



29th

ANNUAL REPORT

2013-2014

Link

Pharma Chem Limited

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LINK PHARMA CHEM LIMITED

29th Annual Report

BOARD OF DIRECTORS

B. V. RETAREKAR	CHAIRMAN
S. G. THAKUR	MANAGING DIRECTOR
S. B. DHATRAK	DIRECTOR
M. V. KELKAR	DIRECTOR
D. U. SHAH	DIRECTOR

REGISTERED OFFICE

162, G.I.D.C. NANDESARI IND. ESTATE,
NANDESARI - 391 340.
DIST. : VADODARA

MANUFACTURING FACILITY AT

161/1,162,163,164, G.I.D.C. IND. ESTATE,
NANDESARI-391 340.
DIST. : BARODA.

AUDITORS

KHEDKAR & CO.

BANKERS

BANK OF INDIA

**REGISTRARS AND
TRANSFER AGENT**

LINK INTIME INDIA PVT. LTD.
B -102 & 103, Shangrila Complex,
First Floor,Opp. HDFC Bank,
Near Radhakrishna Char Rasta,
Akota, Vadodara - 390020.
Tel. No. 0265 - 2356573/2356794
Fax : (0265) 2250246

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Members of LINK PHARMA CHEM LIMITED will be held at Plot No.163/164, Nandesari Ind. Estate, Nandesari – 391 340, Dist. Vadodara on Monday, 29th September, 2014 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

01. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2014 and the Profit and Loss Account for the year ended on that date together with the reports of the Directors' and the Auditors' thereon.
02. To appoint Mr. Balvant Retarekar who retires by rotation and being eligible offers himself for reappointment.
03. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS:

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

RESOLVED THAT in pursuance to the provisions of Sections 196, 197 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V prescribed under the Companies Act, 2013 and in pursuance to the provisions of Articles of Association of the Company, Mr. Satish Thakur be and is hereby reappointed as Managing Director of the Company for a period of Three Years w.e.f. 1st July, 2014 at a remuneration and other terms and conditions as specified below:

(a) SALARY: Rs. 2,50,000 per month

(b) OTHER TERMS AND CONDITIONS:

He shall not be entitled to any sitting fees for attending the meeting of the Board of Directors or any committee thereof. The Company will reimburse Mr. Satish Thakur expenses incurred by him for entertainment, travelling and other expense in connection with the business of the Company. However personal long distance calls and use of car for private purposes shall be billed by the Company. Mr. Satish Thakur shall be free to resign his office by giving three calendar months' notice in writing to the Company.

- Mr. Satish Thakur shall be entitled to compensation for loss of office in accordance with the provisions of Section 202 of the Act, if at any time his office is determined before the expiry of his term of office.

During the tenure of his term of office he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT not with standing anything to the contrary herein contained, where in any financial year during the currency of his tenure, the company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013, whichever is lower, unless otherwise determined by Board of Directors."

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

"RESOLVED THAT in pursuance to the provisions of Sections 196, 197 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V prescribed under the Companies Act, 2013 and in pursuance to the provisions of Articles of Association of the Company, Mr. Balvant Retarekar be and is hereby reappointed as Executive Chairman of the Company for a period of Three Years w.e.f. 1st July, 2014 at a remuneration and other terms and conditions as specified below:

(a) SALARY: Rs. 2,50,000 per month

(b) OTHER TERMS AND CONDITIONS:

He shall not be entitled to any sitting fees for attending the meeting of the Board of Directors or any committee thereof. The Company will reimburse Mr. Balvant Retarekar expenses incurred by him for entertainment, travelling and other expense in connection with the business of the Company. However personal long distance calls and use of car for private purposes shall be billed by the Company. Mr. Balvant Retarekar shall be free to resign his office by giving three calendar months' notice in writing to the Company.

Mr. Balvant Retarekar shall be entitled to compensation for loss of office in accordance with the provisions of Section 202 of the Act, if at any time his office is determined before the expiry of his term of office.

During the tenure of his term of office he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT not with standing anything to the contrary herein contained, where in any financial year during the currency of his tenure, the company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013, whichever is lower, unless otherwise determined by Board of Directors."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Shri Suresh B. Dhattrak (DIN: 00365256), who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Shri Milind V. Kelkar (DIN: 00501250), who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term

upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Shri Devang Shah (DIN: 00704950), who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019."

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

"RESOLVED THAT, pursuant to Section 188 and other applicable provisions of the Companies Act, 2013, and the Rules made there under (including any statutory modifications or re-enactments thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to enter into a contract with M/s Pharma Inter Chemie, for purchase and sales of materials and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and M/s Pharma Inter Chemie.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution."

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

"RESOLVED THAT, pursuant to Section 188 and other applicable provisions of the Companies Act, 2013, and the Rules made there under

(including any statutory modifications or re-enactments thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to enter into a contract with M/s Chloro Chem of India, for sale and purchase of materials on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and M/s Chloro Chem of India.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution.”

By the Order of Board of Directors of
LINK PHARMA CHEM LIMITED

PLACE : VADODARA
DATE : 31.07.2014

B. V. RETAREKAR
CHAIRMAN

Notes :

1. A MEMBER ENTITLED TO ATTEND THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING AND THE PROXY NEED NOT BE A MEMBER.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Items Nos.4 to 10 of the accompanying Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 25th September, 2014 to Monday, 29th September, 2014 (both days inclusive).
4. The Company has decided to implement the, “Green Initiative” as per the ‘Go Green Initiative’. Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form, shareholders can register their e-mail address with the Company at linkpharmachem@hotmail.com mentioning their name(s) and folio number or send the details to the Company’s Registrars and Transfer Agent, Link Intime India Private Limited.
5. Members holding shares in more than one folio in the same order of name(s) are requested to send the details of their folios along with the Share Certificates so as to enable the Company to consolidate their holdings into one folio.
6. Members are requested to notify immediately:
 - (a) any change in their residential address.
 - (b) Income-Tax permanent Account Number (PAN).
 - (c) Bank details – Name and address of the Bank; A/c No.; type of A/c
 - (d) E-mail ID for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
7. Members holding shares in more than one folio in the same order of name(s) are requested to send the details of their folios along with the Share Certificates so as to enable the Company to consolidate their holdings into one folio.

8. Members are requested to bring their copies of the Annual Reports along with duly filled attendance slip to the meeting.
9. Members seeking any information or clarification with regard to the accounts are requested to write to the Company at least TEN DAYS in advance of the meeting so that the information required can be made readily available at the Meeting.
10. E-Voting:

The Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 29th Annual General Meeting of the Company dated September 29, 2014 (the AGM Notice). The Company has appointed Mr. Vijay Bhatt, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

Electronic Voting Sequence Number (EVSN): 140728014

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

In case of members receiving e-mail :

- (i) Log on to the e-voting website www.evotingindia.com during the voting period from Tuesday, September 23, 2014 at 10.00 a.m. to Thursday, September 25, 2014 at 06.00 p.m.
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Link Pharma Chem Limited" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a.) For CDSL: 16 digits beneficiary ID,
 - b.) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c.) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and

voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

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

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

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in

demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Link Pharma Chem Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy :

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote..
- (B) The voting period begins on Tuesday, September 23, 2014 at 10.00 a.m. and ends on Thursday, September 25, 2014 at 06.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. commencement of Book closure date Thursday 25th September, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:****Item No. 4 :**

The term of appointment of Mr. Satish Thakur, Managing Director expired on 30th June, 2014. He was reappointed by the Board of Directors for 3 years with effect from 01st July, 2014 subject to approval of the members at the ensuing Annual General Meeting on the terms and conditions as mentioned in the Ordinary Resolution set out in the Notice. The re-appointment of Mr. Satish Thakur will be in accordance with sections 196, 197 and other applicable provisions, if any, read with provisions of Schedule V of the Companies Act, 2013 without requiring the approval of Central Government.

The Directors recommend the Ordinary Resolutions no. 4 for your approval.

Except Mr. Satish Thakur, none of the Directors' of the Company are concerned or interested in the said Resolution.

Item No. 5:

The term of appointment of Mr. Balvant Retarekar, Whole-time Director expired on 30th June, 2014. He was reappointed by the Board of Directors for 3 years with effect from 01st July, 2014 subject to approval of the members at the ensuing Annual General Meeting on the terms and conditions as mentioned in the Ordinary Resolution set out in the Notice. The re-appointment of Mr. Balvant Retarekar will be in accordance with sections 196, 197 and other applicable provisions, if any, read with provisions of Schedule V of the Companies Act, 2013 without requiring the approval of Central Government.

The Directors recommend the Ordinary Resolutions no. 5 for your approval.

Except Mr. Balvant Retarekar, none of the Directors' of the Company are concerned or interested in the said Resolution.

Item No. 6 to 8 :

As per the present Board Structure, Mr. S.B. Dhatrak, Mr. Milind Kelkar & Mr. Devang Shah are the Non-executive Independent Directors of the Company.

Section 149(4) of the Companies Act, 2013 states that every listed public company shall have at least one-third of the total number of directors as Independent Directors. Section 149(5) also provides that every company existing on or before the date of commencement of this Act shall, within one year from such commencement or from the date of notification of the rules in this regard as may be applicable; comply with the requirements of the provisions of sub-section (4) of Section 149.

