



**11TH
ANNUAL REPORT
2012-13**



Brooks
LABORATORIES LIMITED

A WHO GMP & ISO 9001 : 2008 Certified Company

Registered Office:

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

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

Website : www.brookslabs.net

BOARD OF DIRECTORS

Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Dr. D.S. Maity	CEO-cum-Technical Director
Mr. Rajnish Bedi	Independent Director
Mr. Bhaskar Sharma	Independent Director

COMPANY SECRETARY

Ms. Ashima Banodha

BANKERS

State Bank of India
Axis Bank

AUDITORS**M/S J. K. JAIN & ASSOCIATES**

Chartered Accountants
SCO 1132-33, Sector 22-B
Chandigarh.
Tel. : 0172-2704536-37

REGD. OFFICE & WORKS

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

CORPORATE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

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

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NOTICE TO MEMBERS

NOTICE is hereby given that the **ELEVENTH ANNUAL GENERAL MEETING** of the Members of **BROOKS LABORATORIES LIMITED** will be held on **Friday, the 6th day of September, 2013 at 9.00 A.M.** at **HOTEL GIANZ, BADDI-NALAGARH HIGHWAY, NH-21A, BADDI, DISTT. SOLAN, H.P.** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss for the year ended on that date, together with the Report of Auditors and Directors thereon.
2. To appoint a Director in place of Dr. D.S. Maity who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors for the financial year 2013-14 and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT M/s J K Jain and Associates, Chartered Accountants, Chandigarh, (Firm Registration No. 004025N), being eligible under Section 224(1B) and 224(1C) of the Companies Act, 1956 and having offered themselves for re-appointment, be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such Audit Fee plus Service Tax and reimbursement of out-of-pocket expenses on actual basis as shall be fixed by the Board of Directors of the Company in mutual consultation with the Auditors."

SPECIAL BUSINESS:

4. APPOINTMENT OF MR. BHASKAR SHARMA AS INDEPENDENT DIRECTOR

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

"RESOLVED THAT Mr. Bhaskar Sharma, who was appointed as an Additional Director on the Board w.e.f. 22.05.2013 pursuant to Section 260 of the Companies Act, 1956 and whose term expires at this Annual General Meeting of the Company and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, from a member proposing his candidature for the office of the Director along with a deposit of Rs. 500/-, be and is hereby appointed as Independent Director on the Board of Directors of the Company."

5. INCREASE IN REMUNERATION OF MR. ATUL RANCHAL, CHAIRMAN

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

- I. **"RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309, 310 and 311 read with the provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the approval of the Central Government, the consent and approval of the Company be and is hereby accorded for the increase in remuneration of Mr. Atul Ranchal, Chairman cum Whole Time Director of the Company, as approved by the Remuneration Committee on the terms and conditions as set out in the explanatory statement (Item No. 5 & 6), with further authority to the Board (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary such terms and conditions including remuneration as agreed by the Board of Directors of the Company and Mr. Atul Ranchal subject to the conformity with the provisions of the Companies Act, 1956 and Schedule XIII.

- II. **RESOLVED FURTHER THAT** subject to the applicable approvals, Mr. Atul Ranchal, Chairman cum Whole-Time Director of the Company, shall be paid the aforesaid remuneration as minimum remuneration in the event of absence or inadequacy of profits."

6. INCREASE IN REMUNERATION OF MR. RAJESH MAHAJAN, MANAGING DIRECTOR

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

- I. **"RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309, 310 and 311 read with the provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the approval of the Central Government, the consent and



approval of the Company be and is hereby accorded for the increase in remuneration of Mr. Rajesh Mahajan, Managing Director of the Company, as approved by the Remuneration Committee on the terms and conditions as set out in the explanatory statement (Item No. 5 & 6), with further authority to the Board (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary such terms and conditions including remuneration as agreed by the Board of Directors of the Company and Mr. Rajesh Mahajan subject to the conformity with the provisions of the Companies Act, 1956 and Schedule XIII.

- II. **RESOLVED FURTHER THAT** subject to the applicable approvals, Mr. Rajesh Mahajan, Managing Director of the Company, shall be paid the aforesaid remuneration as minimum remuneration in the event of absence or inadequacy of profits."

7. **ALTERATION OF ARTICLES OF ASSOCIATION**

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 31 and other applicable provisions, if any, of the Companies Act, 1956, or any other law for the time being in force (including any statutory modification(s) or amendment(s) thereto or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to alter the Articles of Association of the Company by substituting the existing Article 176(1) with the following Article 176(1) as follows:

176: Appointment of Technical or Executive Director

(1) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares."

**By order of the Board of Directors
For BROOKS LABORATORIES LIMITED**

**Place: Baddi
Date: 10.08.2013**

**Sd/-
Ashima Banodha
Company Secretary**

NOTES:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the company.**

Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxy Form attached.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting, as provided under Section 187 of the Companies Act, 1956.
 3. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is annexed hereto as Annexure 1 and forms part of the Notice.
 4. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 2nd September, 2013 to Thursday, 5th September, 2013, both days inclusive.
 5. Brief resume of Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is annexed hereto as Annexure 3.
 6. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
 7. Members holding shares in physical form are requested to forward all applications for transfers and all other shares-related correspondence (including intimation for change of address) to the Share Transfer Agents of the Company viz. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400078 (Tel: 022- 2594 6970, Fax: 022- 2594 6969, Email: rnt.helpdesk@linkintime.co.in).
 8. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling Form 2B in duplicate with the Share Transfer Agents which, on request will supply blank forms.
- Members holding shares in the dematerialised form may contact the Depository Participant for recording nomination in respect of their shares.



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

ITEM No. 4:

Mr. Bhaskar Sharma was appointed as Additional Director of the Company w.e.f. 22.05.2013 as per the Articles of Association of the Company and pursuant to Section 260 of the Companies Act, 1956, to hold office up to the date of this Annual General Meeting.

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

The Resolution as set out in Item No. 4 of the Notice will be placed before the meeting for the approval of the Members.

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

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

ITEM NO. 5 & 6:

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

Mr. Atul Ranchal, Chairman, and Mr. Rajesh Mahajan, Managing Director, are not at all associated in any other company or firm. They are devoting their time and energy exclusively for the growth and diversification of Brooks Laboratories Limited. They have visualized the idea of this pharmaceutical Company, developed it, nurtured it and brought it to its present state.

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

Keeping in mind their best efforts and the workload which has multiplied over years, the Board of Directors have approved remuneration of Rs. 15,00,000/- (Rupees Fifteen Lacs only) per month each plus perks on the recommendation of

9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
10. Members who wish to obtain any information on the Company may send their queries at least 7 days before the Annual General Meeting to the Company Secretary at the Company's Registered Office at Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan, H.P.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.
12. Members may please note that, Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transactions and off market/private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish copy of PAN card to the Company/Share Transfer Agents for registration of such transfer of shares.

Members may please note that, SEBI has also made it mandatory for submission of PAN in the following cases
viz., (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s), and (iii) Transposition of shares.
13. In continuation of our efforts in promoting and supporting the "GO GREEN" initiative of the Ministry of Corporate Affairs, members who have not registered their e-mail addresses and those who are holding shares in physical form are requested to contact the Share Transfer Agents of the Company and register their email-id. Members holding shares in dematerialised form are requested to contact their Depository Participant.

Members who have registered their email ids with the Depository will be sent the Notice of the AGM and Annual Report by email. Members may please note that notices, annual reports, etc. will be available on the Company's website - www.brookslabs.net and the same shall also be available for inspection, during office hours, at the Registered Office of the Company. Members will be entitled to receive the said documents in physical form free of cost at any time upon request.



Remuneration Committee subject to the approval of the members at the ensuing Annual General Meeting and the Central Govt. The Company has already applied to the Central Govt. with necessary documents for requisite approval to pay the above mentioned remuneration. Please refer Annexure 2 for information as required under Schedule XIII of the Companies Act, 1956. The detailed terms and conditions for the payment of remuneration to each of the two directors are as follows:

TERMS & CONDITIONS:

a) SALARY

Rs. 15,00,000/- (Rupees Fifteen Lacs Only) per month with such annual increments/ increases as may be decided by the Board of Directors from time to time.

b) COMMISSION

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

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

c) PERQUISITES

Category A:

- i. Accommodation: Free furnished residential accommodation with gas, electricity, water and furnishings
- ii. Medical Reimbursement: Reimbursement of Medical Expenses incurred for self and family.
- iii. Leave Travel Assistance: Leave Travel Assistance for self and family
- iv. Personal Accident Insurance
- v. Club Fees: Fees in respect of two clubs
- vi. Car: Free use of Company's car for Company's work as well as for personal purposes alongwith driver.
- vii. Telephone/ Telefax: Telephone, telefax and other communication facilities at Company's cost.
- viii. Insurance: Cost of insurance cover against the risk of any financial liability or loss because of any error of judgement, as may be approved by the Board of Directors from time to time.
- ix. Reimbursement of Servant's Salary: Reimbursement of servant's salary subject to a maximum of two servants
- x. Reimbursement of Expenses: Reimbursement of all entertainment, travelling, hotel and other expenses incurred by Mr. Atul Ranchal during the course of and in connection with the business of the Company.

- xi. Others: Subject to the statutory ceilings, Mr. Atul Ranchal may be given any other allowances, perquisites and facilities as the Board of Directors may decide from time to time.

Category B

- i. Gratuity: Payable at the rate not exceeding 15 out of 26 days salary for each completed year of service as per the rules of the Company. This will not be included in the computation of the ceiling on perquisites or remuneration.
- ii. Leave Encashment: As per the rules of the Company. This will not be included in the computation of the ceiling on perquisites or remuneration.

The Board of Directors recommend passing of the resolutions set out in Item No. 5 & 6 of the accompanying notice.

The resolution and explanatory statement may be treated as a Memorandum of Abstract pursuant to the provisions of Section 302 of the Companies Act, 1956.

None of the Directors, other than Mr. Atul Ranchal, is concerned or interested in the resolution at Item No. 5.

None of the Directors, other than Mr. Rajesh Mahajan, is concerned or interested in the resolution at Item No. 6.

ITEM NO. 7

As per the provisions of the existing Article 176(1) of the Articles of Association of the Company, a Technical or Executive Director of the Company was not entitled to vote at any meeting of the Board of Directors of the Company. The Board is of the considered opinion that in view of the contribution expected by a Technical or Executive Director of the Company, it is desirable to grant voting rights to such director at Board Meeting. The Board, therefore, passed the resolution for amendment of the Articles of Association.

Considering enhanced participation of the Technical or Executive Director in Board Meetings, the Board commends the resolution for approval by the members.

None of the Directors, other than Dr. D.S. Maity, is concerned or interested in the resolution proposed at Item No. 7 of the accompanying Notice.

