating revenues :				
■ Claim	16,51,870		10,21,589	
■ Refund of Excise Duty	1,92,230		1,90,271	
■ Liabilities no longer required written back	0		23,98,045	
■ Others	23,97,196	42,41,296	22,93,542	59,03,447
		<u>127,55,21,413</u>		<u>119,34,57,950</u>
Additional Information :				
Details of revenue from sale of manufactured goods :				
Liquid		75,25,81,570		66,32,56,291
Tablets		43,31,90,862		43,20,79,445
Capsules		10,79,54,812		10,75,36,943
Others		5,09,16,681		3,84,42,865
		<u>134,46,43,925</u>		<u>124,13,15,544</u>

Notes forming part of Balance Sheet as at 31st. March, 2014 and Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	Rs.	31st March, 2014 Rs.	Rs.	31st March, 2013 Rs.
17 REVENUE FROM OPERATIONS (Contd.)				
Details of revenue from sale of traded goods :				
Liquid		7,51,110		17,82,619
Tablets		1,80,461		54,50,389
Capsules		12,247		15,63,117
Others		1,05,90,411		1,03,49,148
		<u>1,15,34,229</u>		<u>1,91,45,273</u>
18 OTHER INCOME				
(a) Interest Income		12,65,722		6,93,409
(b) Profit/(Loss) on sale of assets		8,22,359		7,46,476
(c) Other income		25,13,999		34,085
		<u>46,02,080</u>		<u>14,73,970</u>
19 COST OF MATERIALS CONSUMED				
(a) <u>Raw materials :</u>				
Opening Stock	1,70,19,550		1,83,61,006	
Add : Purchases	<u>29,07,64,862</u>		<u>31,09,07,133</u>	
	30,77,84,412		32,92,68,139	
Less : Closing Stock	<u>2,50,49,603</u>	28,27,34,809	<u>1,70,19,550</u>	31,22,48,589
(b) <u>Packing materials and consumables :</u>				
Opening Stock	2,15,10,530		1,71,55,390	
Add : Purchases	<u>13,70,82,998</u>		<u>11,32,70,778</u>	
	15,85,93,528		13,04,26,168	
Less : Closing Stock	<u>2,42,12,563</u>	13,43,80,965	<u>2,15,10,530</u>	10,89,15,638
		<u>41,71,15,774</u>		<u>42,11,64,227</u>
Details of materials consumed :				
Iodine		16,13,80,722		17,60,34,722
Others		<u>25,57,35,052</u>		<u>24,51,29,505</u>
		<u>41,71,15,774</u>		<u>42,11,64,227</u>
20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS				
Opening Stock :				
Finished Goods	13,71,85,444		15,18,92,064	
Work-in-progress	8,76,583		24,94,274	
Traded Goods	<u>11,37,032</u>	13,91,99,059	<u>33,98,108</u>	15,77,84,446
Less : Closing Stock				
Finished Goods	13,57,94,718		13,71,85,444	
Work-in-progress	4,42,918		8,76,583	
Traded Goods	<u>8,83,797</u>	13,71,21,433	<u>11,37,032</u>	13,91,99,059
		<u>20,77,626</u>		<u>1,85,85,387</u>



Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS (Contd.)		
Additional Information :		
(a) Details of Opening and Closing Stock of Finished Goods (manufactured) :		
<u>Opening Stock :</u>		
Liquid	6,03,74,109	5,01,22,169
Tablets	5,01,99,617	7,35,91,956
Capsules	1,76,04,378	2,00,68,866
Others	90,07,340	81,09,073
	<u>13,71,85,444</u>	<u>15,18,92,064</u>
<u>Closing Stock :</u>		
Liquid	5,71,72,520	6,03,74,109
Tablets	5,16,80,916	5,01,99,617
Capsules	1,87,40,047	1,76,04,378
Others	82,01,235	90,07,340
	<u>13,57,94,718</u>	<u>13,71,85,444</u>
(b) Details of Opening and Closing Stock of Traded Goods :		
<u>Opening Stock :</u>		
Liquid	2,34,465	4,77,668
Tablets	5,39,832	15,01,310
Capsules	53,575	2,18,252
Others	3,09,160	12,00,878
	<u>11,37,032</u>	<u>33,98,108</u>
<u>Closing Stock :</u>		
Liquid	81,777	2,34,465
Tablets	1,39,584	5,39,832
Capsules	6,755	53,575
Others	6,55,681	3,09,160
	<u>8,83,797</u>	<u>11,37,032</u>
21 EMPLOYEE BENEFITS EXPENSES		
(a) Salaries & Wages	32,39,45,573	30,86,87,580
(b) Contribution to Provident and Other Funds	3,82,44,769	4,01,85,470
(c) Workmen and Staff Welfare Expenses	1,52,16,992	1,34,74,808
	<u>37,74,07,334</u>	<u>36,23,47,858</u>
22 FINANCE COSTS		
(a) Interest on Overdraft	3,15,23,670	2,93,24,455
(b) Interest on Term Loans	2,17,956	5,86,972
(c) Interest on Public Deposit Scheme	31,21,558	37,11,161
(d) Other Interest and Bank Charges [including exchange difference of Rs. 21,149 (PY Rs. 1,621)]	73,05,365	66,82,346
	<u>4,21,68,549</u>	<u>4,03,04,934</u>

Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	Rs.	31st March, 2014 Rs.	Rs.	31st March, 2013 Rs.
23 RESEARCH AND DEVELOPMENT EXPENSES				
(a) Salaries & Wages		81,96,280		77,11,707
(b) Contribution to Provident and Other Funds		7,79,679		7,28,505
(c) Workmen and Staff Welfare Expenses		1,50,294		1,42,389
(d) Consumable Stores		11,27,700		15,23,441
(e) Travelling Expenses		5,09,657		5,15,321
(f) Repairs & Renewals		22,498		24,274
(g) Miscellaneous Expenses		5,97,122		1,93,520
		<u>1,13,83,230</u>		<u>1,08,39,157</u>

Note :

The above does not include Depreciation and Amortisation of Rs. 5,83,868 (previous year Rs. 6,77,792) pertaining to Research and Development assets.

24 OTHER EXPENSES

(a) Freight and Handling		3,96,93,281		3,54,03,647
(b) Insurance		30,17,933		30,96,807
(c) Power and Fuel		4,02,45,914		3,65,80,093
(d) Payment to Auditors		5,06,000		4,92,400
(e) Publicity and Sales Promotion		1,03,59,486		1,06,62,003
(f) Rates, Taxes and License fees		15,69,772		9,84,812
(g) Excise duty		(31,01,014)		(14,59,621)
(h) Rent		1,04,05,261		1,03,25,802
(i) Bad Debt		1,26,283		NIL
(j) Provision for Doubtful Debts		1,54,619		NIL
(k) Conversion Charges		2,66,36,247		2,40,23,287
(l) Commission to C & F Agents		2,17,73,592		1,79,27,524
(m) Discount		2,92,96,282		2,38,66,248
(n) Repairs - Machineries	50,64,956		16,75,814	
- Buildings	<u>14,94,285</u>	65,59,241	<u>41,11,739</u>	57,87,553
(o) Sales Tax		8,76,55,028		7,42,44,516
(p) Travelling and Conveyance		7,02,43,386		5,89,75,317
(q) Miscellaneous Expenses		2,96,21,750		3,13,98,042
		<u>37,47,63,061</u>		<u>33,23,08,430</u>

25 EARNINGS PER SHARE

Earnings per share has been computed as under :

(a) Profit after taxation for the year	3,07,03,599	(1,56,32,250)
(b) Number of Ordinary Shares	66,75,543	66,75,543
(c) Earnings per share on profit after taxation (Face Value Rs. 10.00 per share)		
- Basic	4.60	(2.34)
- Diluted	4.60	(2.34)



Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
26 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)		
(i) Contingent Liabilities :		
(a) Claims against the company not acknowledged as debt :		
■ in respect of Income Tax matters (disputed)	54,24,565	54,24,565
■ in respect of Central Excise Duty (disputed)	5,88,49,420	5,74,40,073
■ in respect of Sales Tax matters (disputed)	5,13,509	5,13,509
(b) Guarantees	5,77,000	11,92,768
(ii) Commitments :		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	30,76,415	20,97,415
27 DETAILS OF PAYMENT TO AUDITORS		
● As Auditor	3,25,000	3,25,000
● For Taxation Matters	50,000	50,000
● For Certification	26,000	29,000
● For Other Services	1,05,000	88,400
	<u>5,06,000</u>	<u>4,92,400</u>
28 DISCLOSURES ON RELATED PARTIES		
(a) Related Party :		
(i) Qasar Healthcare Private Limited - Subsidiary (Shareholding 99.5%)		
(ii) Key Management Personnel		
Name	Designation	
Shri Amit Kumar Sen	Managing Director	
Shri Debarshi Duttagupta	Managing Director	
(b) Transactions with Related Party during the period :		
(i) Receivable from Qasar Healthcare Private Limited	Rs. 91,25,893	
(ii) Total Remuneration paid to Key Management Personnel	Rs. 58,80,845	
29 VALUE OF IMPORTS (CIF VALUE)		
(a) Raw materials	Rs. 1302.37 lacs	Rs. 1325.32 lacs
(b) Spares	Rs. NIL	Rs. 1.89 lacs
30 VALUE OF IMPORTED AND INDIGENEOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED DURING THE YEAR 2013-2014		
	Amount (Rs in lacs)	% to Total
(a) Imported	1298.23 (1327.21)	31.12 (31.51)
(b) Indigeneous	2872.95 (2884.43)	68.88 (68.49)
	<u>4171.18</u> (4211.64)	<u>100.00</u> (100.00)

Notes forming part of Balance Sheet as at 31st. March, 2014 and
Statement of Profit and Loss for the year ended on 31st. March, 2014 (contd.)

Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
31 EXPENDITURE IN FOREIGN CURRENCIES (ON PAYMENT BASIS) :		
(a) On account of travelling	NIL	7,87,212
(b) On account of other matters	18,404	16,72,790
32 EARNINGS IN FOREIGN CURRENCIES		
(a) From Export	57,566	56,56,226
33 THE FOLLOWING DISCLOSURES ARE MADE FOR THE AMOUNTS DUE TO THE MICRO, SMALL AND MEDIUM ENTERPRISES :		
(a) Principal amount payable to suppliers at the year end	85,96,100	73,58,965
(b) Amount of interest paid by the Company in terms of Section 16 of the MSMED, alongwith the amount of the payment made to the supplier beyond the appointed day during the accounting year	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	NIL	NIL
(d) Amount of interest accrued and remaining unpaid at the end of the accounting year	9,45,428	6,93,228
34 COMPANY HAS ONLY ONE PRIMARY SEGMENT, i.e., PRODUCTION AND SALE OF PHARMACEUTICAL PRODUCTS. INFORMATION REGARDING SECONDARY SEGMENT, i.e., GEOGRAPHICAL AREA IS GIVEN BELOW :		
Sales – Domestic	135,61,20,588	125,48,04,591
Sales – Export	57,566	56,56,226

35 Figures for the previous years have been rearranged and regrouped, wherever necessary.

36 Figures in brackets, wherever they occur in the Notes above, indicate previous year's figures.

Kolkata,
Dated, the 9th. August, 2014

Sd/- R. Mukherjee, P. Roy, D. Samadar,
C. R. Addy, H. Sengupta, S. C. Basu,
Directors S. K. Mukerjee, A. Banerjee
Managing Directors A. K. Sen, D. Duttagupta
Mgr.- Proj. Fin. & C.S. N. Mukhopadhyay
Chief Financial Officer S. Ray



STATEMENT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 212 OF THE COMPANIES ACT, 1956

1. Name of the subsidiary Company : QASAR HEALTHCARE PRIVATE LIMITED
2. The financial year of the subsidiary Company ended on : 31st March, 2014
3. Extent of the interest of the Company in its subsidiary at the end of the financial year : 9,950 Equity Shares of Rs. 10/- each, fully paid up.
4. (a) The net aggregate amount of Profits / (Losses) not dealt in with the Holding Company's account :
 - (i) For the financial year ended 31st March, 2014 — (Rs. 6,393/-)
 - (ii) Previous year — (Rs. 10,261/-)
- (b) The net aggregate amount of Profits / (Losses) dealt with in the Holding Company's account :
 - (i) For the financial year ended 31st March, 2014 — Nil
 - (ii) Previous year — Nil