Section 149 (10) of the Companies Act, 2013, inter alia, provides that subject to the provisions of Section 152, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company. It is further clarified in the proviso to sub-sections (10) and (11) of Section 149 of the Act that, any tenure of an Independent Director on the date of commencement of this Act shall not be counted as a term under those sub-sections (10) and (11).

Your Board is of the opinion that all of the above mentioned Directors fulfill the conditions specified in the Act for appointment as Independent Directors of the Company. All are eminent personalities in their respective fields. Your Board considers that their continued association would be of immense benefit to the Company. In view thereof, the Board has recommended them to be classified as Independent Directors.

Accordingly, the Board recommends the approval of the shareholders, under item nos. 6 to 8 of the accompanying notice, the classification of the aforementioned Directors as Independent Directors pursuant to Section 149 of the Companies Act, 2013 read with Rules made thereunder to hold office for 5 (five) consecutive years for a term upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019.

Concerned Directors are interested in their respective resolutions being related to their own appointments. Other than the aforesaid, none of the Directors/KMP/ their relatives is concerned or interested in the Resolutions as set out in item Nos.6 to 8 of the accompanying Notice.

Details in respect of the Directors, who are proposed to be appointed as Independent Directors, are furnished in the Report on Corporate Governance.

Item No. 09 & 10 :

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 governs the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and shareholders as the case may be by way of a Special Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013).

By the Order of Board of Directors of
LINK PHARMA CHEM LIMITED

PLACE : VADODARA
DATE : 31.07.2014

B.V.RETAREKAR
CHAIRMAN

DIRECTORS' REPORT

To,
Members of **LINK PHARMA CHEM LIMITED**

Your Directors are pleased to present the 29th Annual Report together with Audited Statement of Accounts for the period ended March 31, 2014:-

1) FINANCIAL RESULTS : (Rs. in Lacs)

	FOR THE YEAR ENDEND 31-3-2014	FOR THE YEAR ENDED 31-3-2013
SALES	2594.19	1806.31
OTHER INCOME	26.31	14.90
PROFIT BEFORE INTEREST, DEPRECIATION AND TAX	260.01	233.37
INTEREST	113.56	122.92
DEPRECIATION	79.02	60.19
PROVISION FOR TAXATION (DEFERRED & CURRENT TAX)	15.72	21.43
PROFIT AFTER TAXATION	51.70	28.83

2) OPERATING RESULTS :

During the year under review, the turnover of your Company has increased to Rs. 2594.19 lacs from Rs.1806.31 lacs of the previous year. Your company has made profit of Rs. 51.70 lacs against profit of Rs.28.83 lacs of the previous year.

3) DIVIDEND :

In view of meagre profit earned for the year under review, your Directors do not recommend any dividend.

4) FUTURE OUTLOOK :

Your Company hopes to have permission from the competent authority to manufacture bulk drug products in coming four months periods.

The profitability of the Company is adversely affected due to the seasonal nature of the major product used in the pesticide industry. To overcome this, your Company has planned to manufacture new intermediate products.

5) DEPOSITS :

The Company has neither received nor accepted any deposits from public in terms of Section 58A of the Companies Act, 1956.

6) PARTICULARS REGARDING CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Pursuant to the applicable Rules read with Section 217(1)(e) of the Companies Act, 1956, details relating to Conservation of Energy, Technology Absorption, Foreign Exchange earning and out-go are given in the Annexure forming part of this Report.

7) PERSONNEL :

During the year under review, none of the Employees was in receipt of remuneration of Rs. 60,00,000/- per annum when employed through out the year or Rs. 5,00,000/- per month when employed for part of the year and therefore the provisions of Section of 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are not attracted.

8) DIRECTORS :

Shri B V Retarekar retires by rotation and being eligible, offers himself for re-appointment. Members are requested to reappoint him at the ensuing annual general meeting of the Company.

9) AUDITORS AND AUDITORS' REPORT :

M/s. Khedkar & Co. Chartered Accountants, Vadodara, Statutory Auditors of the company who retires at the ensuing Annual General Meeting of the Company, have given their consent to be reappointed as Statutory Auditors of the Company. Your Directors recommend their appointment as Statutory Auditors for the year 2014-15. The Notes to the Accounts referred to

in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

contribution made by the dedicated employees of the company at all levels.

10) COMPLIANCE CERTIFICATE :

The Compliance certificate in terms of Section 383A of the Companies Act 1956, issued by a practising Company Secretary is annexed to this report as Annexure "B".

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

11) CORPORATE GOVERNANCE:

In line with requirement of the Listing Agreement with the Stock Exchanges, Report on Corporate

PLACE : VADODARA

B. V. RETAREKAR

DATE : 31.07.2014

CHAIRMAN

Governance is given in the Annexure forming part of this Report.

ANNEXURE - A**12) DIRECTORS' RESPONSIBILITY STATEMENT :**

As required under Section 217 (2AA) of the Companies Act, the Directors hereby confirm that :

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, 2014.

1. CONSERVATION OF ENERGY :

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis.

a) Energy conservation measures taken :

- i) The company has proposed the condensation recovery system for the boiler, so that water consumption will reduce & also fuel consumption will reduce.
- ii) All vessels and pipeline are properly insulated to get energy conservation.
- iii) Annual energy audit is being carried out by the Company.

b) Additional Investment :

Additional Investment is done in the plant for the manufacturing of some products on contract basis.

Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :

It has resulted in achieving lesser energy consumption thereby reducing cost of production.

Total energy consumption and energy consumption per unit of production is given as below as per Form 'A' of the rules:

13) ACKNOWLEDGEMENTS :

Your Directors place on record their sincere appreciation for the continued co-operation received from the Central, State and Local Government Authorities, the larger family of shareholders and last but not the least, the

FORM - A

(See Rule 2)

**FORM FOR DISCLOSURE OF PARTICULARS
WITH RESPECT TO CONSERVATION OF ENERGY**
A. Power and Fuel Consumption :

	2013-2014	2012-2013
	<u>Current</u>	<u>Previous</u>
	<u>Year</u>	<u>Year</u>
1. Electricity :		
(a) Purchased Unit	17,02,040	16,57,516
Total Amount (Rs.)	1,11,25,247	1,05,39,782
Rate /Unit (Rs.)	6.54	6.36
(b) Own Generation :	Nil	Nil
(i) Through Diesel Generation Unit		
Unit per lit. of diesel Oil Cost/Unit		
(ii) Through Steam turbine/generator Units		
Units per Lit. of Fuel		
Oil/Gas Cost/Units		

2. Coal (Specify Quality and where used)

Quantity (Tonnes)	4,19,765	9,67,714
Total Cost	21,94,901	57,81,227
Average Rate	5/22	5/97

3. Furnace Oil (LDO)

Quantity	Nil	Nil
Total Amount	Nil	Nil
Average Rate	Nil	Nil

4. Other Generation (Gas)

Quantity (Cu.Mt.)	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil

B. CONSUMPTION PER UNIT OF PRODUCTION :

	<u>Consumption per M.T.</u>	
	<u>Current</u>	<u>Previous</u>
	<u>Year</u>	<u>Year</u>
	<u>2013-2014</u>	<u>2012-2013</u>
3. Furnace Oil (LDO)		

Quantity	Nil	Nil
Total Amount	Nil	Nil
Average Rate	Nil	Nil

Product (With Details) ALL PRODUCTS

Electricity (Units)	3298.52	2833.36
GAS (Cu.m.)	Nil	Nil

II TECHNOLOGY ABSORPTION :

Efforts made in the Technology Absorption in Form B are as given below:

FORM - 'B'
RESEARCH & DEVELOPMENT :

- Specific areas in which in house R & D activities carried out by the company: Efforts have been made to improve the quality of existing products & certain new Products are under development.
- Benefits derived as a result of the above R & D activities :
Quality has been improved of existing products to achieve more customer Satisfaction.
- Future Plan of action :
The Company intends to concentrate on product development for forward integration purpose.
- Expenditure on R & D.