**By order of the Board of Directors
For BROOKS LABORATORIES LIMITED**

Sd/-

**Place: Baddi
Date: 10.08.2013**

**Ashima Banodha
Company Secretary**



STATEMENT PURSUANT TO PROVISIO TO SCHEDULE XIII (PART II SECTION II (1) (C) (Clause iv)) OF THE COMPANIES ACT, 1956

GENERAL INFORMATION

- | | | |
|----|---|--|
| 1. | Nature of Industry | Pharmaceutical |
| 2. | Date of commencement of commercial production | The Company was incorporated on 23.01.2002. Its plant at Baddi started its commercial production in June, 2006 |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus | N.A. |
| 4. | Financial Performance based on given indicators | PI refer Exhibit 2.1 |
| 5. | Export performance and net foreign exchange collaborations, if any | Nil |
| 6. | Foreign investments or collaborators, if any | NRI Investment of Rs. 11,92,690/- as on 31.03.2013 |

I.	INFORMATION ABOUT THE APPOINTEE	Mr. Atul Ranchal, Chairman cum Whole Time Director	Mr. Rajesh Mahajan, Managing Director												
1.	Background Details	Refer the Explanatory Statement to Item No. 5 above	Refer the Explanatory Statement to Item No. 6 above												
2.	Past Remuneration	<table><tr><td>Year</td><td>Remuneration</td></tr><tr><td>2012-13</td><td>39.00 Lacs</td></tr><tr><td>2011-12</td><td>28.50 Lacs</td></tr></table>	Year	Remuneration	2012-13	39.00 Lacs	2011-12	28.50 Lacs	<table><tr><td>Year</td><td>Remuneration</td></tr><tr><td>2012-13</td><td>39.00 Lacs</td></tr><tr><td>2011-12</td><td>28.50 Lacs</td></tr></table>	Year	Remuneration	2012-13	39.00 Lacs	2011-12	28.50 Lacs
Year	Remuneration														
2012-13	39.00 Lacs														
2011-12	28.50 Lacs														
Year	Remuneration														
2012-13	39.00 Lacs														
2011-12	28.50 Lacs														
3.	Recognition or Awards	N.A.	N.A.												
4.	Job Profile and his suitability	Refer the Explanatory Statement to Item No. 5 above	Refer the Explanatory Statement to Item No. 6 above												
5.	Remuneration proposed	Salary- Rs. 15 Lacs per month Perquisites & Allowances- Rs. 1 Lac per month	Salary- Rs. 15 Lacs per month Perquisites & Allowances- Rs. 1 Lac per month												
6.	Comparative remuneration profile with respect to industry,size of the Company, profile of the position and person (in case of expatriates, the relevant details would be w.r.t. the country of origin)	PI refer Exhibit 2.2	PI refer Exhibit 2.2												
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Atul Ranchal is one of the promoters of the Company. He has no pecuniary relationship with the Company.	Mr. Rajesh Mahajan is one of the promoters of the Company. He has no pecuniary relationship with the Company.												

OTHER INFORMATION

- | | | |
|----|---|---|
| 1. | Reasons of loss or inadequate profits | During the Financial Year 2012-13, the Company has earned Net Profits of Rs. 714.39 Lacs indicating a reduction of 19% as compared to previous year. The Company has invested its funds in the setting up of another plant in Gujarat. Profits are inadequate in view of prevailing limit of 5% of net profits relating to payment of managerial remuneration, as prescribed under the Companies Act, 1956. |
| 2. | Steps taken or proposed to be taken for improvement | The Company is progressively heading towards the completion of another plant which is under construction in Gujarat. As soon as the plant starts its operations, the turnover and profits of the Company are expected to get accelerated. |
| 3. | Expected increase in productivity and profits in measurable terms | The Company expects substantial increase in its output on the commencement of operations in its plant in Gujarat. The performance of the Company is expected to improve in terms of higher turnover, better productivity and commensurate profitability. |

DISCLOSURES

- | | | |
|----|---|----------------------|
| 1. | Remuneration package of the managerial person | PI refer Exhibit 2.3 |
|----|---|----------------------|



Exhibit 2.1
FINANCIAL POSITION OF THE COMPANY

The financial position of the Company as per the audited Financial Statements of last 5 years is as follows:

	(in ₹ lacs)				
Particulars	2012-13	2011-12	2010-11	2009-10	2008-09
Sales and Other Income	8011.87	5699.81	5266.55	4521.36	4496.75
Profits after tax	714.39	883.59	688.82	517.19	296.41
Earnings Per Share (in `)	4.41	6.55	6.97	11.12	11.47
Net Fixed Assets	2064.53	2212.28	1908.66	1938.01	1705.48
Capital Work In Progress	3552.42	3388.36	63.30	1.84	6.49
Long Term Loans & Advances	624.63	592.78	378.91	0.00	0.00
Current Assets	6593.79	4154.16	1690.53	1784.98	1498.24
Equity Share Capital	1618.64	1618.64	988.64	465.12	258.40
Reserves & Surplus	8922.06	7507.68	954.09	895.79	592.00
Long Term Borrowings	0.00	0.00	90.17	1182.09	1606.41
Current Liabilities	2431.55	1379.13	1951.77	1179.39	751.79

Exhibit 2.2
INDUSTRY TRENDS

Annual Remuneration withdrawn by the Executive Directors of some of the leading Pharmaceutical Companies in India is as follows:

				(in ₹ lacs)
1. Lupin Ltd.				
S. No.	Name of Director	Designation	Remuneration	
1.	Mr. Deshbandhu Gupta	Chairman	1499.90	
2.	Mr. Kamal Kishore Sharma	Managing Director	714.20	
3.	Mr. Nilesh Deshbandhu Gupta	Executive Director	385.20	
2. Jubilant Life Sciences Ltd.				(in ₹ lacs)
S. No.	Name of Director	Designation	Remuneration	
1.	Mr. Shyam Sunder Bhartia	Chairman & Managing Director	237.96	
2.	Mr. Hari Shankar Bhartia	Co-Chairman & Managing Director	229.93	
3. Sun Pharmaceutical Industries Ltd.				(in ₹ lacs)
S. No.	Name of Director	Designation	Remuneration	
1.	Mr. Dilip Shantilal Sanghvi	Managing Director	233.43	
2.	Mr. Sudhir Vrindavandas Walia	Executive Director	234.13	

Exhibit 2.3
Proposed Remuneration Package (per month in Rs.)

S. No.	REMUNERATION BREAK-UP (per month)	Mr. Atul Ranchal Chairman	Mr. Rajesh Mahajan, Managing Director
1.	SALARY: Rs. 15,00,000/- (Rupees Fifteen Lacs Only) per month (including monetary allowances) with such annual increments/ increases as may be decided by the Board of Directors from time to time.	15,00,000.00	15,00,000.00
2.	COMMISSION: Commission on profits not exceeding 1% of the net profits of the Company in any financial year as the Board may determine from time to time. The amount of Commission shall be payable after the Annual Accounts are approved by the Board of Directors and adopted by the shareholders.	As applicable	As applicable
3.	PERQUISITES		
i.	Accommodation: Free furnished residential accommodation with gas, electricity, water and furnishings	NIL	NIL



S. No.	REMUNERATION BREAK-UP (per month)	Mr. Atul Ranchal Chairman	Mr. Rajesh Mahajan, Managing Director
ii.	Medical Reimbursement: Reimbursement of Medical Expenses incurred for self and family.	15000.00	15000.00
iii.	Leave Travel Assistance: Leave Travel Assistance for self and family	10000.00	10000.00
iv.	Personal Accident Insurance	15000.00	15000.00
v.	Club Fees: Fees in respect of two clubs	5000.00	5000.00
vi.	Car: Free use of Company's car for Company's work as well as for personal purposes alongwith driver.	20000.00	20000.00
vii.	Telephone/ Telefax: Telephone, telefax and other communication facilities at Company's cost.	2000.00	2000.00
viii.	Insurance: Cost of insurance cover against the risk of any financial liability or loss because of any error of judgement, as may be approved by the Board of Directors from time to time.	6000.00	6000.00
ix.	Reimbursement of Servant's Salary: Reimbursement of servant's salary subject to a maximum of two servants	12000.00	12000.00
x.	Reimbursement of Expenses: Reimbursement of all entertainment, travelling, hotel and other expenses incurred by Mr. Atul Ranchal during the course of and in connection with the business of the Company.	15000.00	15000.00
xi.	Others: Subject to the statutory ceilings, Mr. Atul Ranchal may be given any other allowances, perquisites and facilities as the Board of Directors may decide from time to time.	NIL	NIL
Total Remuneration per month		16,00,000.00	16,00,000.00

ANNEXURE 3**Information regarding details of Directors seeking Appointment/Re-appointment in ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement**

Name of Director	Dr. D.S. Maity	Mr. Bhaskar Sharma
Designation	Technical Director	Independent Director
Date of Birth	01.01.1964	24.03.1984
Date of Appointment	10.09.2010	22.05.2013
Qualifications	M.Sc., Ph.D. (Chemistry)	B.A., M.B.E. (Banking), L.L.B.
Expertise in Specific	Administrative,	Legal
Functional Areas	Production	
Shareholding in Brooks Laboratories Limited	3000 shares	Nil
Directorships held in other companies	Nil	Solicitors Solutions Private Limited
Membership/Chairmanship of Committees of other Public Companies	Nil	Nil

Place: Baddi
Date: 10.08.2013

By order of the Board of Directors
For Brooks Laboratories Limited
Sd/-
Ashima Banodha
Company Secretary



DIRECTORS' REPORT

The Board of Directors of your Company has pleasure in presenting the 11th Annual Report on the affairs of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2013.

1. FINANCIAL RESULTS

The Financial Results for the year are as under: -

(Amount in ₹ Lacs)

PARTICULARS	2012-13	2011-12
Turnover	8,011.26	5,607.58
Other Income	0.61	92.23
Total Income	8,011.87	5,699.81
Expenditure	6,960.78	4,561.43
Profit before Depreciation, Interest & Tax(PBDIT)	1,051.09	1,138.38
Financial Expenses (Interest)	11.43	155.77
Profit before Depreciation and Tax (PBDT)	1,039.66	982.61
Depreciation and Amortization	81.40	65.63
Extraordinary items	-	-
Profit before Tax (PBT)	958.26	916.98
Income Tax (net of MAT Credit)	243.87	33.39
Profit after Tax	714.39	883.59
Earnings per Share (in Rs.)	4.41	6.55

2. WORKING RESULTS

During the year under review, your Company has achieved a turnover of Rs. 80.11 Crores as compared to Rs. 56.08 Crores in the previous year showing net increase of 42.85%. The Company has earned a net profit after tax and depreciation of Rs. 7.14 Crores as compared to Rs. 8.84 Crores in the previous year indicating a reduction of 19% as compared to the previous year. The fall in profits is attributed to the increased cost of inputs and other incidental expenses. Your Company is confident of achieving higher profits in the coming years.