East India Organisation

REGISTERED OFFICE

6, Nandalal Bose Sarani, Kolkata 700 071
Telephones : 2287 2262/3004/3007/3009/3041/2283 0709
Tele Fax : 91-33-22873852/22874289
E.mail : eastindia@eastindiapharma.org / cipwl@dataone.in
Website : www.eastindiapharma.org

FACTORIES

119, Biren Roy Road (West), Kolkata 700 061
Telephones : 2493 3135/3284/3384/3435/4283/6897
Tele Fax : 91-33-24937274
E.mail : eisf@vsnl.com

Waria Road, Raturia
Durgapur 713 215
Telephones : 255 5813/6177
Tele Fax : 91-343-2555813
E.mail : eipwldgp@dte.vsnl.net.in

TRAINING CENTRE

102, Shyamaprosad Mukherjee Road
Kolkata 700 026
Telephone : 2455 2490



SALES OFFICES

	Telegram	Telephones		Telegram	Telephones
Assam			Pune Branch		
Nilamoni Phukan Path	Quinol	(0361)2340745	Yashwant Appartments		(020)25678687
Christian Basti		2340746	Lane No. 4, Prabhat Road		
Guwahati - 781 005		2340747	Deccan Gymkhana		
Tele Fax : 91-361-2340745			Pune - 411 004		
E.mail : eipwl_guwahati@eastindiapharma.org			Fax : 91-20-25672377		
			E.mail : eipwl_pune@eastindiapharma.org		
Bihar			Orissa		
Jaintpur Kothi	Quinol	(0612)2219817	Plot No. 1108	Synthetics	(0671)2322175
Bank Road			Holding No. 417/C1		2316782
Patna - 800 001			Vikash Nagar, Badambari		
Tele Fax : 91-612-2219178			Cuttack - 753 012		
E.mail : eipwl_patna@eastindiapharma.org			Fax : 91-671-2326782		
			E.mail : eipwl_cuttack@eastindiapharma.org		
Delhi			Rajasthan		
3620/21 Netaji Subhas Marg	Quinol	(011)23262150	Bombay House Building	Synthetics	(0141)2373292
Daryaganj		23283408	Mirza Ismail Road		2378341
New Delhi - 110 002		23277199	Jaipur - 302 001		
Tele Fax : 91-11-23273985			Tele Fax : 91-141-2373292		
E.mail : eipwl_delhi@eastindiapharma.org			E.mail : eipwl_jaipur@eastindiapharma.org		
Gujarat			Tamil Nadu		
Loksatta New Building	Synthetics	(0265)2432551	Plot No. 8, 1st Floor	Quinol	(044)22385312
Nagarwada		09327242551	14th Cross Street Extn.		
Baroda - 390 001			Elumalai Nagar, New Colony,		
Fax : 91-265-2432551			Chromepet, Chennai - 600 044		
E.mail : eipwl_baroda@eastindiapharma.org			Tele Fax : 91-44-22380567		
			E.mail : eipwl_chennai@eastindiapharma.org		
Haryana			Telangana		
105, The Mall	Synthetics	(0171)2643280	Industrial Plots No. 148,	Quinol	(040)27178430
Ambala Cantt. - 133 001		2630277	149 & 150, IDA, Mallapur		27178915
Fax : 91-171-4010402			Hyderabad - 500 076		27170859
E.mail : eipwl_ambala@eastindiapharma.org			Tele Fax : 91-40-27178430		
			E.mail : eipwl_hyderabad@eastindiapharma.org		
Karnataka			Uttar Pradesh		
1 Mandi Veerappa Lane	Quinol	(080)22222978	No. 5, 4th Floor	Synthetics	(0522)2236251
Off. Silver Jubilee Park		22235424	Saran Chamber-1, 5 Park Road		2236371
Bangalore - 560 002		22130676	Lucknow - 226 001		
Tele Fax : 91-80-22235424			Tele Fax : 91-522-2235513		
E.mail : eipwl_bangalore@eastindiapharma.org			E.mail : eipwl_lucknow@eastindiapharma.org		
Kerala			West Bengal		
Kenson Colony No. 9	Quinol	(0484)2351467	Kolkata Branch		
Door No. XLI/470			136, Pathakpara Road	Synthetics	(033)24060369
(Old No. 39/120)			Kolkata - 700 060		24061916
Krishnaswamy Road			Tele Fax : 91-33-24061926		
Ernakulam, Cochin - 682 035			E.mail : eipwl_kolkata@eastindiapharma.org		
Fax : 91-484-2351467					
E.mail : eipwl_ernakulam@eastindiapharma.org					
Madhya Pradesh			Siliguri Branch		
746/1 Napier Town	Synthetics	(0761)2450040	Burdwan Road	Synthetics	(0353)2502629
Jabalpur - 482 001		4004622	Siliguri - 734 005, Dt. Darjeeling		2502434
Tele Fax : 91-761-4004622			Fax : 91-353-2502434		
E.mail : eipwl_jabalpur@eastindiapharma.org			E.mail : eipwl_siliguri@eastindiapharma.org		
Maharashtra					
Mumbai Branch					
202-203, Syndicate Chambers	Quinol	(022)26848792			
2nd Floor, Swami Nityananda Road					
Andheri (E), Mumbai - 400 069					
Fax : 91-022-26848790					
E.mail : eipwl_mumbai@eastindiapharma.org					