(Rs. in Lacs)

	<u>2013-2014</u>	<u>2012-2013</u>
Capital	16.33	1.54
Recurring	10.09	7.50
Total	26.42	9.04

Total R & D expenditure

as a percentage of total turnover 1.02 0.50

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

NOT APPLICABLE

	<u>2013-14</u>	<u>2012-13</u>
	<u>Current Year</u>	<u>Previous Year</u>

**III FOREIGN EXCHANGE
EARNING & OUTGO**

a) Activities relating to export	Nil	Nil
b) Foreign Exchange earning	7.80	1.44
c) Foreign Exchange outgo	1.06	Nil

COMPLIANCE CERTIFICATE

To,

The Members of **LINK PHARMA CHEM LIMITED**

We have examined the registers, records books and papers of LINK PHARMA CHEM LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

01. The company has kept and maintained all registers as stated in Appendix 'A' to this certificate, as per the provisions and the rules made there under and all entries have been duly recorded.
02. The company has filed forms and returns as stated in the Appendix 'B' to this certificate with the Registrar of Companies, Regional Director, the Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
03. The company being Public Limited company, comments are not required.
04. The Board of Directors met 11 times on 30th May 2013, 29th June, 2013, 16th August, 2013, 31st August, 2013, 30th September, 2013, 15th November, 2013, 31st December, 2013, 28th January, 2014, 13th February, 2014, 27th March, 2014 and 31st March, 2014 in respect of which meetings notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
05. The company closed its Register of Members from 29.08.2013 to 31.08.2013 (Both days inclusive) and necessary compliance of Section 154 of the Act has been made.
06. The annual general meeting for the financial year ended on 31.03.2013 was held on 31.08.2013 after giving notice to the members of the company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
07. No Extra Ordinary General Meeting was held during the financial year.
08. The company has not advanced any loans to its directors or person or firm or companies referred to under section 295 of the Act.
09. The company has entered into contracts falling within the purview of section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13.
 - i) There was no allotment. The company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - ii) The company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii) The company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - iv) There was no amount in the unpaid dividend account, applications money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and hence transferring of the same to Investor Protection Fund does not arise.
 - v) The company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole Time Director/Manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was required to obtain any approval of the Regional Director under section 297 of the

- Companies Act, which is not obtained. Except this the Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The company has not issued any shares or other securities during the financial year.
 20. The company has not bought back any shares during the Financial Year.
 21. There was no redemption of Preference Shares or Debentures during the financial year.
 22. There were no transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
 24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March, 2014 are within the borrowing limits of the company and that necessary resolution as per section 293 (1) (d) of the Act have been passed in the general meeting.
 25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the Register kept for the purpose.
 26. The company has not altered the provisions of the Memorandum of Association of the company with respect to situation of the company's registered office from one State to another during the financial year.
 27. The company has not altered the provisions of the Memorandum of Association of the company with respect to the objects of the company during the year under scrutiny.
 28. The company has not altered the provisions of the Memorandum of Association of the company with respect to name of the company during the financial year.
 29. The company has not altered the provisions of the Memorandum of Association of the company with respect to Share Capital of the company during the year.
 30. The company has not altered its Articles of Association during the financial year.
 31. There was/were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
 32. The company has not received any money as security from its employees during the financial year.
 33. The company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

PLACE: VADODARA
DATE: 22.05.2014

FOR VIJAY BHATT & CO.
COMPANY SECRETARIES

V. J. BHATT
PROPRIETOR
CP: 2265

APPENDIX 'A'

Registers as maintained by **LINK PHARMA CHEM LIMITED**:

01. Register of charges u/s 143 of the Companies Act, 1956.
02. Register of Members u/s 150 of the Companies Act, 1956.
03. Index of Members u/s 151 of the Companies Act, 1956.
04. Registers and Returns u/s 163 of the Companies Act, 1956.
05. Register of particulars of contracts in which directors are interested u/s 301 of the Companies Act, 1956.
06. Register of Directors, Managing Director etc. u/s 303 of the Companies Act, 1956.
07. Register of Directors' Shareholding u/s 307 of the Companies Act, 1956.
08. Register of transfers.

APPENDIX 'B'

Forms and Returns as filed by the **LINK PHARMA CHEM LIMITED** with the Registrar of Companies during the financial year ending on 31st March 2014.

01. Annual Return filed u/s 163 of the Companies Act, 1956 in Form 20B on 11.09.2013 vide MCA Challan No. Q11002508 for the Annual General Meeting held on 31.08.2013.
02. Compliance Certificate filed u/s 383A of the Companies Act, 1956 in Form 66 on 02.09.2013 vide MCA Challan No. Q10686749 for the Financial year ended on 31st March 2013.
03. Annual Accounts filed u/s 220 of the Companies Act, 1956 in Form 23AC XBRL & 23ACA XBRL on 02.09.2013 vide MCA Challan No. P88310834 for the year ended 31st March, 2013 adopted at the Annual General Meeting of the company held on 31.08.2013.
04. Form No.8 filed u/s 125/127/135 of the Companies Act, 1956 on 17.02.2014 vide MCA Challan No. B96352406 for modification of charge in favour of Bank of India.
05. Form No.8 filed u/s 125/127/135 of the Companies Act, 1956 on 17.02.2014 vide MCA Challan No. B96349238 for modification of charge in favour of Bank of India.
06. Form No. 23C filed u/s 233B of the Companies Act, 1956 vide MCA Challan No. S21326160 on 21.06.2013 for the appointment of cost auditor for the year 2013-2014.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

The following is a report on Corporate Governance code as implemented by your Company.

A. MANDATORY REQUIREMENTS**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Link Pharma Chem Limited has over the years followed the best business practices. The Company believes that good Corporate Governance is essential to achieve long-term corporate goals and to enhance stakeholders' value. In this pursuit, the company is committed to conducting business in accordance with the highest legal and ethical standard, superior product quality and services to its customers. All employees are bound by a Code of Conduct, which sets forth Company's policies on important issues, including relationship with customers, vendors and the Government.

2. BOARD OF DIRECTORS

Non-Independent - 2 – Chairman and Managing Director
Independent - 3 Directors

During the Financial Year ended on 31st March, 2014, 11 Board Meetings were held viz. 30th May, 2013, 29th June, 2013, 16th August, 2013, 31st August, 2013, 30th September, 2013, 15th November, 2013, 31st December, 2013, 28th January, 2014, 13th February, 2014, 27th March, 2014 and 31st March, 2014. The attendance of each director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Composition of the Board of Directors and Attendance of them:

Name of Director	Category of Directorship	No. of Board Meetings		Attendance at the last AGM	Remarks
		Held during the year	Attended during the year		
Mr. B.V. Retarekar	Non-Independent	11	11	Yes	-
Mr. S.G. Thakur	Non-Independent	11	11	Yes	-
Mr. S.B. Dhatriak	Independent	11	7	Yes	-
Mr. Milind Kelkar	Independent	11	5	Yes	-
Mr. Devang U. Shah	Independent	11	7	Yes	-

3. Committees:**A. Audit Committee:****BROAD TERMS OF REFERENCE**

The terms of reference of the Audit Committee include:

- To review the Company's financial reporting process and its financial statements
- To review the accounting and financial policies and practices
- To review the efficacy of the internal control mechanism and monitor risk management policies adopted by the company and ensure compliance with regulatory guidelines
- To review reports furnished by the internal and statutory auditors and ensure that suitable follow-up action is taken
- To recommend appointment/removal of auditors and fix/approve fees and other payments audit Committee was formed in the Board Meeting of 5th March, 2003 and comprise of 2 Independent Directors and 1 non-independent director.

Name of member	Status	No. of meetings held	No. of meetings attended
Mr. S. B. Dhatriak	Chairman	4	4
Mr. D. U. Shah	Member	4	4
Mr. B. V. Retarekar	Member	4	4

Managing Director Mr. S.G.Thakur and Internal Auditor Mr. Chinmay Chokshi of C.G.Choksi & Co. are invitees

B. REMUNERATION COMMITTEE :

As per Clause 49 of the Listing Agreement, constitution of remuneration committee is non-mandatory. However, company formed the remuneration committee on 30th January, 2004 with S. B. Dhatriak as Chairman, Mr. Milind Kelkar and Mr. Devang Shah as Members.

The Board of Directors determines the remuneration of whole time/executive directors within the framework as approved by the shareholders/the Central Government.

DETAILS OF REMUNERATION :
(a) Pecuniary Relationships :

None of the Non-Executive Directors of your company have any pecuniary relationships or material transactions with the company except for sitting fees and traveling expenses paid to them for attending Board Meetings thereof.

In compliance with the requirements of Accounting Standard 18 (AS-18) issued by ICAI, transactions with related parties have been furnished under Notes to the Accounts of the Financial Statements.

(b) The remuneration of Executive Directors for the year 2012-2013 is as under:

Name of the Director	Salary(Rs.)	Perquisites(Rs.)	Contribution to PF and other fund (Exempted Perks) (Rs.)
Mr. B.V. Retarekar	15,00,000	Nil	18,720
Mr. S. G. Thakur	15,00,000	Nil	18,720

C. Investors / Shareholders Grievance Committee :

The Committee was formed on 5th March, 2003 and comprised of two directors to specifically look in to issue relating to investors including share related matters.

Name of the Director	Status	No. of Meetings held	No. of Meetings attended
Mr. S. B. Dhatriak	Chairman	4	4
Mr. B.V.Retarekar	Member	4	4
Mr.S.G.Thakur	Member	4	4

4. General Body Meeting :

The location and time of the General Meetings held during the last three years is as follow :

AGM	Date	Venue	Time	No. of Special Resolutions Passed
AGM	31.08.2013	163/164, G.I.D.C., Industrial Estate, Nandesari, Dist. Baroda - 391 340	11.00 A.M.	Nil
AGM	28.09.2012	163/164, G.I.D.C., Industrial Estate, Nandesari, Dist. Baroda - 391 340	11.00 A.M.	Nil
AGM	29.09.2011	163/164, G.I.D.C., Industrial Estate, Nandesari, Dist. Baroda - 391 340	11.00 A.M.	Nil

- Whether Special resolutions were put through postal ballot last year - N.A.
- Person who conducted the postal ballot exercise - N.A.
- Whether Special resolutions are proposed to be conducted through postal ballot - None.

Resolutions are generally passed on a show of hands.