3. UTILIZATION OF FUNDS THROUGH IPO

The Company had raised funds from the public through IPO in the year 2011-12. The funds are being utilized towards construction and development of another plant of the Company in the State of Gujarat. Your Directors are hopeful of better results in the times ahead as soon as the plant starts operating. Statement of Utilization of funds raised through public issue till 31st March 2013 is as follows:

Sr. No.	Object	Total Estimated Cost (in ₹ lacs)	Actual Utilizations (in ₹ lacs)
1	Land	635.00	562.40
2	Building Construction	1,220.00	1,200.00
3	Plant & Machinery & Utilities	3,094.00	1,527.00
4	Advance given for Purchase of Misc. Fixed Assets	230.00	200.00
5	Long term working capital	500.00	NIL
6	General corporate purposes	328.29	87.91
7	Listing Fees to Stock Exchanges	0.96	0.96
8	Issue Expenses	291.75	291.75
	Total	6,300.00	3870.02

4. DEPOSITS

During the year 2012-13, the Company has not accepted any deposits from the public in terms of the provisions of Section 58A and 58AA of the Companies Act, 1956.

5. DIVIDENDS

In view of the ongoing expansion projects and future growth plans, the Directors have decided to plough back the profits of the Company for financial year 2012-13. Accordingly, the Board does not recommend any dividend payment for the year under reference.

6. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS

Your Company is committed to good corporate governance practices. The Report on Corporate Governance and Management Discussion & Analysis as stipulated in Clause 49 of the Listing Agreement form part of this Report.

7. DIRECTORS

Mr. Dinesh Puri, Mr. Rajnish Kumar Bedi and Mr. Anil Khanna were appointed as Independent Directors in the Annual General Meeting held on 25.09.2012. However, Mr. Dinesh Puri and Mr. Anil Khanna resigned w.e.f. 16.10.2012 and 02.04.2013 respectively.

Further, Mr. Harsh Bhalla was appointed as Additional Director on the Board of the Company on 01.12.2012, pursuant to Article 156 of the Articles of Association and Section 260 of the Companies Act, 1956 but due to some of his pre-occupations, he resigned from the Directorship w.e.f. 02.04.2013.



The Board records its appreciation to the outgoing Directors for their expertise and contribution towards the Company.

Mr. Bhaskar Sharma has now been appointed as Additional Director on the Board of the Company on 22.05.2013, pursuant to Article 156 of the Articles of Association and Section 260 of the Companies Act, 1956.

The Company has received notice from a member of the Company along with deposit of Rs. 500/-, under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Bhaskar Sharma as Director of the Company. Requisite approval for his appointment is being sought at the ensuing Annual General Meeting.

Dr. D.S. Maity, Technical Director, retires by rotation and being eligible, offers himself for re-appointment.

8. **STATUTORY AUDITORS**

M/S J.K JAIN & ASSOCIATES, Chartered Accountants, Chandigarh, Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offers themselves for re- appointment. The Company has received a certificate from the said Auditors to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) and 224(1C) of the Companies Act, 1956.

9. **AUDITORS' REPORT**

The Auditors of the Company have submitted Auditors' Report on the accounts of the Company for the accounting year ended March 31, 2013. The Auditors' Report on the accounts is self explanatory and requires no comments as there are no qualifications/ adverse remarks in the Report.

10. **HUMAN RESOURCES**

Harmonious employees' relations prevailed throughout the year. Your Directors place on record their appreciation to all employees for their hard work and dedication.

11. **PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956**

During the year no employee of the Company received a salary of more than Rs. 60.00 Lac per annum or 5.00 Lac per month. Accordingly, no particulars of employees was required to be disclosed pursuant to the provisions of Section 217(2A) of the Companies Act, 1956.

12. **COST AUDITORS**

Pursuant to the provisions of section 233B of the Companies Act, 1956 and with the prior approval of the Central Government, M/s. C.L. Bansal and Associates, Cost Accountants, have been appointed to conduct audit of cost records of bulk drugs and formulations for the financial year ended on 31st March, 2013. Their full details are as follows:

M/s. C.L. Bansal & Associates
#332, Pipliwala Town,
Manimajra, Chandigarh- 160101

The Cost Audit Reports would be submitted to the Central Government within the prescribed time.

13. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Statement of conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 are annexed hereto and form part of this report.

14. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the Section 217 (2AA) of the Companies Act, 1956, the directors confirm that:

- a) in the preparation of the Annual accounts for the year ended 31st March, 2013, the applicable accounting standards have been followed;
- b) appropriate accounting policies have been selected and applied consistently, and they have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as at 31st March 2013 and of the profit of the Company for the year ended on 31st March 2013;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts have been prepared on a going concern basis.

15. **ACKNOWLEDGEMENT**

Your Directors are pleased to place on record their sincere gratitude to the Central Government, State Government(s), Financial Institutions, Bankers and Business Constituents for their continuous and valuable co-operation and support to the Company. They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

Place: Baddi
Date: 10.08.2013

For and on Behalf of the Board
For BROOKS LABORATORIES LIMITED
Sd/-
Atul Ranchal
(Chairman)



ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(1) (e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2013.

1. **CONSERVATION OF ENERGY** : Your Company has always been conscious of the need to conserve energy and reduce the cost of production. Upgraded new Chillers have been installed in the core production areas which not only provide increased cooling efficiency for controlled areas but are also energy saving. The details regarding the present energy consumption are furnished below as per Form A of the Annexure to the Rules.

Form - A

A. **POWER AND FUEL CONSUMPTION**

<u>Particulars</u>			2012-13	2011-12
1.	Electricity	a)		
		Purchased Unit	KVAH	
			1,476,680.00	1,404,380.00
		Total amount	Rs. In	Rs. In
			7,965,211.00	6,777,266.00
		Rate per unit	Rs./unit	
			5.40	4.82
		b)		
		Own generation through diesel		
		i)		
		Generator Units	KWH	
			241,901	1,887,082.00
		Unit per liter of diesel	KWH	
			3.82	3.82
		Cost per Unit	Rs.	
			11.47	10.46
		ii)		
		Through Steam Turbine/generator units		
		Unit per liter of fuel/gas		
			Nil	Nil
		Cost per Unit		
			Nil	Nil
2.	Coal	Quantity	Tons	
		Total cost	Rs.	Rs.
			Nil	Nil
		Average rate	Rs./Ton	
			Nil	Nil
3.	Furnace Oil	Quantity	K. Ltrs	
		Total Cost	Rs.	Rs.
			Nil	Nil
		Average Rate	Rs./Ltr	
			Nil	Nil
4.	Others/Internal Generation	Quantity (Timber and Husk)	Tons	
		Diesel Consumption (Boiler)	Ltrs.	
			99,780	86,183.00
		Total cost	Rs.	Rs.
			4,390,320.00	344,692.00

- B. **CONSUMPTION PER UNIT OF PRODUCTION** : The Company is engaged in the production of a number of drugs and formulations; hence, the figures of consumption per unit of production/ product are not ascertainable with accuracy. The details of consumption of energy per unit of production, therefore, could not be given.

2. **TECHNOLOGY ABSORPTION** : Efforts made in technology absorption are furnished in Form -B as under:

Form- B

A. **Research and Development (R&D)**

- (a) Specific areas in which Research and Development is carried out by the Company:
R & D has been carried out in areas of:-
1. Improvement on product quality
2. Innovation in manufacturing process to increase yields and reduce reaction time to enhance productivity
- (b) Benefits derived as a result of above R & D:
R & D efforts at Brooks Laboratories Ltd. have yielded positive results, which can be measured from the fast growth of the Company, both in terms of turnover and penetration of geographies.
Generation of Intellectual wealth: Key inventions/ technologies for drug substance synthesis were protected by filing patent applications. Your Company was able to improve the quality of existing products and develop customer specific materials with stringent specifications, gaining an edge over competition and penetrating global markets.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief, made towards technology absorption, adaptation and innovation:
 - > Setting up of a new project in Gujarat with world class facilities and infrastructure for development of cost competitive active pharmaceutical ingredients and drug products.
 - > State-of-the-art development laboratories.
 - > Further enhancement of technological expertise in the field of complex formulations' manufacturing.
 2. Benefits derived as a result of the above efforts:
 - > These initiatives will result in development of cost effective active pharmaceutical ingredients.
 - > Speedy introduction of difficult-to-formulate products in all markets upon approval.
 - > Reduction of raw material cost, time cycle and increased productivity.
- Imported Technology : Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings:	Nil	
Foreign Exchange Outgo :	Raw Material	- Rs. 115,447,276/-
	Capital Goods	- Nil

Place: Baddi
Date: 10.08.2013

For and on Behalf of the Board
For BROOKS LABORATORIES LIMITED
Sd/-
Atul Ranchal
(Chairman)



MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT

The pharmaceutical industry in India is an extremely fragmented market with severe price competition and government price control. The industry meets around 70 per cent of the country's demand for bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, tablets, capsules, orals, and injectables. The domestic pharmaceutical market is expected to register a strong double-digit growth of 13-14 per cent in 2013 on back of increasing sales of generic medicines, continued growth in chronic therapies and a greater penetration in rural markets. With the advantage of being a highly organized sector, a number of pharmaceutical companies are increasing their operations in India.

2. OPPORTUNITIES AND THREATS

The major opportunities available are - (a) Global opportunity for increasing Generics and bio-generics market both in developed and emerging countries due to pressure on budgetary limitations of these countries as well as emergent patent cliff due to off-patenting of major high-value drugs (b) Low cost good skill destination for contract research and manufacturing and resultant opportunities in drug discovery as well as clinical trials (c) High growth of domestic market attracting multi-nationals both for brown field and green field investments in production and capacity building.

The threats to the industry are from - (a) Ever-greening strategy of MNCs for denying and limiting the patent cliff opportunities with debatable recourse to TRIPs and FTAs (b) Increasingly stringent regulatory and non-tariff barriers to generics markets in developed countries (c) Increased competition for generics and bio-generics production in terms of high capacity and production costs (d) High-entry barriers to enable market share in development of new drugs.

There is a need to differentiate a product from competition and establish a positive image of the drug and the company in the eyes of the customer.

3. PERFORMANCE

During the year under review, your Company has achieved a turnover of Rs. 80.11 Crores as compared to Rs. 56.08 Crores in the previous year showing net increase of 42.85%. The Company has earned a net profit after tax and depreciation of Rs. 7.14 Crores as compared to Rs. 8.84 Crores in the previous year indicating a reduction of 19% as compared to the previous year. The fall in profits is attributed to increased cost of inputs and other incidental expenses. Your Company is confident of achieving higher profits in the coming years.