Names & Addresses of C & F Agents as on 31st March, 2014

M/S A.C. SURGIPHARMA PVT. LTD.

K-59, Pratap Nagar
Delhi - 110 007
Phone No. : (011) 23693303, 23696719
Fax : 011-23697122
E-mail : us@acsurgipharma.com

M/S K. B. M. ENTERPRISES PVT. LTD.

Trimurti Place
Computer Zone Campus
Exhibition Road
Patna - 800 001
Phone No. : (0612) 2222448, 3295809
E-mail : kbmenterprisespvtfld@yahoo.co.in

M/S MEHADIA & SONS

C/o Micropark Logistics Pvt. Ltd.
18th KM Stone, Opp. Deshonnati Press
Amravati Road, Gonkhedi
Nagpur - 440 023
Phone No. : (07118) 660333, 660334, 660335
Fax : 07118-660353 / 660373
E-mail : archana.rumale@gmail.com
eastindia.nagpur@mehadiagroup.com

M/S PAREKH INTEGRATED SERVICES PVT. LTD.

Circle - B - XXX, Plot No. 154, 1st Floor
Kailash Nagar, Focal Point Road, Sherpur
Ludhiana - 141 010 (PB)
Phone No. : (0161) 4621047, 4621048
E-mail : parekh.ludhiana@pispl.in

M/S M.K.S. ENTERPRISES

Balajee Complex
Near Argon Battery, Tapovan, Kokar
Ranchi - 834 001
Phone No. : (0651) 2545971
Fax : 0651-2545971
E-mail : eastindiaranchi@gmail.com

M/S PRASHANT ENTERPRISES

Plot No. 15, Shop No. 1
3rd. Cross Street
Nehru Nagar, Kottivakkam
Chennai - 600 041
Phone No. : (044) 24540314
Fax : 044-24541564
E-mail : praentche@gmail.com

M/S INDIAN SALES

Janata Dal Mill Campus, Near FCI Godown
Opposite Kool Homes, Dal Dal Sivini Road
Raipur (CG) - 492 001
Phone No. : (0771) 4022039
E-mail : indiansalesryp@gmail.com

M/S VISHWANATH REMEDIES

P.O. Industrial Estate
G. T. Road
Chandpur, Lahartara
Varanasi - 221 106
Phone No. : (0542) 2371145, 3291117
Fax : 0542-2371060

M/S BARODA CHEMIST PVT. LTD.

Ground Floor, Gheekanta
Ved Falia, Raopura
Vadodara - 390 001
Phone No. : (0265) 2410395, 2432270

M/S S. K. LOGISTICS

City Link Warehousing Complex
Building No. B-3, Mumbai Nasik Highway
S. No. 120-121, Village - Vadape, Bhiwandi
Thane - 421 302
Phone No. : (02522) 307575
Fax : 02522-307500
E-mail : sklogistics@sk1932.com

M/S RUCHI MEDICAL Pvt. Ltd.