5. Disclosure

- Transactions with the related parties are disclosed in Clause 13 of Notes to the Accounts of Schedule 22 to the financial statements in the Annual Report.
- During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

6. Means Of Communication:

- a. Quarterly and Half-yearly results to shareholders are intimated through newspapers as per the requirements.
- b. The Quarterly and Half-yearly results are published in the Gujarati & English edition of Western Times.
- c. Presentations made to institutional investors or to the analyst – None

Management Discussion and Analysis forms part of the Annual Report which is posted to the shareholders of the company.

7. Particulars of Directors seeking re-appointment at the ensuing 29th Annual general Meeting of the Company**(a) Details of Directors who retire by rotation and seek re-appointment :****(i) Mr. Balvant V. Retarekar**

Name of the director	Balvant V. Retarekar
Date of Birth	11 th March, 1955
Education Qualification	M.Sc.
Specific Functional Area	Accounts, Finance & Overall Company Management
Other Directorships held	Nil
Other Committees of Directors were memberships held	None

8. General Shareholder information:

- a) AGM date, time and venue : Monday, 29th September, 2014 at 11:00 A.M. at 163/164, G.I.D.C., Nandesari, Dist. Vadodara.
- b) Financial Calendar for Financial Year 2013-2014
 - 1st quarter results : On or before 15th August, 2013
 - 2nd quarter & half yearly results : On or before 15th November, 2013

- 3rd quarter results : On or before 15th February, 2014
4th quarter & audited Accounts : On or before 30th May, 2014
- c) Date of Book Closure : Thursday, 25th September, 2014 to
to Monday, 29th September, 2014 (both days inclusive)
- d) Dividend Payment Date : Not Applicable
- e) Listing on Stock Exchange : The Bombay Stock Exchange Ltd.
Demat connectivity : National Securities Depository Ltd.
Central Depository Services (I) Ltd.
- f) Stock Code :
The Bombay Stock Exchange Limited : 524748
NSDL/CDSL : ISIN:INE302F01011
- g) Stock Market price data for the year 2013-2014 of the company on BSE:

Month	Month's low price	Month's high price	Sensx	
			High	Low
April-2013	5.81	8.98	19622.68	18144.22
May-2013	6.94	10.00	20443.62	19451.26
June-2013	8.55	9.58	19860.19	18467.16
July-2013	9.11	9.11	20351.06	19126.82
August-2013	8.66	8.66	19569.20	17448.71
September-2013	8.23	8.23	20739.69	18166.17
October-2013	7.06	8.18	21205.44	19264.72
November-2013	7.65	8.85	21321.63	20137.67
December-2013	4.19	7.70	21483.74	20568.70
January-2014	4.47	6.14	21409.66	20343.78
February-2014	5.89	7.09	21140.51	19963.12
March-2014	7.41	7.80	22467.21	20920.98

- h) Registrars & Transfer Agents : LINK INTIME INDIA PVT. LTD.
(Common Agency
for Physical & demat
Segment) B-102 & 103, Shangrila Complex,
First Floor, Opp. HDFC Bank,
Near Radhakrishna Char Rasta, Akota.
Vadodara-390 020.
Phone: 0265 - 2356573/2356794
Fax: (0265) 2250246

i) Share Transfer System :

Share Transfer requests received in physical mode are normally registered within 30 days from the date of receipt and demat requests are normally confirmed within an average of 15 days from the date of receipt.

j) Distribution and Shareholding Pattern as on March 31, 2014 :

No. of equity shares Held	No. of Share Holders	% of Share holders	Share holding	% of Share holding
1 – 500	5198	90.07	711447	16.02
501 – 1000	230	3.99	197362	4.44
1001 – 2000	184	3.19	268503	6.05
2001 – 3000	57	0.99	142218	3.20
3001 – 4000	15	0.26	51449	1.16
4001 – 5000	26	0.45	126382	2.85
5001 – 10000	28	0.48	205156	4.62
10001 & above	33	0.57	2738051	61.66
TOTAL	5771	100.00	4440568	100.00

Categories of Shareholders as on 31st March, 2014 :

Category	Folios & Demat A/cs	Shares held	% of Total Shares
Other Bodies Corporate	67	264636	5.96
Clearing Member	6	7117	0.16
Directors	2	1055119	23.76
Mutual Fund	1	700	0.02
Non Resident Indians	30	90546	2.04
Non Resident (Non Repatriable)	3	1547	0.03
Promoters	8	143937	3.24
Relatives of Directors	17	986647	22.22
Public / Others	5637	1890319	42.57
TOTAL	5771	4440568	100.00

K) Dematerialisation of shares and liquidity :

At the end of the year 3669241 shares which come to 82.63% of total shares have been dematerialised. Trading in equity shares is permitted in dematerialised form only.

l) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, its conversion date and likely impact on equity: Not Applicable**m) Plant Locations : 1) Plot No. 161/1, 162, G.I.D.C., Nandesari, Dist. Baroda.****n) Address for correspondence :** Share Department -
Link Pharma Chem Limited,
504, Center Point, Alkapuri, Vadodara – 390 007.
Phone : (0265) 3295723 Fax : (0265) 3054194
E-mail: linkpharmachem@hotmail.com

Or its Registrars & Share : Link Intime India Pvt. Ltd.
Transfer Agents B - 102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char Rasta,
Akota,
Vadodara - 390020.
Tel. No. 0265 - 2356573/2356794
Fax : (0265) 2250246

Shareholders holding share in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

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

**To,
The Members of
Link Pharma Chem Limited**

We have examined the compliance of the conditions of Corporate Governance by Link Pharma Chem. Limited for the year ended 31st March, 2014, as stipulated in Clause 49 of the listing Agreements of the said Company with the stock exchange.

The compliance of conditions of 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 the compliance of the conditions of the 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, I certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

I state that in respect of investor grievances received during the year ended March 31, 2014 no investor grievances are pending against the company as per records maintained by the company and presented to the Shareholders/Investor Grievances committee.

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

FOR KHEDKAR & CO.
CHARTERED ACCOUNTANTS

Date : 30/05/2014
Place : Vadodara

D. R. KHEDKAR
PROPRIETOR
(M. No. 34963)

To the Shareholders of

LINK PHARMA CHEM LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of Link Pharma Chem Limited, which comprise the Balance Sheet as at March 31, 2014, 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.

Management's Responsibility for the Financial Statements

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. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial 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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 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, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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 Khedkar & Co.

Firm Reg. no.130838W
Chartered Accountants

D. R. Khedkar

(Proprietor)
M No.:034693

Place : VADODARA
Date: 30th May 2014

ANNEXURE TO THE AUDITOR'S REPORT

(Referred in paragraph (1) of report of even date)

- i) a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets were physically verified during the period by the Management in accordance with a regular programme of verification which, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to me, no material discrepancies were noticed on such verification.
- c. There was no substantial disposal of fixed assets during the year.
- ii) In respect of its inventory :
 - a. The management has conducted physical verification of inventory at reasonable intervals during the year.
 - b. The procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. The company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) (a) According to the information and explanations given to us, the company has not granted any loan to firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence clause (iii) (b), (c), (d) is not applicable.
- (b) The company has taken loans, Unsecured from companies, firm or other parties covered in the register maintained under section 301 of the Act. The No. of Parties involved in the transactions are 4 and amount involved is Rs.1,37,57,137/- and
- (c) The Rate of interest and other terms and conditions of loan taken by the company, are prima facie not prejudicial to the interest of the company, and
- (d) The payment of interest and whenever required, principal amount are regular.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit no major weakness has been noticed in the internal control system in respect of these areas.
- v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to me:
 - a. The particulars of contracts or arrangements referred to in section 301 that were required to be entered in the Register maintained under the said section have been so entered.
 - b. The transaction in pursuance of contracts or arrangements have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.
- vi) According to the information and explanations given to me, the company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under. According to the information and explanations given to me, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- vii) In my opinion, the company has an adequate internal audit system, commensurate with the size and nature of its business.
- viii) According to the information and explanations given to us, the Central Government of India

- has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, for any of the products of the company.
- ix) According to the information and explanations given to me in respect of statutory dues:
- a. The company has generally been regular in depositing undisputed dues, including Provident Fund, investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b. There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2014 for a period of more than six month from the date they became payable.
- x) The Company has not incurred cash losses during the financial year covered by our Audit and its immediate preceding financial year.
- xi) In my opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions.
- xii) According to the information and explanations given to me, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In my opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) order, 2003 are not applicable to the company.
- xiv) In my opinion, the company is not dealing in or trading in shares securities, debentures and othe investments. Accordingly, the provisions of cluse 4 (xiv) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv) In my opinion, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) According to information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to me, and on an overall examination of the balance sheet of the company, I report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except for permanent working capital.
- xviii) According to the information and explanations given to me, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) According to the information and explanation given by the management, the company has not raised money through public issue during the year under audit.
- xx) According to the information and explanations given by the management no fraud on or by the company has been noticed or reported during the course of my audit.

For, Khedkar & Co.
Firm Reg. No. 130838W
Chartered Accountants.