4. RISKS AND CONCERNS

Pharma companies are currently facing a number of challenges, including continued pricing pressure, tightening of product specifications by innovator

companies, unpredictable market authorization timelines, lack of patient awareness and education on generics and mistrust among physicians and prescribers. The products are likely to come under intense pricing pressure due to changing pricing and reimbursement policies of healthcare providers and governments. Entry of more and more companies into the segment is a given and this will further impact the profitability margins. Stringent regulatory barriers thwarting entry of generics is a major detrimental factor for launching products in some of the key markets. Further, regulations prohibiting branding of generics and promotion to physicians in lead markets virtually leave everything at the discretion of the pharmacist.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

To provide reasonable assurance that assets are safeguarded against loss or damage and that accounting records are reliable for preparing financial statements, the Company has a proper and adequate system of internal controls.

The Company has in place well structured systems and procedures in line with the best of practices and well defined roles and responsibilities for people in all functions at various levels. The Company is certified as ISO 9001:2008 (Quality Management System Standard). Also, the Company has obtained GMP certifications from WHO (World Health Organisation).

Management review meetings are held periodically to monitor and to control functions of the Company.

6. HUMAN RESOURCES

The Company regards its employees as valuable asset and continuously reviews and evolves policies and procedures to attract and retain its pool of technical and managerial personnel through a conducive work environment.

7. CAUTIONARY STATEMENT

The Management Discussion and Analysis Report may contain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as important factors could influence the company's operations such as Government policies, local, political and economic development, risk inherent to the Company's growth and such other factors.

**For and on Behalf of the Board
For BROOKS LABORATORIES LIMITED**

**Place: Baddi
Date: 10.08.2013**

**Sd/-
Atul Ranchal
(Chairman)**



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Company's Corporate Governance system is based on certain key principles, including fairness and integrity, transparency and disclosure, accountability, equal treatment of all shareholders, and social responsibility. Corporate Governance extends beyond corporate laws. Its fundamental objective is not the mere fulfillment of the requirements of law, but also the institution of, and adherence to, systems and procedures ensuring commitment of the Board in managing a company in a transparent manner for the maximization of long-term shareholder value.

Your Company is committed in adopting the best practices of Corporate Governance. Company has adopted an appropriate Corporate Governance framework to ensure timely and accurate disclosure of all material matters, including financial position, performance, ownership, and governance. Its endeavour has always been to maximize the long term value to the shareholders of the Company.

BOARD OF DIRECTORS

Board Membership Criteria

The members of the Board of Directors of your Company are expected to possess the required expertise, skill, and experience to effectively manage and direct your Company so that it can attain its organizational goals. They are expected to be persons with vision, leadership qualities and strategic bent of mind, proven competence, and integrity.

Each member of the Board of Directors of your Company is expected to ensure that his/her personal interest does not run in conflict with your Company's interests. Moreover, each member is expected to use his/her professional judgment to maintain both the substance and appearance of independence and objectivity.

COMPOSITION OF THE BOARD

The Board of Directors of the Company had an optimum combination of Executive & Non-Executive Directors so as to have a balanced Board Structure as on 31st March, 2013.

Details of Directors for the F.Y. 2012-13

Name of Director	Category	No. of Board Meetings attended during the year	Attendance at the last AGM held on 25th Sept., 2012	No. of Committee memberships and Chairmanships in all companies including Brooks Laboratories Ltd.	
				Membership	Chairmanship
Mr. Atul Ranchal	Promoter, Executive Director	8	Yes	1	1
Mr. Rajesh Mahajan	Promoter, Executive Director	8	Yes	3	Nil
Dr. D. S. Maity	Executive Director	3	Yes	1	Nil
Mr. Dinesh Puri*	Non-Executive, Independent	4	No	3*	1***
Mr. Rajnish Kumar Bedi	Non-Executive, Independent	5	Yes	3	2***
Mr. Anil Khanna*	Non-Executive, Independent	4	Yes	1*	1*
Mr. Harsh Bhalla*	Non-Executive, Independent	Nil	N.A.	3*	Nil

* Mr. Dinesh Puri, Mr. Anil Khanna and Mr. Harsh Bhalla resigned as Directors of the Company w.e.f. 16.10.2012, 02.04.2013 and 02.04.2013 respectively.

** The Board has come up with the appointment of Mr. Bhaskar Sharma, a dynamic and efficient person as Independent Director. (A brief profile of Mr. Bhaskar Sharma is given in Annexure to the Notice of AGM attached herewith and forming part of the Annual Report)

*** Mr. Dinesh Puri was the Chairman of Audit Committee of the Company. After his resignation, Mr. Rajnish Bedi was unanimously elected as the Chairman of the Audit Committee.



REMUNERATION PAID TO DIRECTORS

Executive Directors: (in Rs.)

S. No.	Name of the Director	Designation	Salary per annum
1.	Mr. Atul Ranchal	Chairman cum Whole Time Director	39,00,000
2.	Mr. Rajesh Mahajan	Managing Director	39,00,000
3.	Dr. D.S. Maity	Technical Director	11,64,000

Non-Executive Directors:

S. No.	Name of the Director	Category	Sitting fee for the year
1.	Mr. Dinesh Puri	Independent	37,500
2.	Mr. Rajnish Kumar Bedi	Independent	75,000
3.	Mr. Anil Khanna	Independent	75,000

Note: The Company does not have any direct pecuniary relationship/ transaction with the Non-Executive Directors of the Company.

BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURES

During the financial year 2012-13, the Board met eight times on the following dates:

1.	23.05.2012	2.	29.05.2012
3.	28.06.2012	4.	14.08.2012
5.	29.08.2012	6.	09.11.2012
7.	13.02.2013	8.	14.02.2013

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long term interests of the shareholders are being served. The Board of Directors is assisted by the Senior Management Personnel in overseeing the functional matters of the Company.

The Board has constituted Audit Committee, Shareholders' /Investors' Grievance Committee, Remuneration Committee and Share Transfer Committee. The Board is authorized to constitute additional functional Committees, from time to time, depending on the business needs.

The Internal guidelines for Board/Board Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to all the members of the Board/Committee for their comments. The minutes are entered in the Minutes Book within 30 days from conclusion of each meeting.

Post meeting follow-up mechanism

The Guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board and Committees thereof. The important decisions taken at the Board/Committee meetings are communicated to the departments/divisions concerned promptly.

BOARD COMMITTEES

In compliance with both the mandatory and non-mandatory requirements under the applicable laws, the Board of Directors of your Company constituted the following Committees:

- * Audit Committee
- * Shareholders' /Investors' Grievance Committee
- * Remuneration Committee
- * Share Transfer Committee

The Chairman of the Board, in consultation with the respective Chairmen of these Committees, determines the frequency of the meetings of the Committees. The recommendations of the Committees are submitted to the Board for approval.

AUDIT COMMITTEE

The Audit Committee was re-constituted by our Directors pursuant to a Board Resolution dated May 23, 2012 comprising of 3 Directors i.e. Mr. Dinesh Puri as Chairman and Mr. Rajnish Kumar Bedi and Mr. Rajesh Mahajan as members. Mr. Dinesh Puri resigned from Directorship w.e.f. 16.10.2012 and Mr. Harsh Bhalla was appointed as member of Audit Committee w.e.f. 01.12.2012. The Company Secretary acts as Secretary of the Audit Committee. The terms of reference of the Audit Committee are in accordance with those specified in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

Composition as on 31st March, 2013:

Committee Members	Designation	Category
Mr. Rajnish Kumar Bedi	Chairman	Non Executive, Independent
Mr. Harsh Bhalla*	Member	Non Executive, Independent
Mr. Rajesh Mahajan	Member	Executive, Non-Independent

* Mr. Harsh Bhalla has resigned w.e.f. 02.04.2013 and Mr. Bhaskar Sharma has been appointed as member of Audit Committee w.e.f. 22.05.2013.



Meetings during the financial year 2012-13

Six meetings of Audit Committee were held during the Financial Year 2012-13 viz. 28th May, 2012; 27th June, 2012; 13th August, 2012; 28th August, 2012; 15th October, 2012 and 11th February, 2013.

Name of Member	Meetings Attendance during the year
Mr. Dinesh Puri	5
Mr. Rajnish Kumar Bedi	6
Mr. Rajesh Mahajan	6
Mr. Harsh Bhalla	1

INVESTOR GRIEVANCES COMMITTEE

The Investor Grievances Committee focuses on shareholders' grievances, monitors the response to investors' queries besides strengthening of investor relations. It looks into all kinds of investor complaints including transfer of shares, non-receipt of dividends/ annual reports and other such issues.

The Investor Grievances Committee was re-constituted by our Directors pursuant to a Board Resolution dated May 23, 2012 comprising of 3 Directors i.e. Mr. Rajnish Kumar Bedi as Chairman and Mr. Dinesh Puri and Mr. Rajesh Mahajan as members. Mr. Dinesh Puri resigned from Directorship w.e.f. 16.10.2012 and Mr. Harsh Bhalla was appointed as member of the Committee w.e.f. 01.12.2012. The Company Secretary acts as Secretary of the the Committee.

Composition as on 31st March, 2013:

Committee Members	Designation	Category
Mr. Rajnish Kumar Bedi	Chairman	Non Executive Independent
Mr. Harsh Bhalla*	Member	Non Executive, Independent
Mr. Rajesh Mahajan	Member	Executive, Non-Independent

* Mr. Harsh Bhalla has resigned w.e.f. 02.04.2013 and Mr. Bhaskar Sharma has been appointed as member of Investor Grievances Committee w.e.f. 22.05.2013.

Only one shareholder's complaint was received during F.Y. 2012-13 and the same was resolved to the satisfaction of the investors. There were no shareholders' complaints pending as on 31st March, 2013.

Meetings during the financial year 2012-13

Three meetings of Investor Grievances Committee were held during the year viz. 28th May, 2012; 27th June, 2012 and 3rd November, 2012.

Name of Member	Meetings Attendance during the year
Mr. Rajnish Kumar Bedi	3
Mr. Dinesh Puri	2
Mr. Rajesh Mahajan	3

REMUNERATION COMMITTEE

The Remuneration Committee was re-constituted by our Directors pursuant to a Board Resolution dated May 23, 2012 and comprised of three Directors viz. Mr. Anil Khanna as Chairman, Mr. Dinesh Puri and Mr. Rajnish Kumar Bedi as members.

Composition as on 31st March, 2013:

Committee Members	Designation	Category
Mr. Anil Khanna	Chairman	Non Executive, Independent
Mr. Rajnish Kumar Bedi	Member	Non Executive, Independent
Mr. Harsh Bhalla	Member	Non Executive, Independent

* Mr. Anil Khanna and Mr. Harsh Bhalla have both resigned w.e.f. 02.04.2013 and Mr. Bhaskar Sharma has been appointed as member of Remuneration Committee w.e.f. 22.05.2013.

The Remuneration Policy of the Company is aimed at rewarding performance, based on review of the achievements on a regular basis. The remuneration paid to the Executive Directors is recommended by the Remuneration Committee and approved by the board of directors in the Board Meeting, subject to the subsequent approval by the shareholders and such other authorities, if any, required.