18, P. D. Tandon Marg
Laxman Chowk
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Tele Fax : 0135-2624933
E-mail : ruchimed@yahoo.com

M/S M. M. ASSOCIATES

E - 207, Transport Nagar
Lucknow - 226 012
Phone No. : (0522) 4010547, 4041631
Fax : 0522-4010546
E-mail : mmrpl.sandeep@gmail.com

M/S JAGOTA & SONS PVT. LTD.

Khasra No. 671-672
Opp. Saintli Petrol Pump (Bharat Petroleum)
N.H.-58, Meerut Road, Saintli
Ghaziabad - 201 206
Phone No. : (0120) 2675060
E-mail : jspl@jagotagroup.com

M/S J & J CORPORATION

9, Kenson Colony
Krishnaswami Road
Cochin - 682 035
Phone No. : (0484) 4031268
E-mail : eipwl_ernakulam@eastindiapharma.org

Board of Directors

Mr. Amit Kumar Sen
Mr. Debarshi Duttagupta
Mr. Subrata Ray
Mr. Nirjhar Mukhopadhyay

Registered Office

102, S. P. Mukherjee Road, 3rd Floor
Kolkata 700 026
Phone : 91 33 22873004/7/9, 24552490
Fax : 91 33 22873853/4289
CIN : U85110WB1993PTC058605

Auditors

APS Associates
Chartered Accountants
3-C, Madan Street, (1st Floor)
Kolkata 700 072

Principal Banker

United Bank of India
Hazra Road Branch
53, S. P. Mukherjee Road
Kolkata 700 026



QASAR HEALTHCARE PRIVATE LIMITED

(A subsidiary of East India Pharmaceutical Works Limited)

Directors' Report

The Directors present their report for the year ended on 31st. March, 2014. During the year under review, the operation resulted in a loss of Rs. 6,393/- as against a loss of Rs. 10,261/- of the previous year. The turnover was Rs. NIL (Nil). The stock in hand was NIL on 31.03.2014 (NIL on 31.03.2013).

The loss for the year under review as reported above was Rs.6,393/- which when added to the brought forward loss of Rs.90,90,678/- comes to Rs.90,97,071/- which is being carried forward. In view of the accumulated loss, no dividend is being declared.

In terms of the Articles of Association of the Company, all the Directors retire and being eligible offer themselves for re-election.

Our Auditors, M/s. APS Associates, Chartered Accountants, retire at this meeting and are eligible for reappointment. There were no employees covered by the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors state that :

- i) While preparing Annual Accounts the applicable accounting standards have been followed with no material departure.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the loss of the Company for the financial year.
- iii) The Directors have taken proper and sufficient care 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.
- iv) The Directors have prepared the Annual Accounts on a going concern basis.

ANNEXURE TO THE 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 for the year ended 31st. March, 2014.

1. CONSERVATION OF ENERGY : Not applicable.

FORM A - Form for disclosure of particulars with respect to conservation of energy.

A. Power & Fuel Consumption : Not applicable.

B. Energy consumption per unit of production : Not applicable.

FORM B - Form for disclosure of particulars with respect to Research & Development and Technology absorption.

A. Research and Development (R&D)

1. Specific areas in which R&D is carried out : Not applicable.

2. Benefits derived as a result of R&D : Not applicable.

3. Future Plan of Action : Not applicable.

B. Technology Absorption, Adaptation and Innovation : Not applicable.

2. FOREIGN EXCHANGE EARNINGS & OUTGO :

Earned — NIL (Previous Year : NIL)

Outgo — NIL (Previous Year : NIL)

Kolkata,
Dated, the 6th. August, 2014

Sd/- A. K. Sen, D. Duttagupta
Directors S. Ray, N. Mukhopadhyay

Independent Auditors' Report

To The Members of **QASAR HEALTHCARE PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **QASAR HEALTHCARE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st. March, 2014, and the Statement of Profit & Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th. September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. 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 policies 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 evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st. March, 2014 ; and
- b) in the case of the Statement of Profit and Loss, of the **Loss** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure 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 :
 - i) 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.
 - ii) 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.