D.R. Khedkar
Proprietor
M.No.: 034963

Place: Vadodara
Date: 30th May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

PARTICULARS	SCHEDULE NO.	(Amount in Rupees)	
		FIGURES FOR THE YEAR ENDED ON 31-03-2014	FIGURES FOR THE YEAR ENDED ON 31-03-2013
I. EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	4,44,05,680	44,405,680
(b) Reserve & Surplus	2	6,22,64,783	57,094,612
		<u>10,66,70,463</u>	<u>101,500,292</u>
(2) Non-current Liabilities			
(a) Long-term borrowings	3	5,07,08,161	47,756,913
(b) Deferred Tax liabilities (Net)	4	65,14,200	6,110,185
(c) Other long term liabilities	5	20,485	1,000,000
		<u>5,72,42,846</u>	<u>54,867,098</u>
(3) Current Liabilities			
(a) Short - Term Borrowings	6	4,00,70,851	41,635,618
(b) Trade payables	7	4,23,27,935	19,961,342
(c) Other Current liabilities	8	1,23,16,964	29,314,463
(d) Short-term provision	9	48,86,172	4,000,841
		<u>9,96,01,923</u>	<u>94,912,264</u>
Total		<u>26,35,15,232</u>	<u>251,279,653</u>
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	14,59,47,720	138,187,710
(ii) Capital Work in Progress		1,91,87,016	15,263,943
(b) Non-current investments	11	2,26,120	244,780
(c) Long term loans and advances	12	22,29,463	2,439,183
(d) Other non-current assets	13	5,00,000	5,00,000
		<u>16,80,90,319</u>	<u>156,635,617</u>
(2) Current Assets			
(a) Inventories	14	5,47,51,468	53,292,854
(b) Trade Receivables	15	3,30,37,017	32,083,781
(c) Cash and cash equivalents	16	21,96,137	1,873,229
(d) Short-term loans and advances	17	2,31,248	3,510,150
(e) Other current assets	18	52,09,043	3,884,023
		<u>9,54,24,913</u>	<u>94,644,037</u>
Total		<u>26,35,15,232</u>	<u>251,279,653</u>

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith. In terms of our report attached

FOR KHEDKAR & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 130838W

(D. R. KHEDKAR)
PROPRIETOR
M.No: 34963.

PLACE : VADODARA
DATE : 30th May 2014

For and on behalf of the Board.

B. V. RETAREKAR Chairman
S. G. THAKUR Managing Director

PLACE : VADODARA
DATE : 30th May 2014

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2014.

PARTICULARS	SCHEDULE NO.	(Amount in Rupees)	
		FIGURES FOR THE YEAR ENDED ON 31-03-2014	FIGURES FOR THE YEAR ENDED ON 31-03-2013
I. Revenue from operations	19	25,94,19,350	180,631,083
Less: Excise Duty		2,34,97,560	16,981,895
Net Revenue from Operations		23,59,21,790	163,649,188
II. Other Income	20	26,30,727	1,489,874
Total Revenue		23,85,52,516	165,139,062
III. Expenses			
a) Cost of Materials consumed	21	14,76,61,081	79,015,872
b) Change in inventories of finished goods			
Working-in-progress and stock-in-trade	22	(81,26,497)	(4,700,278)
c) Employee benefits expense	23	2,88,53,269	26,266,389
d) Other expenses	24	4,41,63,567	41,440,321
Total Expenses		21,25,51,420	142,022,304
Earnings before interest, depreciation, tax and amortization		2,60,01,096	23,116,758
a) Financial Costs	25	1,13,56,460	12,071,232
b) Depreciation and amortization expenses	10	79,02,178	6,019,353
IV. Profit before exceptional and extraordinary items and tax (III-IV)		67,42,458	5,026,174
V. Exceptional items			-
VI. Profit before extraordinary item & Tax(V-VI)		67,42,458	5,026,174
VII. Extraordinary Items			-
VIII Profit before Tax (VII-VIII)		67,42,458	5,026,174
IX. Tax Expenses:			
(1) Current Tax		11,68,272	1,645,765
(2) For Prior Periods			
(3) Deferred Tax (See Note 25)		4,04,015	4,97,005
X. Profit for the period from continuing operations (VIII-IX)		51,70,171	2,883,404
XI. Earnings per equity share:			
(1) Basic	33	1.16	0.65
(2) Diluted		1.16	0.65

Notes referred to above form an integral part of the Statement of Profit and Loss and should be read in conjunction therewith. In terms of our report attached

FOR KHEDKAR & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 130838W

(D. R. KHEDKAR)
PROPRIETOR
M.No: 34963.

PLACE : VADODARA
DATE : 30th May 2014

For and on behalf of the Board.

B. V. RETAREKAR Chairman
S. G. THAKUR Managing Director

PLACE : VADODARA
DATE : 30th May 2014

Notes forming part of the Accounts for the year ended 31st March, 2014**Notes No. 26 : Significant Accounting Policies :****1) Accounting Conventions :**

These accounts are prepared under historical cost convention, with revenues recognized and expenses accounted on their accrual including provisions / adjustments for committed obligations and amounts determined as receivable or payable during the year as a going concern and in accordance with the accounting standards referred to in section 211(3C) of the Companies Act, 1956.

2) Fixed Assets :

All fixed assets, except Land, are stated at cost net of Modvat less accumulated Depreciation. Land is valued at cost. Fixed Assets include all expenditure of capital nature, pre operation expenses including interest and financial cost of borrowing during the period of construction.

3) Depreciation :

Depreciation is provided on straight Line Method at the rate prescribed in Schedule XIV to the Companies Act, 1956 and rounded off to nearest 15 days. For the purpose of charging depreciation on Plant & Machinery falling in the category of "Continuous Process Plant " the company has identified such plants on the basis of technical opinion obtained and depreciation has been provided at special rates prescribed in Schedule XIV to the Companies Act, 1956.

4) Income Recognition:

The company recognizes sales on the basis of actual delivery of goods. Sales are recorded at invoice values net of trade discounts. The purchases are recorded at the invoice value. All expenses and income to the extent considered payable and receivable respectively are accounted for on accrual basis except encashment of leave salary and interest on income tax refunds, which are accounted on cash basis.

5) Inventories :

Raw materials are stated at cost or net realisable value, whichever is lower. Cost includes expenses for procuring the same and is computed on first in first out basis.

Stocks of finished goods have been valued at cost or net realisable value, whichever is lower. The cost includes manufacturing expenses and appropriate overheads.

Stock of by-products and waste have been valued at net realisable value.

Packing material, stores and spares are stated at cost or net realisable value, whichever is lower. Cost is computed on first in first out basis.

Work in process is valued at proportionate value of finished goods upto the stage of completion of the work in progress.

6) Investments :

Current investments are valued at cost or market value which ever is less. Long term investments are stated at cost, and where applicable provision is made for erosion in its valuation.

7) Foreign Currency Transactions :

Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Foreign Currency Assets and Liabilities are stated at the exchange rates prevailing at the

date of Balance Sheet and at forward contract rates, wherever so covered. Exchange difference relating to Fixed Assets is adjusted to the cost of Fixed Assets. Any other exchange difference is dealt in the Profit and Loss Account. Premium in respect of forward contract is recognized over the life of the contract. Any income or expense on account of exchange difference on settlement is recognized in the Profit and Loss Account.

8) Borrowing Costs :

The company capitalizes interest and foreign exchange rate difference on credit acquired for the construction of plant and installation of machinery as part of the cost of assets. The capitalization of interest and foreign exchange rate differences discontinued when the plant construction and machinery installation are completed and are ready for their intended use.

9) Retirement Benefits :

The gratuity liabilities is funded through a scheme administered by the Life Insurance Corporation of India, on the basis of LIC's demand (on the basis of actuarial valuation of liabilities) which specifies the contribution to be made by the company, the same is charged to Profit and Loss account. However, the actuarial valuation is for the period from 1st June to 31 May of each year and consistently accounted for same period on payment basis. The liabilities in respect of unutilized leave due to employees is accounted for as and when become payable.

10) Research and Development Expenditure :

All revenue expenditure on research and development are charged to the Profit and Loss Account. Fixed Assets used for research and development are capitalized.

11) Taxes on Income :

The company provides for income tax on estimated taxable income and based on expected outcome of assessments appeals, in accordance with the provisions of the Income Tax Act, 1961 and rules framed there under.

Consequent to the issuance of the Accounting Standard 22 - 'Accounting for Taxes on Income' by the Institute of Chartered Accountants of India which states that deferred tax should be recognized based on timing differences between the accounting income and the estimated taxable income for the year and quantify the same using the tax rates and laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognized and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

Signature to notes.

As per our report of even date attached.

FOR KHEDKAR & Co.
CHARTERED ACCOUNTANTS.

(D.R.KHEDKAR)
PROPRIETOR
M.No: 34963.
Firm Reg. no. 130838W

For & on behalf of Board of Directors,

B.V.RETAREKAR	S.G.THAKUR.
Chairman	Managing Director

Date : 30th May, 2014
Place : Vadodara

Date : 30th May, 2014
Place : Vadodara.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014.