Two meetings of Remuneration Committee were held during the year viz. 29th August, 2012 and 19th March, 2013.

Name of Member	Meetings Attendance during the year
Mr. Anil Khanna	2
Mr. Rajnish Kumar Bedi	2
Mr. Dinesh Puri	1

SHARE TRANSFER COMMITTEE

The Share Transfer Committee was constituted by our Directors pursuant to a Board Resolution dated August 29, 2012 and comprised of three Directors viz. Mr. Atul Ranchal as Chairman, Mr. Rajesh Mahajan and Dr. D.S. Maity as members.



The Committee was constituted to approve the registration of transfer of shares received by the Company with the following terms of reference:-

1. To approve and register transfer/transmission of shares.
2. To sub-divide, consolidate and issue share certificates.
3. To authorize affixation of Common Seal of the Company.
4. To issue share certificates in place of those which are damaged or in which the pages are completely exhausted provided the original certificates are surrendered to the Company.

Power of Attorney has been delegated to the Registrar and Share Transfer Agent (RTA) of the Company by the Board to further improve the quality of services to investors and timeliness of Share Transfer. All the requests for transfer of shares held in demat form are, therefore, processed by the RTA. No request for share transfer in physical form was received during the year. As such no meeting of the Share Transfer committee was held during the year.

GENERAL BODY MEETINGS

The details of General Body Meetings held during last three financial years are given as follow:

Meeting	Date, Day & Time of AGM	Venue	No. of Special Resolutions
10th Annual General Meeting	25th September, 2012, Tuesday, at 11.30 a.m.	Hotel Gians, Baddi-Nalagarh Highway, Teh. Nalagarh, Distt. Solan, H.P.	6
9th Annual General Meeting	5th July, 2011, Tuesday, at 11.00 a.m.	G-101, Ivory Tower, Sector 70, Mohali, Punjab	Nil
8th Annual General Meeting	7th September, 2010, Tuesday at 11.00 am	G-101, Ivory Tower, Sector 70, Mohali, Punjab	Nil

No Extra-ordinary General Meeting was held during the Financial Year under review.

POSTAL BALLOT:

No special resolution is proposed to be passed by Postal Ballot at the ensuing Annual General Meeting.

DISCLOSURES

During the financial year 2012-13, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large. Further details of related party transactions are presented in Note No. 26 in Notes to the Accounts.

The Company has complied with all the mandatory requirements of Corporate Governance and the Company has not adopted any non-mandatory requirements of

Corporate Governance except the formation of Remuneration Committee. Also there has not been any non-compliance by the Company and no penalties or strictures were imposed by any Statutory Authority during the period under review.

MEANS OF COMMUNICATION

The Quarterly/Yearly Results of the Company are usually published in the newspapers viz. Financial Express (All editions) and various regional language newspapers and are also notified to the Stock Exchanges as required in the Listing Agreement to enable the Stock Exchanges to put it on their websites.

The investors' relations information of the Company is also available at the website of the Company i.e. www.brookslabs.net.

GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting:

Date : 6th September, 2013
Time : 9.00 AM
Venue : HOTEL GIANZ,
BADDI-NALAGARH HIGHWAY,
TEH. NALAGARH, DISTT. SOLAN, H.P.

(ii) Financial Calendar:

1st day of April to 31st day of March in the next calendar year

Adoption of Quarterly Results Ended In the month of (tentative)

30th June, 2013	10th August, 2013
30th September, 2013	November, 2013 (2nd week)
31st December, 2013	February, 2014 (2nd week)
31st March, 2014	May, 2014

(iii) Date of Book Closure:

From 2nd September, 2013 to 5th September, 2013 (both days inclusive)

(iv) Listing on Stock Exchanges:

Your Company's shares are listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The Company has paid the requisite annual listing fees to both the stock exchanges for the financial year 2012-13.

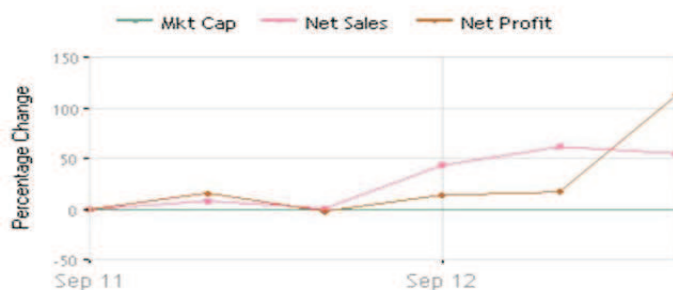
(v) Stock Code:

Bombay Stock Exchange Ltd.: 533543
National Stock Exchange of India Ltd.: BROOKS
ISIN No. IN NSDL & CDSL: INE650L01011

**(vi) Market Price Data:**

High and Low prices of the shares of the Company for the F.Y. 2012-13 is as follows:

	BSE Limited			NSE India Limited		
2012-13	High Price	Low Price	Traded quantity	High Price	Low Price	Traded quantity
Apr-12	18.75	15.3	160955	18.7	15.4	197811
May-12	16.55	14.3	128312	17	14.25	227968
Jun-12	15.8	14.4	160655	15.85	14.5	239329
Jul-12	24.45	15.15	1236251	24.3	15	1841093
Aug-12	19	15	335870	19	15.15	608760
Sep-12	20.35	16.05	323313	20	16	756168
Oct-12	19.15	17	369196	19.5	16.8	582411
Nov-12	25.35	17	1666530	25.4	16.7	3045658
Dec-12	22.9	20.05	252211	22.4	19.9	326706
Jan-13	23.2	18	220941	22.95	18	265333
Feb-13	19.5	16.35	110483	19.65	16.1	177927
Mar-13	22.15	15.5	236454	22.15	15.3	396734

INDEX COMPARISON**PERFORMANCE CHART****PRICE MOVEMENT****(vii) Registrars and Share Transfer Agents**

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

(viii) Share Transfer System

The Company has constituted an Investor Grievances Committee of its Directors to approve the transfer, transmission, issue of duplicate share certificates and allied matters. The Company's Share Transfer Agents viz. Link Intime India Pvt. Ltd. have adequate infrastructure to process the matters referred above.

(ix) Shareholding Pattern as on 31st March, 2013

Category	No. of Shares	% of Shareholding
1. Promoter & Promoter Group	9836422	60.77
2. Bodies Corporate	847281	5.23
3. Indian Public	5383450	33.26
4. NRIs	119269	0.74
Total	16186422	100.00

(x) Distribution of Shareholding as on 31st March, 2013

Shareholding of Shaes		Shareholders		No. of Shares	
From	To	Number	% of Total	Number	% of Total
1	500	8190	79.65	1340623	8.28
501	1000	1018	9.90	850880	5.26
1001	2000	558	5.43	868357	5.36
2001	3000	189	1.84	495480	3.06
3001	4000	69	0.67	248779	1.54
4001	5000	82	0.80	384939	2.38
5001	10000	104	1.01	749998	4.63
10001	and above	72	0.70	11247366	69.49
TOTAL		10282	100.00	16186422	100.00

(xi) Dematerialization of Shares

As on 31st March, 2013, 99.94 per cent of the share capital was held in dematerialized form. Only 9115 shares were held in physical form.

**(xii) Plant locations**Unit - I

Regd. Office & Works at:

Village Kishanpura,

Nalagarh Road,

Baddi, Distt. Solan, H.P. Unit - II

Another plant at following address is under construction stage:

Survey No. 2, Village Manglej,

Nareshwar Road, Taluka Karjan,

Distt. Vadodara, Gujarat

(xiii) Address for correspondenceRegistered Office and Works:

Village Kishanpura,

Nalagarh Road,

Baddi, Distt. Solan

Himachal Pradesh

Tel: 01795-654001/04/06

Corporate Office:

Suite no. 203-204,

Eco House, Vishveshwar Nagar,

Goregaon East, Mumbai

Tel: 022- 29275901/02/03/04

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT UNDER CLAUSE 49(I)(D)(ii) OF THE LISTING AGREEMENT

The Shareholders,

I, Rajesh Mahajan, Managing Director of the Company, do hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board of Directors, as applicable to the Board of Directors and Senior Management of the Company. The same has been made available on the website of the Company i.e. www.brookslabs.net.

Place: Baddi

Date: 10.08.2013

For and on behalf of the Board
For BROOKS LABORATORIES LIMITED

Sd/-
Rajesh Mahajan
Managing Director



AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,
The Members
Brooks Laboratories Limited

We have examined the compliance of conditions of Corporate Governance by BROOKS LABORATORIES LIMITED for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The compliance of conditions of the Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor complaint is pending for a period exceeding one month as on 31st March, 2013 against the Company, as per records maintained by the Investors Grievances Committee of the Company.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR SHARMA SARIN & ASSOCIATES
Company Secretaries
 Sd/-
G.S. SARIN
 Partner
 C.P. No. 2751

Place: Chandigarh
 Date: 09.08.2013

MD / CFO CERTIFICATION

To
 The Board of Directors
 BROOKS LABORATORIES LIMITED

We, the undersigned, in our respective capacities as the Managing Director and Chief Financial Officer of BROOKS LABORATORIES LIMITED ("the Company"), to the best of our knowledge and belief, certify that

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2013 and based on our knowledge and belief, state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee that:
 - (i) there has been no significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and
 - (iii) we are not aware of any material instances of significant fraud during the year and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on Behalf of the Board
 For BROOKS LABORATORIES LIMITED

Date: 10.08.2013
 Place: Mumbai

Sd/-
Rajesh Mahajan
 Managing Director

Sd/-
Ketan Shah
 Chief Financial Officer



Independent Auditor's Report

FORM A

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange

1. Name of the company	BROOKS LABORATORIES LIMITED
2. Annual financial statements for the year ended	31st March, 2013
3. Type of Audit observation	Un-qualified
4. Frequency of observation	N.A.
5. To be signed by-	
* CEO/Managing Director	Sd/-
* CFO	Sd/-
* Auditor of the company	Sd/-
* Audit Committee Chairman	Sd/-

To

The Members

Brooks Laboratories Limited.