Auditors' Report

- iii) The Balance Sheet and the Statement of Profit and Loss dealt with by this report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet and Statement of Profit and Loss dealt with by this report comply with the accounting standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th. September, 2013 of the Ministry of Corporate Affairs).
- v) On the basis of written representations received from all the Directors, as on 31st. March, 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st. March, 2014 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

Kolkata,
Dated, the 6th. August, 2014

Sd/- For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693

Auditors' Report

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

To The Members of **QASAR HEALTHCARE PRIVATE LIMITED**

Refer our report of even date

1. The Company does not have any fixed assets.
2. The Company did not have any stock during the year nor any stock at the year end.
3. a) The Company has not granted any loan to companies, firms or other parties covered in the register maintained u/s 301 of the Act. In view of this, particulars of sub clauses (b), (c) and (d) are not applicable.
e) (i) The Company has not taken any loan from any company, firm or other party covered in the register maintained u/s 301 of the Companies Act.
(ii) In view of this, particulars of sub clauses (f) and (g) are not applicable
4. According to the information and explanations provided by the management, we are of opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
5. The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
6. The Company is regular in payment of its undisputed statutory dues and there are no arrears of undisputed outstanding statutory dues for a period of more than six months.
7. The Company's accumulated loss as on 31st. March, 2014 is more than 50% of its net worth and the Company has incurred cash loss during the year ended 31st. March, 2014. The Company also incurred cash loss in the immediately preceding financial year ended 31st. March, 2013.
8. According to the information given to us, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
9. In our opinion and according to the information and explanations given to us, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
10. In our opinion, the Company does not deal or trade in shares, securities, debentures or other investments.
11. The Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
12. The Company has not made any preferential allotment of shares during the year.
13. The Company has not issued any debentures during the year.
14. The Company has not raised any money by way of public issue during the year.
15. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

In our opinion other matters specified in the Order are not applicable to the Company.

Kolkata,
Dated, the 6th. August, 2014

Sd/- For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693

QASAR HEALTHCARE PRIVATE LIMITED

Balance Sheet

AS AT 31ST MARCH, 2014

	Note No.	Rs.	31st March, 2014 Rs.	Rs.	31st March, 2013 Rs.
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	1,00,000		1,00,000	
Reserves and Surplus	3	<u>(90,97,071)</u>	<u>(89,97,071)</u>	<u>(90,90,678)</u>	<u>(89,90,678)</u>
Share Application Money Pending Allotment			0		0
Non-Current Liabilities			0		0
Current Liabilities					
Trade payables	4	91,25,893		91,25,893	
Other current liabilities	5	<u>2,247</u>	<u>91,28,140</u>	<u>2,247</u>	<u>91,28,140</u>
TOTAL			<u>1,31,069</u>		<u>1,37,462</u>
ASSETS					
Non-Current Assets					
Non-Current Investments			0		0
Current Assets					
Trade receivables	6	2,269		2,269	
Cash and cash equivalents	7	1,23,032		1,29,425	
Other current assets	8	<u>5,768</u>	<u>1,31,069</u>	<u>5,768</u>	<u>1,37,462</u>
TOTAL			<u>1,31,069</u>		<u>1,37,462</u>

Significant Accounting Policies 1

The Notes referred to above form an integral part of the Balance Sheet

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

Sd/- For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata, Dated, the 6th. August, 2014

Sd/- A. K. Sen, D. Duttagupta
Directors S. Ray, N. Mukhopadhyay
Kolkata, Dated, the 6th. August, 2014

QASAR HEALTHCARE PRIVATE LIMITED

Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	31st March, 2014 Rs.	31st March, 2013 Rs.
REVENUE FROM OPERATIONS		0	0
Other Income	9	0	0
TOTAL		0	0
EXPENSES			
Other Expenses	10	6,393	10,261
TOTAL		6,393	10,261
Profit before Tax		(6,393)	(10,261)
Tax Expense		0	0
Profit/(Loss) for the year		(6,393)	(10,261)
Earnings per equity share :			
Basic		0	0
Diluted		0	0
Significant Accounting Policies	1		

The Notes referred to above form an integral part of the Statement of Profit and Loss

This is the Statement of Profit and Loss referred to in our report of even date.