Sr. No. Particulars	For the year ended 31-3-2014	For the year ended 31-3-2013
NOTE NO. 1 SHARE CAPITAL :		
1 Authorised Capital		
5,000,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
2 Issued Capital		
44,40,568 Equity Shares of Rs.10/- each	4,44,05,680	4,44,05,680
3 Subscribed & fully paid up Capital		
44,40,568 Equity Shares of Rs.10/- each	4,44,05,680	4,44,05,680
4 Subscribed & not fully paid up Capital	-	-
TOTAL	4,44,05,680	4,44,05,680

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

1 At the beginning of the year	44,405,680	4,44,05,680
Add: Issue of share during the year	-	-
Less: Cancellation, Forfeited or Buy Back of Share		
During the year	-	-
Outstanding at the end of the period	4,44,05,680	4,44,05,680

NOTE NO.2 RESERVE & SURPLUS :

1 Share Premium Account	2,87,12,527	2,87,12,527
2 General Reserve		
Opening Balance	2,83,82,085	2,54,98,681
Add :- Profit/(Loss)Tfr from Profit & Loss Account	51,70,171	28,83,404
	3,35,32,256	2,83,82,085
TOTAL	6,22,64,783	5,70,94,612

NOTE NO. 3 LONG-TERM BORROWINGS:
SECURED LOANS
2 TERM LOAN :-

- Reliance Capital Ltd - Loan A/c	4,92,298	-
- Bank of India	3,64,58,721	3,38,76,708
(Loan from bank and secured by way of charge created on all the fixed assets & Personal Guarantee of Directors)		

Total
3,69,51,024
3,38,76,708
UNSECURED LOANS

1 Unsecured Loan Taken from Directors :-	8,33,181	7,07,349
2 Unsecured Loan Taken from Relatives :-	1,29,23,956	1,16,64,221
3 Unsecured Loan from others		15,08,635
Total	1,37,57,137	1,38,80,205
TOTAL	5,07,08,161	4,77,56,913

*** Securities:**
Principal :

- 1st Equitable Mortgage charge on Land & Building situated at Plot No. 161 & 162, GIDC, Ind. Estate, Nandesari.
- 1st equitable Mortgage charge on Land & Building at Plot No. 163 & 164, GIDC, Ind. Estate, Nandesari.
- Hypothecation charge on Stocks and Book Debts.

Collateral:

- EQM of office premises situated at office no. 6-B-2, 6th floor, Ramkrishna chambers, Productivity Road, alkapuri, Vadodara.

Sr. No.	Particulars	For the year ended 31-3-2014	For the year ended 31-3-2013
NOTE NO. 4 DEFERRED TAX :			
1	Total Deferred Tax Liability	65,14,200	61,10,185
	TOTAL	65,14,200	61,10,185
NOTE NO. 5 OTHER LONG TERM LIABILITIES :			
1	Advance From Customers	20,485	10,00,000
	TOTAL	20,485	10,00,000
NOTE NO. 6 SHORT TERM BORROWING			
	Secured Loan		
1	Bank of India	4,00,70,851	4,16,35,618
		4,00,70,851	4,16,35,618
NOTE NO. 7 TRADE PAYABLES :			
1	Creditors for Trade Goods	3,78,00,351	1,62,39,976
2	Minor , Small & Med Enterprise	45,27,584	37,21,366
	TOTAL	4,23,27,935	1,99,61,342
NOTE NO. 8 OTHER CURRENT LIABILITIES :			
1	Creditors for Stores & Others	1,16,33,081	2,22,31,507
2	Creditors for Capital Goods	6,75,717	21,77,031
3	Statutory Liabilities:	8,167	49,05,925
4	Short term Borrowing		-
	TOTAL	1,23,16,964	2,93,14,463
NOTE NO. 9 SHORT-TERM PROVISIONS :			
1	Provision for income tax	11,68,272	16,45,765
2	Other employee benefite	3,50,000	2,00,000
3	Other expenses	33,67,900	21,55,076
	TOTAL	48,86,172	40,00,841

NOTE NO. 9 TANGIBLE ASSETS:

← GROSS BLOCK → DEPRECIATION → ← NET BLOCK →											
Sr.No.	Particulars	As at 01.04.2013	Addition during the year	Deduction/ disposals	As on 31.03.2014	As at 01.04.2013	Addition during the year	Deduction/ disposals	Balance As on 31.03.2014	Balance as at 31.03.2014	Balance as at 31.03.2013
1	2.	4. Rs.	5. Rs.	6. Rs.	7. Rs.	8. Rs.	9. Rs.	10. Rs.	11. Rs.	12. Rs.	13. Rs.
1	Land	37,53,740		-	37,53,740	-	-	-	-	37,53,740	3,753,740
2	Factory Building	8,45,70,473	13,21,235		8,58,91,708	71,20,596	28,35,535		99,56,131	7,59,35,577	774,49,877
3	Office Building	8,28,045			8,28,045	2,03,539	13,497		2,17,036	6,11,009	6,24,506
4	Plant & Machinery	7,65,39,998	1,39,42,708		9,04,82,706	2,55,00,446	42,22,834		2,97,23,280	6,07,59,426	5,10,39,553
5	Pollution Control Equipments	2,29,496			2,29,496	1,18,513	12,117		1,30,270	99,226	1,11,343
6	Laboratory Equipments	44,31,487			44,31,487	14,34,243	2,33,983		16,68,225	27,63,262	29,97,245
7	Safety Equipments	4,02,372	75,952		4,78,324	2,28,116	22,740		2,50,855	2,27,469	1,74,257
8	Office Equipments	29,15,854	3,22,293		32,38,147	28,94,335	16,089		29,10,424	3,27,724	21,51,919
9	Furniture & Fixtures	8,93,260			8,93,260	5,69,734	56,543		6,26,277	2,66,983	3,23,52,527
10	Vehicles	51,45,681			51,45,681	34,53,536	4,88,840		39,42,376	12,03,305	16,92,145
TOTAL		17,97,10,407	1,56,62,188		19,53,72,595	4,15,22,697	79,02,178		4,94,24,874	14,59,47,720	13,81,87,710

Sr. No.	Particulars	For the year ended 31-3-2014	For the year ended 31-3-2013
NOTE NO. 11 NON-CURRENT INVESTMENTS :			
Quoted			
1	Units of unit trust of India - master share 684 @ Rs.10 each	6,840	6,840
Unquoted			
1	Anyonya Sahakari Bank Ltd. Baroda (1866 Equity Shares @ Rs. 10 Each)	-	18,660
2	Enviro Technology Ltd. (20000 Equity Share @ Rs. 10 Each)	2,00,000	2,00,000
3	Bharuch Enviro Infrastructure Ltd. (378 Equity Share @ Rs 10 Each)	3,780	3,780
4	Center Point Association (05 Equity Share @ Rs 100 Each)	500	500
5	National Saving Certificate	15,000	15,000
	TOTAL	2,26,120	2,44,780
NOTE NO. 12 LONG TERM LOANS AND ADVANCES :			
1	Security Deposit / E.M.D. etc. - Secured, Considered goods: - Unsecured, Considered goods: - Doubtful	22,29,463	24,39,183
	TOTAL	22,29,463	24,39,183
NOTE NO. 13 OTHER NON-CURRENT ASSETS :			
1	Other Assets	5,00,000	5,00,000
	TOTAL	5,00,000	5,00,000
NOTE NO. 14 INVENTORIES :			
1	Raw Materials	91,20,859	1,66,77,038
2	Packing Materials	81,240	74,644
3	Stock in Process	2,24,50,000	2,29,76,000
4	Finised Goods	1,87,17,669	1,00,65,172
5	Stores & Spares	43,81,700	35,00,000
	TOTAL	5,47,51,468	5,32,92,854
NOTE NO. 15 TRADE RECEIVABLES :			
1	Receivables outstanding for the period exceeding Six Months - Unsecured, Considered goods:	1,69,14,649	63,15,590
2	Receivables outstanding for the period below Six Months - Unsecured, Considered goods:	1,61,22,368	2,57,68,190
	TOTAL	3,30,37,017	3,20,83,781

Sr. No. Particulars	For the year ended 31-3-2014	For the year ended 31-3-2013
NOTE NO. 16 CASH AND CASH EQUIVALENTS :		
1 Cash on Hand	7,61,975	5,36,220
2 Bank Balance :	13,55,162	12,58,009
3 Margine Money Deposits	79,000	79,000
TOTAL	21,96,137	18,73,229
NOTE NO. 17 SHORT-TERM LOANS AND ADVANCES :		
1 List of Advances recoverable in Cash or in Kind or for which value to be received :-		
- Advances for Raw Materials		26,64,099
- Advances for Capital Goods		8,46,051
- Advances for Expenses	2,31,248	-
TOTAL	2,31,248	35,10,150
NOTE NO. 18 OTHER CURRENT ASSETS :		
1 Interest accrued on Fixed Deposit with Bank & Others	52,09,043	38,84,023
TOTAL	52,09,043	38,84,023
NOTE NO. 20 OTHER INCOME :		
1 Interest Income	2,40,621	4,13,383
2 Dividend Income	32,833	32,770
3 Miscellaneous Income	23,57,273	10,43,721
TOTAL	26,30,727	14,89,874
NOTE NO. 21 COST OF MATERIALS CONSUMED :		
1 Opening Stock	1,67,51,682	79,63,372
Add : Purchases	14,01,11,498	15,68,63,180
Less : Closing Stock		92,02,099
TOTAL	14,76,61,081	7,90,15,872
NOTE NO. 22 INCREASE / (DECREASE) IN STOCK (LOWER OF COST OR MARKET PRICE) :		
CLOSING STOCK		
Work - in - Process	2,24,50,000	2,29,76,000
Finished Goods	1,87,17,669	1,00,65,172
Total (a)	4,11,67,669	3,30,41,172
OPENING STOCK		
Work - in - Process	2,29,76,000	2,27,47,000
Finished Goods	1,00,65,172	55,93,893
Total (b)	3,30,41,172	2,83,40,893
Variation in Stock = (b) - (a)	-81,26,497	(47,00,278)