1. We have audited the accompanying financial statements of "Brooks Laboratories Limited" which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. 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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by

management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
6. 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 March 31, 2013;
 - b) in the case of the Profit and Loss Account, of the profit/loss 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.
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:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For J.K. JAIN & ASSOCIATES
Chartered Accountants

Sd/-

(J.K. Jain)

Partner

Place : Chandigarh

Date : 10.08.2013



The Annexure referred to in paragraph 1 of Our Report of even date to the members of Brooks Laboratories Limited. on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) In our opinion, the Company has not disposed off any substantial/ major part of fixed assets during the year and going concern status of the company is not affected.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls have been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records have been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Investor Education and Protection Fund, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess, Employees Provident Fund and Employees State Insurance to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax,



- sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
 12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
 14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments.
 15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
 16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
 17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
 18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
 19. The Company has no outstanding debentures during the period under audit.
 20. The Company has not raised any money by public issue during the year.
 21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For J. K. JAIN & ASSOCIATES
Chartered Accountants
Sd/-
(J.K.JAIN)
Partner

Place : Chandigarh
Date : 10.08.2013



(in ₹)

BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Note. No.	As at 31st March, 2013	As at 31st March, 2012
I. EQUITY AND LIABILITIES			
<u>Shareholders' Funds</u>			
(a) Share Capital	1	161,864,220	161,864,220
(b) Reserves and Surplus	2	892,206,473	750,767,893
<u>Non-Current Liabilities</u>			
(a) Deferred Tax Liabilities (Net)		13,783,582	12,127,236
(b) Long -Term Provisions	3	5,588,065	4,944,072
<u>Current Liabilities</u>			
(a) Short-Term Borrowings	4	10,899,292	9,883,488
(b) Trade Payables	5	128,545,653	72,419,679
(c) Other Current Liabilities	6	31,295,289	11,282,288
(d) Short-Term Provisions	7	72,415,252	44,327,138
TOTAL		1,316,597,826	1,067,616,014
II. ASSETS			
<u>Non-Current Assets</u>			
(a) Fixed Assets	8		
(i) Tangible Assets		206,453,487	221,227,666
(ii) Capital WIP (Vadodara Plant)		355,242,181	338,835,690
(b) Non-Current Investments	9	200,000	200,000
(c) Long term Loans and Advances	10	62,463,394	59,278,363
(d) Other Non-Current Assets	11	32,859,914	32,658,272
<u>Current Assets</u>			
(a) Inventories	12	49,825,943	51,601,201
(b) Trade Receivables	13	216,781,345	107,636,001
(c) Cash and Cash Equivalents	14	238,717,921	196,425,047
(d) Short-Term Loans and Advances	15	4,082,542	14,067,230
(e) Other Current Assets	16	149,971,099	45,686,544
Notes on Accounts	1-27		
Significant Accounting Policies	28		
TOTAL		1,316,597,826	1,067,616,014

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

FOR **J.K. Jain & Associates**
CHARTERED ACCOUNTANTS

Sd/-
(CA. J.K.JAIN)
M. Ship No. : 083140

Place: Chandigarh
Date: 10.08.2013

FOR **Brooks Laboratories Limited**

Sd/- Sd/-
Atul Ranchal Rajesh Mahajan
(Chairman) (Managing Director)

Sd/- Sd/-
Ketan Shah Ashima Banodha
(C.F.O.) (C.S.)



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2013

(in ₹)

Sr. No	Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I	Revenue from Operations	17	801,126,087	560,758,292
II	Other Income	18	60,804	9,222,575
III	Total Revenue (I + II)		801,186,891	569,980,867
IV	Expenses:			
	Cost of Materials Consumed	19	567,754,314	361,884,156
	Changes in Inventories of Finished goods, Work-In-Progress	20	5,710,941	2,844,313
	Employee Benefit Expense	21	17,397,218	27,299,861
	Financial Costs	22	1,143,596	15,577,336
	Depreciation and Amortization Expense	23	8,139,548	6,562,562
	Other Expenses	24	105,215,121	64,114,082
	Total Expenses (IV)		705,360,738	478,282,310
V	Profit Before Extraordinary Items and Tax	(III - IV)	95,826,153	91,698,557
VI	Extraordinary Items		-	-
VII	Profit Before Tax (VI-VII)		95,826,151	91,698,558
VIII	Tax expense:			
	(1) Current tax		22,731,227	18,346,818
	(2) Deferred tax		1,656,346	1,956,916
	(3) Less: Mat Credit		-	16,964,233
IX	Profit(Loss) for the period from continuing operations	(VII-VIII)	71,438,580	88,359,056
X	Earning per Equity Share:			
	(1) Basic		4.41	6.55
	(2) Diluted		4.41	6.55

Notes and Significant Accounting Policies referred to above and annexed thereto form an integral part of Profit & Loss Statement

This is the Statement of Profit & Loss referred to in our Report of even date.

FOR **J.K. Jain & Associates**
CHARTERED ACCOUNTANTS

Sd/-
(CA. J.K.JAIN)
M. Ship No. : 083140

Place: Chandigarh
Date: 10.08.2013

FOR **Brooks Laboratories Limited**

Sd/- Sd/-
Atul Ranchal Rajesh Mahajan
(Chairman) (Managing Director)

Sd/- Sd/-
Ketan Shah Ashima Banodha
(C.F.O.) (C.S.)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013**

(in ₹)

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Taxation	95,826,153	91,698,557
Add: Adjustments		
Depreciation	8,139,548	6,562,562
Less: Interest Received	-	(9,004,826)
Add: Mat Credit	-	16,964,233
Interest Expense	747,151	14,851,502
Operating Profit before working capital changes	104,712,852	121,072,028
Adjusted for		
(Increase)/Decrease in Current Assets		
(Increase)/Decrease in Stock	1,775,258	3,415,367
(Increase)/Decrease in Trade Receivables	(109,145,344)	(38,055,124)
(Increase)/Decrease in Other current Assets	(24,299,867)	(24,010,227)
(Increase)/Decrease in Current Liabilities		
Increase/(Decrease) in Trade Payables	56,125,974	2,333,958
Increase/(Decrease) in Other Liabilities	49,116,920	(52,697,581)
Net Cash Flow from operating activities (A)	78,285,793	12,058,421
Income Tax Paid	(24,387,573)	(20,303,734)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Fixed Assets	(3,865,370)	(83,010,925)
Addition to Capital WIP Project	(16,406,491)	(146,670,000)
Income from Interest & Dividend	-	9,004,826
Increase in other Long Term Assets	(3,386,673)	(189,497,321)
Sale of Fixed Assets	10,500,000	-
Net Cash Flow from Investing Activities (B)	(13,158,534)	(410,173,420)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share Capital	-	63,000,000
Increase in Security Premium	-	567,000,000
Increase in Secured Loan	-	(9,017,062)
Net Interest Paid	(747,151)	(14,851,502)
Increase in Non- Current Liabilities	2,300,339	-
Net Cash from Financing Activities (C)	1,553,188	606,131,436
Net Increase in Cash & Cash Equivalents (A+B+C)	42,292,874	187,712,703
Cash & Cash Equivalents as at Beginning of the year	196,425,047	8,712,344
Cash & Cash Equivalents as at end of the year	238,717,921	196,425,047

FOR J.K. Jain & Associates
CHARTERED ACCOUNTANTS

Sd/-
(CA. J.K. JAIN)
M. Ship No. : 083140

Place: Chandigarh
Date: 10.08.2013

FOR Brooks Laboratories Limited

Sd/-
Atul Ranchal
(Chairman)

Sd/-
Rajesh Mahajan
(Managing Director)

Sd/-
Ketan Shah
(C.F.O.)

Sd/-
Ashima Banodha
(C.S.)



NOTES FORMING PART OF BALANCE SHEET

The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

SHARE CAPITAL

(in ₹)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Authorised Share Capital		
20,000,000 Equity Shares of 10/- each	200,000,000	200,000,000
	-----	-----
	200,000,000	200,000,000
	-----	-----
Issued Subscribed and Paid up:		
1,61,86,422 Equity Shares of Rs. 10/- each, Fully Paid Up	161,864,220	161,864,220
(Previous year 1,61,86,422 Equity Shares of 10/- each)	-----	-----
TOTAL	161,864,220	161,864,220

1.1 91,20,112 Shares out of Issued, Subscribed and Paid up Share Capital were allotted as Bonus Shares in last five years by Capitalization of Reserves

1.2 The Details of Shareholders holding more than 5% shares:

Name of Shareholder	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
ATUL RANCHAL	4113071	25.41	4113071	25.41
RAJESH MAHAJAN	3493151	21.58	3493151	21.58

1.3 The Reconciliation of the number of shares outstanding is set out below:

Particulars	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	Number	Amt.	Number	Amt.
Shares outstanding at the beginning of the year	16,186,422	161,864,220	9,886,422	98,864,220
Shares Issued during the year	-	-	6,300,000	63,000,000
Shares outstanding at the end of the year	16,186,422	161,864,220	16,186,422	161,864,220

**2: RESERVES & SURPLUS**

(in ₹)

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Securities Premium		
	As per last Balance Sheet	567,000,000	-
	Add: on issue of Shares (On 6300000 shares @Rs 90 per share)	-	567,000,000
2	Profit & Loss Account	178,647,488	90,288,432
	Add: Profit for the year	71,438,580	88,359,056
	Add: Amount of disclosure as per Disclosure Note dated 08.03.2013 under Income Tax Act,1961	70,000,000	
	Surplus (Profit & Loss Account)	320,086,068	178,647,488
3	Mat Credit	5,120,405	5,120,405
	TOTAL	892,206,473	750,767,893

3: LONG TERM PROVISIONS

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Provision for Leave Encashment	1,284,363	1,249,927
2	Provision for Gratuity	4,303,702	3,694,145
	TOTAL	5,588,065	4,944,072

4: SHORT TERM BORROWINGS

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
	Other Loans from Banks		
1	SBI O/D A/c (Secured by lien marked on Fixed Deposits of the company)	10,899,292	9,883,488
	TOTAL	10,899,292	9,883,488

5: TRADE PAYABLES

Sr. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Micro, Small and Medium Enterprises	-	-
2	Sundry Creditors for Material/Supplies	128,545,653	72,419,679
	TOTAL	128,545,653	72,419,679

5.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and, hence, disclosures relating to amounts unpaid as at the end together with interest paid/payable under this Act has not been given.