Sd/- For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata, Dated, the 6th. August, 2014

Sd/- A. K. Sen, D. Duttagupta
Directors S. Ray, N. Mukhopadhyay
Kolkata, Dated, the 6th. August, 2014

QASAR HEALTHCARE PRIVATE LIMITED

2013-2014

1. SIGNIFICANT ACCOUNTING POLICIES :

- a) The Accounts are prepared on the principals of historical cost and going concern basis.
- b) Domestic Sales are inclusive of Value Added Tax. No seperate accounting for VAT is made in view of specific provision in the relevant Act for medicines.
- c) Export Sales, if any, are considered at exchange rate prevalent at the time of despatch. Fluctuations in the exchange rate are accounted for on realisation basis.
- d) Stocks are valued at cost.
- e) In view of uncertainty in future profit, no Deferred Tax Assets / Liabilities are recognised.
- f) Since the Company has no employee, AS-15 (Revised) is not applicable.
- g) Previous years' figures have been regrouped and re-arranged, wherever necessary.

Notes Forming Part of the Accounts

	31st March, 2014 Rs.	31st March, 2013 Rs.
2. SHARE CAPITAL		
Authorised :		
1,00,000 Equity Shares of Rs. 10/- each (Previous Year : 1,00,000)	<u>10,00,000</u>	<u>10,00,000</u>
Issued, Subscribed & Paid up :		
10,000 Equity Shares of Rs. 10/- each fully Paid up (Previous Year : 10,000)	<u>1,00,000</u>	<u>1,00,000</u>
<p>Note : Particulars of Shareholders holding more than 5% of total shares - East India Pharmaceutical Works Ltd. (Holding Company) - 9,950 Nos. (99.5%)</p>		
3. RESERVES AND SURPLUS		
Surplus in Statement of Profit and Loss :		
Balance at the beginning of the year	(90,90,678)	(90,80,417)
Profit / (Loss) for the year	<u>(6,393)</u>	<u>(10,261)</u>
Balance at the end of the year	<u>(90,97,071)</u>	<u>(90,90,678)</u>
4. TRADE PAYABLES		
Sundry Creditors	91,25,893	91,25,893
[Payable to East India Pharmaceutical Works Ltd. - the holding Company]	<u>91,25,893</u>	<u>91,25,893</u>

Notes forming part of the accounts

QASAR HEALTHCARE PRIVATE LIMITED

	31st March, 2014 Rs.	31st March, 2013 Rs.
5. OTHER CURRENT LIABILITIES		
Other Payables (Audit Fees)	2,247	2,247
	2,247	2,247
6. TRADE RECEIVABLES (Unsecured - considered good)		
Debts outstanding for a period exceeding six months	2,269	2,269
Other Debts	0	0
	2,269	2,269
7. CASH AND CASH EQUIVALENTS		
Cash in hand	0	0
Balances with Banks :		
In Current Accounts with United Bank of India	1,08,032	1,14,425
In Fixed Deposit A/c with Bank of Baroda - Raipur (Kept as lien with Commercial Tax Officer - Raipur)	5,000	5,000
In Fixed Deposit A/c with Punjab National Bank (Kept as lien with Commercial Tax Officer - Jabalpur)	10,000	10,000
	1,23,032	1,29,425
8. OTHER CURRENT ASSETS (Unsecured - considered good)		
Interest Receivable on Fixed Deposits	5,768	5,768
	5,768	5,768
9. OTHER INCOME		
Interest on Fixed Deposit	0	0
	0	0
10. OTHER EXPENSES		
Filing Fees	600	300
Taxes & Licences	3,250	3,250
Membership Subscription	0	2,247
Legal & Consultancy Charges	0	1,500
Audit Fees	2,247	2,247
Miscellaneous Expenses (Bank Charges)	296	717
	6,393	10,261

Sd/- For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata, Dated, the 6th. August, 2014

Sd/- A. K. Sen, D. Duttagupta
Directors S. Ray, N. Mukhopadhyay
Kolkata, Dated, the 6th. August, 2014