Sr. No.	Particulars	For the year ended 31-3-2014	For the year ended 31-3-2013
NOTE NO. 23 EMPLOYEE BENEFITS EXPENSES :			
1	Salary,& Wages	2,69,60,724	2,47,08,158
2	Contribution to Provident Fund / E.S.I.S	18,92,157	13,06,884
3	Staff Welfare Expenses	388	2,51,347
	TOTAL	2,88,53,269	2,62,66,389
NOTE NO. 24 OTHER EXPENSES :			
Manufacturing Expenses			
1	Factory Expenses	13,92,843	9,96,538
2	Power & Fuel	1,88,69,933	2,19,09,405
3	Rep. & Maint. (P & M)	2,23,121	21,62,042
4.	Other Manufacturing Expenses	1,56,14,318	80,98,948
	Total (a)	3,61,00,215	3,31,66,933
Administrative Expenses :-			
1	Telephone, Expenses	2,97,940	3,12,346
2	Professional Charges	9,06,008	13,84,852
3	Auditor's Remuneration	2,29,500	1,83,713
4	Printing & Stationery	1,83,150	1,70,314
5	Travelling Expenses	1,64,251	1,10,693
6	Repairs & Maintenance (Others)	58,000	1,31,347
7.	Other's Expenses	25,77,899	34,31,740
	Total (b)	44,16,748	57,25,005
Selling & Distribution Expenses:			
1	Transportation Expenses	30,38,301	25,19,845
2	Advertisement Exp.	27,054	28,538
2	Sales Commission	4,75,100	-
3	Other's selling Expenses	1,06,149	-
	Total (c)	36,46,604	25,48,383
	TOTAL (a) + (b) + (c)	4,41,63,567	4,14,40,321
NOTE NO. 25 FINANCIAL CHARGES :			
1	Interest :-		
	on Working Capital	42,61,492	41,57,794
	On Term Loan	56,17,395	98,78,887
			62,29,065
3	Bank & other Financial Charges	14,77,573	16,84,373
	TOTAL	1,13,56,460	1,20,71,232

Schedules forming part of the Accounts for the year ended 31st March, 2014.

- 27) The Notes referred to in the Balance Sheet and Statement of Profit and Loss form an integral part of the accounts.
- 28) In the opinion of the Board and to the best of their knowledge and belief, the value on realization of loans and advances and current assets, in the ordinary course of business, will not be less than the amount at which they are stated in the balance sheet.
- 29) Previous year figures have been regrouped, rearranged and recast to correspond with the figures of the current year.
- 30) During the year company has provided for income tax of 11,68,272-
- 31) Research & Development Expenditure is as follows:-

(Rs.in Lacs.)

Particulars	2013-14	2012-13
Capital	NIL	7.50
Recurring	10.09	1.55
Capital W-I-P	16.33	Nil
Total	26.42	9.05
Total R & D expenditure as a % of Total Turnover	1.02	0.50

- 32) Names of Small Scale Industrial undertakings to which the company owes sums outstanding for more than 30 days as at the date of balance sheet are as under:

(Amount in Rs.)

Sr. No.	Particulars	2013-14	2012-13
1.	Yamuna Ice & Cold Storage.	10,43,406	8,31,550.00
2.	Prime Organics.	34,84,177	28,89,816.00

The above Information has been complied in respect of Parties to the extent to which they could be identified as Small Scale & Ancillary Undertakings on the basis of Information available with the Company.

- 33) Net Profit of Rs. 6,74,212/- (Previous year Net Profit of Rs. 1,43,721-) on account of exchange difference has been considered under foreign exchange earning under the head of indirect Income in the profit and loss account.
- 34) Auditors Remuneration is detailed here below:

(Amount in Rs.)

Particulars	2013-14	2012-13
Audit Fees	2,29,500/-	1,50,000.00
Out of pocket expenses	NIL	33,213.00
Total	2,29,500	1,83,213.00

- 35) Disclosure of Earnings per Share (EPS) computation as per Accounting Standard- 20 of the Institute of Chartered Accountants of India:

(Amount in Rs.)

Particulars	2013-14	2012-13
Net Profit after Tax available for the Equity Shareholders (Rupees)	51,70,171.00	28,83,404.00
Weighted average number of Equity Shares	44,40,568.00	44,40,568.00
Nominal/Face Value of Equity shares (Rupees)	10.00	10.00
Basic and Diluted Earnings Per Share (Rupees)	1.16	0.65

36) Managerial Remuneration for the year is as under, as per the provisions of the Companies Act, 1956.

(Amount in Rs.)

Particulars	2013-14	2012-13
Director's Remuneration	30,00,000.00	30,00,000.00
Contribution to Provident Fund and Superannuation Fund	18,720.00	18,720.00
Total	30,18,720.00	30,18,720.00

37) In accordance with the requirements of AS-18 on related party disclosures, the names of the related parties where control exists and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are as under:

1. Key Managerial Personnel

Executive Directors.

B.V.Retarekar

S.G.Thakur

2. Relatives of Key Managerial Personnel

Mayaben S Thakur

Nehaben B Retarekar

Mayank B Retarekar

Rishikesh S Thakur

3. Firms in which the Key Managerial Personnel & their relatives are interested:

Chloro Chem of India - Vadodara

Pharma Inter Chemie - Vadodara

4. Fellow/ Subsidiary / Associates:

None

Figures in bracket represent Previous Year's figures.

During the year there is no write off or right back of any amount due from or payable to related parties.

Transactions with Related parties during the period are as under.

(Rs.in Lacs.)

Sr. No.	Particulars	Associates	Key managerial Personnel	Relatives of Key managerial personnel	Total
1	Purchase of Goods	105.23 (26.03)	0.00 (0.00)	0.00 0.00	105.23 (26.03)
2	Sale of Goods	560.06 (519.64)	0.00 (0.00)	0.00 0.00	560.06 (519.64)
3	Other Income	9.00 (9.00)	0.00 (0.00)	0.00 0.00	9.00 (9.00)
4	Other Expenses	0.00 (0.00)	2.03 (5.86)	28.42 (0.00)	30.45 (5.86)
5	Managerial Remuneration	0.00 (0.00)	30.19 (30.00)	0.00 0.00	30.19 (30.00)
6	Receivable at the year end	83.52 (51.51)	0.00 (0.00)	0.00 0.00	83.52 (51.51)
7	Payable at the year end	0.00 (0.00)	0.00 (0.00)	0.00 0.00	0.00 (0.00)

- 38) As per AS-22 on Accounting for Taxes on Income issued by the ICAI, the deferred tax liability as at 31st March 2014 comprises of the following:

Deferred Tax Computation:-
(Amount in Rs.)

Particulars	Accumulated Balance as at 01.04.13	Charges/ Credits During the Year.	As at 31.03.14.
Deferred Tax Liability on Account of Depreciation. [A]	97,54,189.00	(32,39,989.00)	65,14,200.00
Deferred tax Assets.	----	----	-----
Unabsorbed Depreciation.	20,36,225.00	(20,36,225.00)	-----
Unabsorbed Losses.	16,07,780.00	(16,07,780.00)	-----
[B]	36,44,005.00	(36,44,005.00)	-----
Total deferred Tax Liability (Net). (A-B)	61,10,184.00	4,04,015.00	65,14,200.00

- 39) Additional information pursuant to the provisions of paragraph 3 and 4 part II of schedule VI of the Companies Act, 1956.

- a) Particulars of Licensed and Installed Capacity and Actual Production (as certified by the management and accepted by the auditors without verification being a technical matter):

Description	Unit	Licensed Capacity		Installed Capacity		Actual Production	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Organic Intermediates	M.T.	N.A.	N.A.	625.00	625.00	516	585
By products	M.T.	N.A.	N.A.	N.A.	N.A.	2952	3079

- b) Particulars of Turnover / Sales and Finished Goods Stocks:

Description	Unit	Particulars	2013-14		2012-13	
			Quantity	Value in Lacs.	Quantity	Value in Lacs.
Organic Intermediates	M.T.	Turnover/Sales	4081.000	2594.19	1194.456	1806.31
		Closing Stock	147.118	187.18	62.528	100.65
		Opening Stock	62.528	100.65	42.494	55.94

c) Particulars of Raw Material Consumption and its Stocks and WIP Stocks:

Description	Unit	Particulars	2013-14		2012-13	
			Quantity	Value in Lacs.	Quantity	Value in Lacs.
Organic Intermediates	M.T.	Consumption	2648.104	1476.61	2045.750	790.16
		Closing Stock	223.128	91.21	290.841	166.77
		Opening Stock	290.841	166.77	145.607	77.98
		WIP Closing Stock	70.423	224.50	72.522	229.76

d) Value of Raw Material and Stores / Spares Consumed and Percentage thereof:

Description	2013-14		2012-13	
	Amount in Lacs.	Percentage	Amount in Lacs.	Percentage
Consumption of Raw Material				
Imported	114.13	8.31%	111.99	13.27%
Indigenous	1258.68	91.69%	731.99	86.73%
Total	1372.81	100.00%	843.98	100%
Consumption of Stores / Spares. Etc.				
Imported	0.00	0.00%	0.00	0.00%
Indigenous	63.79	100.00%	52.65	100%
Total	63.79	100.00%	52.65	100%

e) C.I.F. value of Imports:

(Amount in Rs.)