**6: OTHER CURRENT LIABILITIES**

(in ₹)

Sr. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Service Tax Payable	4,927	-
2	TDS Payable	259,175	552,780
3	Central Sales Tax Payable	706,727	115,192
4	Advance From Customers	2,770,577	3,891,216
5	Professional Charges Payable	-	18,000
6	Staff Security	26,324	26,324
7	Commission Payable	27,442,267	6,117,300
8	Other Creditors	85,292	561,476
		-----	-----
	TOTAL	31,295,289	11,282,288

6.1 Other Creditors includes creditors for Capital Goods.

7: SHORT TERM PROVISIONS

Sr. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
	Provision For Employee Benefits		
1	EPF Employee Contribution Payable	71,424	95,696
2	EPF Employers Contribution Payable	71,424	95,696
3	Esic Employee Contribution Payable	14,298	18,647
4	Esic Employers Contribution Payable	38,259	50,318
5	Administration Charges Epf Payable	9,582	12,839
6	Salary for Marketing(Payable)	162,450	143,320
7	Salary to Directors Payable	784,785	85,880
8	Salary to Staff (Payable)	1,386,294	626,163
9	Employee Profession Tax Payable	-	1,850
10	Directors Sitting Fees Payable	72,000	
	Others		
1	Electricity & Power Charges Payable	622,283	489,841
2	Professional charges payable	56,664	-
3	Vehicle running charges payable	110,425	-
4	Audit Fees Payable	533,710	399,927
5	Telephone Expenses Payable	53,747	52,087
6	Wages Payable	197,027	420,688
7	Provision for Taxation A/Y 2013-14 (A/Y 12-13)	22,731,227	18,346,818
8	Provision for Taxation for earlier years	41,834,186	23,487,368
9	Supply charges payable to ESIC	3,665,467	-
		-----	-----
	TOTAL	72,415,252	44,327,138

8: FIXED ASSETS*(in ₹)*

Description	Gross Block				Depreciation				Net Block	
	Value at the Beginning	Addition during the Year	Deduction during the Year	Value at the end	Value at the Beginning	Addition during the Year	Deduction during the Year	Value at the end	WDV as on 31.03.2013	WDV as on 31.03.2012
<u>Tangible Assets</u>										
Land	84,366,063	-	10,500,000	73,866,063	-	-	-	-	73,866,063	84,366,063
Building	50,512,047	418,810	-	50,930,857	7,616,946	1,700,113	-	9,317,059	41,613,798	42,895,101
Plant and Equipment	87,307,957	806,534	-	88,114,491	13,042,433	4,171,200	-	17,213,633	70,900,858	74,265,524
Lab Equipments	1,235,687	43,732	-	1,279,419	278,244	89,425	-	367,669	911,750	957,443
Furnitures & Fixtures	5,030,944	183,413	-	5,214,357	1,243,845	323,375	-	1,567,220	3,647,137	3,787,099
Vehicles (Cars)	10,440,984	1,795,236	-	12,236,220	4,102,888	1,085,984	-	5,188,871	7,047,349	6,338,096
Office Equipment	1,125,865	261,776	-	1,387,641	318,238	85,019	-	403,257	984,384	807,627
Computer	1,394,750	188,000	-	1,582,750	800,284	237,119	-	1,037,404	545,346	594,466
Electrical Equipment	971,854	159,213	-	1,131,067	211,114	74,190	-	285,304	845,763	760,740
Generator	4,119,793	-	-	4,119,793	698,318	195,690	-	894,009	3,225,784	3,421,475
Air Conditioner	3,727,018	8,656	-	3,735,674	692,986	177,433	-	870,419	2,865,255	3,034,032
SUB TOTAL (A)	250,232,962	3,865,370	10,500,000	243,598,332	29,005,296	8,139,548	-	37,144,845	206,453,487	221,227,666
<u>Capital Work-in-Progress (Vadodara)</u>										
Land (Vadodara)	46,086,403	10,154,116	-	56,240,519	-	-	-	-	56,240,519	46,086,403
Advance towards Building	153,000,000	-	40,556,495	112,443,505	-	-	-	-	112,443,505	153,000,000
Building Under Construction	-	41,087,272	-	41,087,272	-	-	-	-	41,087,272	-
Advance towards Plant & Machinery	139,749,287	-	106,156,567	33,592,720	-	-	-	-	33,592,720	139,749,287
Plant and Machinery additions during the year	-	111,878,165	-	111,878,165	-	-	-	-	111,878,165	-
SUB TOTAL (B)	338,835,690	163,119,553	146,713,062	355,242,181	-	-	-	-	355,242,181	338,835,690
Total [A + B]	589,068,652	166,984,923	157,213,062	598,840,513	29,005,296	8,139,548	-	37,144,845	561,695,668	560,063,356
(Previous Year)	219,638,438	236,010,927	6,330,000	449,319,365	22,442,734	6,562,562		29,005,296	420,314,070	197,195,704

8.1 Capital Work in Progress under development include:

Rs. 153,530,777/- (Previous year Rs.,15,30,00,000) on account of Project development expenditure.



**9: NON CURRENT INVESTMENTS**

(in ₹)

Sr. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	Investment in Unquoted Shares (20,000 Equity Shares in Shivalik Solid Waste Management Ltd.)	200,000	200,000
	TOTAL	200,000	200,000

10: LONG TERM LOANS & ADVANCES

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
	Security Deposit		
	Unsecured, Considered Good :		
1	Earnest Money Deposit	5,490,802	2,405,272
2	Other Deposit	10,338,941	10,239,440
3	MAT Credit	46,633,651	46,633,651
	TOTAL	62,463,394	59,278,363

11: OTHER NON CURRENT ASSETS

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Preliminary Expenses (to the extent not w/off or adjusted)	32,859,914	32,658,272
	TOTAL	32,859,914	32,658,272

12: INVENTORIES

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Raw Material	34,730,850	23,712,649
2	Work-in-Progress	2,566,472	4,176,536
3	Finished Goods	3,700,382	7,801,259
4	Packing material	8,828,239	15,910,757
	TOTAL	49,825,943	51,601,201

Inventories are valued as per method described in significant Accounting Policies.

13: TRADE RECEIVABLES

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Outstanding for more than six months		
a)	Unsecured, Considered Good :	-	-
b)	Doubtful	-	2,415,170
2	Others : Unsecured, Considered Good :	216,781,345	105,220,831
		216,781,345	107,636,001

**14: CASH & CASH EQUIVALENTS**

(in ₹)

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
Cash-in-Hand			
1	Petty Cash Balance	164,846	91,062
2	Imprest A/c	68,625	68,625
	Sub Total (A)	233,471	159,687
Bank Balance			
1	SBI Current Account (Dividend 2010-11)	-	6,750
2	SBI -Power Pack- Mumbai	1,858,253	839,482
3	Axis Bank Baddi C/A	274,038	(297,061)
4	SBI -Power Pack- west bengal	53,490	-
	Sub Total (B)	2,185,781	549,171
Fixed Deposits			
1	Fixed Deposit	168,360,174	144,000,000
2	Fixed Deposit against BG	12,669,000	9,237,000
3	Fixed Deposit for Tender	2,806,329	2,479,189
4	FDR being Margin Money for L/c and O/d	52,463,166	40,000,000
	Sub Total (C)	236,298,669	195,716,189
	TOTAL (A+B+C)	238,717,921	196,425,047

15: SHORT TERM LOANS & ADVANCES

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
Advance Recoverable in cash or in kind or for value to be received considered good			
1	Advance to Suppliers	4,048,542	7,517,520
2	HDFC-Escrow A/c	-	6,524,010
3	Advance salary and Other Misc. Advances	34,000	25,700
	TOTAL	4,082,542	14,067,230

16: OTHER CURRENT ASSETS

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
Advance Recoverable in cash or in kind or for value to be received considered good			
1	Advance Income Tax A/Y 2013-14 (A/Y 2012-13)	19,500,000	15,000,000
2	Advance Income Tax of earlier years	41,966,479	24,395,959
3	TDS Receivable	2,019,607	951,911
4	TDS Receivable of earlier years	1,148,682	173,860
5	Balance With Revenue Authorities	190,198	1,104,673
6	Prepaid Expenses	209,014	212,284
7	FDR Interest Accrued	14,937,119	3,847,857
8	Disclosure amount in accordance with Disclosure statement dated 08.03.2013 during survey u/s 133A of the Income Tax Act pending allocation to respective head	70,000,000	-
	TOTAL	149,971,099	45,686,544

**17: REVENUE FROM OPERATIONS**

(in ₹)

Sr. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
	Sales (Exclusive of Excise Duty)		
1	Sale 1%		398,662,312
2	Sale Against Form F	17,507,166	6,991,446
4	Sale CST 5%	310,906,712	147,825,691
5	SALES AGAINST FORM H	2,056,500	6,608,400
6	Sale Vat 5%	4,005,854	2,874,391
7	SALE CST 1 %	470,066,129	-
	Less: Sales Return	3,416,274	2,203,948
	TOTAL	801,126,087	560,758,292

18: OTHER INCOME

(in ₹)

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Interest on FDR's	-	9,004,826
2	Other Receipts	60,804	217,749
	TOTAL	60,804	9,222,575

19: COST OF MATERIAL CONSUMED

(in ₹)

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Purchase of R.M. & Stores		
	Opening Stock		
	- Raw Material	23,712,649	21,334,447
	- Packing Material	15,910,757	18,860,013
	Sub Total (A)	39,623,406	40,194,460
2	Purchases (B)	571,689,997	361,313,102
	Less : Closing Stock		
	- Raw Material	34,730,850	23,712,649
	- Packing Material	8,828,239	15,910,757
	Sub Total (C)	43,559,089	39,623,406
	TOTAL (A+B-C)	567,754,314	361,884,156

19.1 Value of Raw Materials Consumed

(in ₹ lacs)

Sr. No.	Particulars	As At 31.03.2013	% of Consumption	As At 31.03.2012	% of Consumption
1	Imported	1,155	20.19%	725	18.14%
2	Indigenous	4,564	79.81%	3,271	81.86%
	TOTAL	5,719	100%	3,996	100%

Value of imports on CIF Basis in respect of

(in ₹)

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Raw Material	115,447,276	92,855,067
2	Capital Goods	-	327,100,000
	TOTAL	115,447,276	419,955,067

**20: Change in Inventories**

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Opening Stock		
	- Finished Goods	7,801,259	7,655,503
	- Work in Progress	4,176,536	7,166,605
	Sub Total (a)	11,977,795	14,822,108
2	Closing Stock		
	- Finished Goods	3,700,382	7,801,259
	- Work In Progress	2,566,472	4,176,536
	Sub Total (b)	6,266,854	11,977,795
	TOTAL (a-b)	5,710,941	2,844,313

21: EMPLOYEE BENEFIT EXPENSES

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Salaries & Wages	14,905,870	24,585,278
2	Contribution to Provident Fund and other funds	1,474,143	1,771,109
3	Staff Welfare Expenses	1,017,205	943,474
	TOTAL	17,397,218	27,299,861

- 21.1 As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below :
The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit.

RECONCILIATION OF FAIR VALUE OF ASSETS AND OBLIGATIONS

(in ₹)

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Gratuity		
	Fair Value Of Plan Assets		
	Present value of obligation	4,303,702	3,694,145
	Funded Status	4,303,702	3,694,145
	Amount recognised in balance Sheet	4,303,702	3,694,145
2	Leave Encashment		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	1,284,363	1,249,927
	Funded Status	1,284,363	1,249,927
	Amount recognised in balance Sheet	1,284,363	1,249,927

Expenses recognised during the year

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Gratuity		
	Current Service Cost	829,035	877,607
	Interest Cost	295,532	147,808
	Net Actuarial (gain)/loss recognised in the period	(293,827)	987,229
	Expense recognised in the P&L Statement	830,740	2,012,644
2	Leave Encashment		
	Current Service Cost	683,144	695,738
	Interest Cost	99,994	50,422
	Net Actuarial (gain)/loss recognised in the period	(211,570)	336,812
	Expense recognised in the P&L Statement	571,568	1,082,972

**22: FINANCIAL COST**

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Interest Expense	747,151	15,355,521
2	Bank Charges	396,445	221,815
	TOTAL	1,143,596	15,577,336

22.1 Interest Expense includes Interest on LC Discounting Charges.

23: DEPRECIATION & AMORTISATION

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Depreciation	8,139,548	6,562,562
	TOTAL	8,139,548	6,562,562

24: OTHER EXPENSES

Sr. No	Particulars	As At 31st March, 2013	As At 31st March, 2012
a)	Manufacturing Expenses		
1	Consumables	1,525,808	1,666,220
2	Generator running	5,528,338	5,178,008
3	Power supply	7,965,211	6,736,902
4	Repair & Maintenance	1,178,031	564,564
5	Freight & Octroi (I)	468,346	458,554
6	Packing Charges	4,241,790	3,860,049
7	Tools and Spare Parts	845,578	807,865
8	Testing Charges	1,133,341	874,300
	Sub Total (a)	22,886,443	20,146,462
b)	Administration Expenses		
1	Telephone Expenses	270,369	545,660
2	Electricity Expenses	-	454,380
3	Travelling Expenses	2,010,391	4,240,437
4	Repair & Maintenance Building	259,934	225,412
5	Computer Maintenance	180,027	112,040
6	General Expenses	776,782	350,634
7	Insurance Expenses	330,475	126,857
8	Legal & Professional Charges	4,981,668	1,613,108
9	Stationery Expenses	822,752	691,722
10	Rent Rates & Taxes	614,222	4,326,027
11	Rebate & Discounts	5,717,082	1,218,457
12	Sitting Fees	187,500	175,000
13	Directors Remuneration	8,964,000	6,804,000
14	Other Administration Expenses	1,618,763	547,213
	Sub Total (b)	26,733,965	21,430,947
c)	Selling and Distribution Exp.		
1	Advertisement & Publicity	437,642	190,954
2	FREIGHT & OCTROI (O) A/C	3,540,004	2,018,544
3	Supply Charges Payable to ESIC	8,786,587	1,290,793
4	Commission & Packing and Forwarding Charges	42,296,770	18,643,122
	Sub Total (c)	55,061,003	22,143,413



d)	Payment to Auditors :		(in ₹)
1	Statutory Audit Fees	300,000	250,000
2	Tax Audit Fee	115,000	50,000
3	Consultancy	60,000	50,000
4	Add: Service Tax	58,710	43,260
		-----	-----
	Sub Total (d)	533,710	393,260
TOTAL (a+b+c+d)		105,215,121	64,114,082

25 : Earning Per Share :-

EARNING PER SHARE (EPS)	As At 31st March, 2013	As At 31st March, 2012
Net Profit after tax as per Statement of Profit	71,438,580	88,359,056
Profit and Loss attributable to Equity Shareholders	71,438,580	88,359,056
Weighted Average number of equity shares used as denominator for calculating EPS	16,186,422	16,186,422
Basic EPS	4.41	6.55
Diluted EPS	4.41	6.55

26. Disclosure as required by AS-18 (Related Party Disclosures) issued by ICAI.

Related Party	Relationship	Nature of Transaction	Amount of Transaction
Mr. Atul Ranchal	Chairman	Remuneration Paid	39,00,000.00
Mr. Rajesh Mahajan	Managing Director	Remuneration Paid	39,00,000.00
Dr. D S Maity	Director	Remuneration Paid	11,64,000.00
Mrs. Saras Gupta	Director's Wife	Remuneration Paid	28,80,000.00
Mrs. Rajni Ranchal	Director's Wife	Remuneration Paid	28,80,000.00
Mrs. Davinder kumari	Director's Mother	Remuneration Paid	12,00,000.00

27 : The company operates only in one business segment viz. "Pharmaceutical Formulation" Since in the opinion of the management, the inherent nature of activities engaged by the company are governed by the same set of risks and rewards, so these have been grouped and identified as a single segment in accordance with the Accounting Standard on Segment Reporting (AS-17) issued by ICAI.



SIGNIFICANT ACCOUNTING POLICIES

- | | |
|--|--|
| <p>1) Accounting Convention</p> <p>The Financial Statements are prepared in accordance with applicable Accounting Standards in India. A summary of important Accounting Policies, which have been applied consistently, is set out below. Accounting Policies comprises Accounting Standards specified by Central Government u/s 211(3C) of the companies Act 1956, other pronouncements of the Institute of Chartered Accountants of India and guidelines issued by SEBI. The Financial Statements have also been prepared in accordance with relevant presentational requirements of Companies Act 1956.</p> <p>2) Basis Of Accounting</p> <p>The Financial Statement are prepared under the historical cost convention and on the basis of going concern, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.</p> <p>3) Use of Estimates</p> <p>The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.</p> <p>4) Fixed Assets</p> <p>Fixed Assets are stated at historical cost (including expenses incurred on putting them in use) less accumulated depreciation.</p> <p>5) Depreciation and Amortization</p> <p>Depreciation has been provided on straight-line method, on single shift basis at the rates Specified in the schedule XIV of the Companies Act, 1956.</p> <p>6) Inventories</p> <p>The inventories are valued in accordance, with the revised Accounting Standard-2 "Valuation of Inventories" and the revised "Guidance Note on Accounting Treatment for Excise Duty" issued by the Institute of Chartered Accountants of India. According the method of valuation adopted are as under :-</p> <ul style="list-style-type: none"> i. Stock Raw Material and Packing Material :- At cost price. ii. Stock of Work in Progress :- At material cost plus apportioned manufacturing overheads. iii. Stock of Finished Goods :- At material cost plus apportioned manufacturing overheads plus excise duty and other costs incurred in bringing the inventories to their present location and condition or Net Realizable value whichever is lower. iv. Spares and consumable: - At cost | <p>7) Investments</p> <ul style="list-style-type: none"> (a) Long term investments are stated at cost of acquisition, provision for diminution is made only to recognize a decline other than temporary, if any, in the value of investments. (b) Current investments are carried at lower of cost and fair market value. (c) Dividends are accounted for as and when received. <p>8) Employee Benefits</p> <ul style="list-style-type: none"> (a) A short term employees benefits are recognized as an expenses at the undiscounted amount in the profit and loss accounts of the year in which the related is rendered. (b) Post employees and other long term employees benefits are recognized as an expense in the profit and loss account for the year in which the employees has rendered services. The expenses are recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to Profit and Loss account. <p>9) Revenue Recognition</p> <p>Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales of goods and services are recognized upon passage of the title to the customer, which generally coincides with the delivery. Sale is net of sale returns. Interest income is recognized on time proportion basis taking into account outstanding and rate applicable.</p> <p>10) Foreign Currency Transactions</p> <ul style="list-style-type: none"> (a) Foreign exchange transactions in respect of import payments are stated at the exchange rate prevailing at the time of transaction and variation, if any, accounted for on the date of payment is squared during the same accounting year. (b) Monetary items denominated in foreign currencies remaining unsettled at the year end if not covered by forward exchange contracts are translated at year end rates. (c) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except in case of where they relate to acquisition of fixed assets in which case they are adjusted in the carrying cost of such assets. <p>11) Provision for Current and Deferred Tax</p> <ul style="list-style-type: none"> (a) Provision for current tax is made after taking in to consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from |
|--|--|



- "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that is a virtual certainty that assets will be realized in future.
- (b) MAT: Minimum Alternative Tax payable under the provisions of the Income tax Act, 1961 is recognized as an asset in the year in which credit becomes eligible and is set off in the year in which the Company becomes liable to pay income taxes at the enacted tax rates and shall be reversed in the year in which it lapses.
- 12) **Amortizations of Miscellaneous Expenditure**
- Preliminary expenses are amortized over a period of five years. Listing expenses and initial public offer expenses are also incurred during the year. All these expenses will be written off over the period of next five years starting from the year of production of that unit.

13)

Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in management are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

14)

Impairment of Assets

During the year, the company has undertaken a review of all Fixed Assets in line with the requirements of AS-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India. Based on such review, no provision is required to be recognized for the year.

15)

The Revised Schedule VI has become effective from 1 April, 2011 for the preparation financial statements. This has significantly impacted the disclosure and presentation made in the financial statements.

Auditors' Report In term of our separate report of even date annexed here to.

FOR J.K. Jain & Associates
CHARTERED ACCOUNTANTS

Sd/-
(CA. J.K.JAIN)
M. Ship No. : 083140

Place: Chandigarh
Date: 10.08.2013

FOR Brooks Laboratories Limited

Sd/- Sd/-
Atul Ranchal Rajesh Mahajan
(Chairman) (Managing Director)

Sd/- Sd/-
Ketan Shah Ashima Banodha
(C.F.O.) (C.S.)

**BROOKS LABORATORIES LIMITED**

Registered Office: Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan, H.P.

ATTENDANCE SLIP

I hereby record my presence at the Eleventh Annual General Meeting of the above named Company being held at **HOTEL GIANZ, BADDI-NALAGARH HIGHWAY, NH-21A, BADDI, DISTT. SOLAN, H.P.** at **9.00 A.M.**, on **Friday, the 6th day of September, 2013.**

Full Name of the Member

Signature

(IN BLOCK LETTERS)

Folio No/ Client-ID.....

No. of Shares held.....

Full Name of the Proxy

Signature

(IN BLOCK LETTERS)

NOTE: Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

**BROOKS LABORATORIES LIMITED**

Registered Office: Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan, H.P.

PROXY FORM

Regd. Folio No./ Client I.D. No.

I/ We
 ofbeing a member/members of
 BROOKS LABORATORIES LIMITED appoint
 of..... or failing him/her
of.....

as my/our proxy to vote for me/us on my/our behalf at the 11th Annual General Meeting of the Company to be held at 9.00 A.M. on **Friday, the 6th day of September, 2013** and at any adjournment thereof.

Signed this.....day of.....2013

Signature.....

₹ 1/-
Revenue
Stamp

NOTES:

1. The Proxy form duly signed should reach the Company's Registered Office at least 48 hours before the time of meeting. The Proxy need not be a member of the Company.
2. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

BOOK POST
(Printed Material)

To,
Mr./Mrs./Ms.

If undelivered, please return to :



A WHO GMP & ISO 9001 : 2008 Certified Company

Registered Office:

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

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

Website : www.brookslabs.net

Corp. Off. Suite no. 203-204, Eco House, Vishveshwar Nagar,
Goregaon (East), Mumbai - 400 063 (INDIA)
Ph: +91 22 29275901/02/03/04 • Fax: +91 22 29275905

FORM A

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange

1.	Name of the company	BROOKS LABORATORIES LIMITED
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	To be signed by- • CEO/Managing Director • CFO • Auditor of the company • Audit Committee Chairman	