Description	2013-14	2012-13
Raw Materials	114.13	111.99
Capital Goods	NIL	NIL
Total	114.13	111.99

f) Particulars of Earnings in Foreign Exchange:

(Amount in Rs.)

Description	2013-14	2012-13
Export of Goods / Services	51,75,135.00	NIL
Total	51,75,135.00	NIL

40) During last year the Company has Capitalized Rs. 15,00,000- towards interest, as borrowing Cost. Company follows the policy of Capitalizing Borrowing Costs that are directly attributable to the acquisition, Construction or Purchase of any Qualifying Asset.

- 41) The Company's business activity falls within a single primary business segment namely, manufacturing of Chemicals, however the segment reporting of revenues for the Company is on the geographical location of the customers are as under:-

(Amount in Rs.)

Particulars	2013-14		2012-13	
	India	Outside India	India	Outside India
Segment revenue	25,42,44,215	51,75,135	18,06,31,083.00	NIL
Segment Assets	26,35,15,232	NIL	25,12,79,653.00	NIL
Capital Expenditure	2,05,87,512	NIL	21,26,893.00	NIL

- 42) AS – 15 Accounting For Retirement Benefits in Financial Statements of Employees:

- * Employee benefits are not classified into short-term benefits, Post employment benefits and termination benefits.
- * There are no VRS expenses incurred during the year.
- * There are no provision made for retirement Benefits in books of accounts

Signature to Note.

As per our report of even date attached.

For Khedkar & Co.
Firm Reg. No.130838W
Chartered Accountants

For & on behalf of Board of Directors,

D.R.KHEDKAR
Proprietor
M.No: 034963.

B.V.RETAREKAR
Chairman

S.G.THAKUR.
Managing Director

Place : Vadodara
Date: 30th May, 2014

Place : Vadodara
Date: 30th May, 2014

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
I. REGISTRATION DETAILS

Registration No.	7540
State Code	4
Balance Sheet Date :	3/31/2014

II. CAPITAL RAISED DURING THE YEAR :

(Rs. In Thousands)

Public Issue :	0
Right Issue :	0
Bonus Issue :	0
Private Placement :	0

III. POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS :

Total Liabilities :	2,63,515.23
Total Assets :	2,63,515.23

SOURCE OF FUNDS

Paid up Capital :	44,405.68
Reserves & Surplus :	62,264.78
Secured Loans :	-
Unsecured Loans	-

APPLICATION OF FUNDS :

Net Fixed Assets :	1,45,947.72
Investments :	226.12
Net Current Assets :	95,424.91
Deferred Tax Assets (net) :	(6,514.20)
Miscellaneous Expenditure :	-
Accumulated Losses :	-

IV. PERFORMANCE OF COMPANY :

Turnover :	2,59,419.35
Total Expenditure :	231,810.06
Profit / (Loss) Before Tax :	6,742.46
Profit / (Loss) After Tax :	5,170.17
Earning per Share in Rs :	1.16
Dividend Rate (%)	0

**V. GENERIC NAMES OF THREE RINCIPAL PRODUCTS/SERVICES OF COMPANY
(As per monetary terms) :**

Product Description Item	Item Code No.
TRI CHLORO SALICYLIC ACID	291500
4,4' DIHYDROXY DIPHENYL SULPHIDE	290719

As per our report of even date attached.
FOR KHEDKAR & Co.
CHARTERED ACCOUNTANTS.

For & on behalf of Board of Directors,

(D.R. KHEDKAR)
PROPRIETOR
M.No. 34963
Firm Reg. no. 130838W

B.V. RETAREKAR
Chairman

S.G. THAKUR.
Managing Director

Date : 30/05/2014
Place : Vadodara.

Date : 30/05/2014
Place : Vadodara.

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH - 2014

PARTICULARS	AS ON 31st MARCH 2014 AMOUNT(Rs.)	AS ON 31st MARCH 2013 AMOUNT(Rs.)
Cash Flow From Operating Activities		
Net Profit before Taxes & Extra Ordinary Items	67,42,458	50,26,174
Add/Less: Adjustments for:		
Depreciation	79,02,178	60,19,353
Interest Income	(2,68,861)	(4,13,383)
Dividend Income	(32,833)	(32,770)
Incometax prior year w/off	(6,48,672)	-
profit on sale of land/ P & M	-	7,52,523
Foreign Exchange Income Net	(6,74,212)	1,43,721
H.P.Financial Charges	-	-
Operating Profit before change in Working Capital	1,30,20,058	1,14,95,617
Add/Less: Adjustments for:		
Decrease / (Increase) in other assets & loans and advances	21,63,602	33,78,034
Decrease / (Increase) in trade & other receivables	(9,53,237)	(83,52,677)
Increase) in Inventories	(14,58,614)	(1,53,08,589)
Decrease / (Increase) in Current Liabilities	-	(12,03,675)
Decrease / (Increase) in Investment	18,660	-
(Decrease)/increase in Provision FBT	39,93,085	16,96,969
Realised Foreign Exchange Income	(44,337)	(1,43,721)
Cash Flow from Operating Activities	87,53,048	(84,38,042)
Less: Tax Paid (Net of Refund and interest on refund received)		
Net Cash Flow from Operating Activities (A)	87,53,048	(84,38,042)
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(77,60,010)	(4,05,162)
Sales of Assets	-	9,08,720
Increase in Capital Work in Progress	(39,23,073)	(72,15,036)
Dividend Received	32,833	32,770
Interest Received	2,68,861	4,13,383
Net Cash Flow from Investing Activities (B)	(1,13,81,389)	(62,65,325)
Cash Flow From Financing Activities		
Hire Purchase Financial Charges	-	-
Increase in secured loan	30,74,316	1,79,76,997
Increase in unsecured loan	(1,23,068)	19,79,918
Repayment of secured loan	-	(64,11,748)
Net Cash Flow from Financing Activities (C)	29,51,248	1,35,45,167

PARTICULARS	AS ON	AS ON
	31st MARCH 2014 AMOUNT(Rs.)	31st MARCH 2013 AMOUNT(Rs.)
Net Cash Inflow/(Outflow) (A)+(B)+(C)	3,22,907	(11,58,200)
Add: Cash & Cash Equivalents at the beginning of the year		
Cash in hand	5,36,220	4,47,780
Balance with Scheduled Banks	13,37,009	7,13,420
With Others	-	-
	18,73,229	1,158,200
Cash & Cash Equivalents at the end of the year		
Cash in hand	7,61,975	5,36,220
Balance with Scheduled Banks	14,34,162	13,37,009
With Others		
Closing Cash & Cash Equivalents	21,96,137	18,73,229

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of M/s. Link Pharma Chem Ltd with reference to the Audited Annual Accounts for the year ended on 31st March 2014 and we found the same to be in Agreement therewith.

FOR KHEDKAR & Co.
CHARTERED ACCOUNTANTS.

For & on behalf of Board of Directors,

(D. R. KHEDKAR)
PROPRIETOR
M.No. 34963
Firm Reg. No. 130838W

B. V. RETAREKAR
Chairman

S. G. THAKUR.
Managing Director

Date : 30th May 2014
Place : Vadodara.

Date : 30th May 2014
Place : Vadodara.

LINK PHARMA CHEM LIMITED

REGD. OFFICE : 162, GIDC Estate, Nandesari-391 340. Dist. Vadodara.
Ph. : 91-0265-2840448 **Fax :** 0265-2841351 **E-mail :** linkpharmacs@gmail.com
CIN : L24230GJ1984PLC007540

PROXY FORM

Name of the Member(s) :
Registered Address :
..... E-mail Id :
Folio No. / DP Id & Client Id :

I/We, being the member (s) of..... Shares of the Link Pharama Chem Limited, hereby appoint :

1 Name : Address :
 E-mail Id : Signature :
 2 Name : Address :
 E-mail Id : Signature :
 3 Name : Address :
 E-mail Id : Signature :

as my/our Proxy to attend and vote (on a poll) for me/us on my/our behalf at the 29th Annual General Meeting of the Company to be held on Monday, 29th September, 2014 at 11:00 A.M. at Plot No. 163/164, Nandesari Ind. Estate, Nandesari-391 340. Dist. Vadodara and at any adjournment thereof in respect of resolutions as are indicated below :

Reso. No.	Description	For	Against
01.	Adoption of the audited statement of profit and loss for the Financial year ended 31st March, 2014, the Balance sheet as on the date, the Directors and Auditors Reports thereon.		
02.	Re-appointment of Shri Balvant Retarekar who retires by rotation and being eligible offers himself for reappointment.		
03.	To appoint auditors of the Company and fix their remuneration.		
04.	To re-appoint Shri Satish G. Thakur as Managing Director.		
05.	To re-appoint Shri Balvant Retarekar as Whole-time Executive Chairman.		
06.	Appointment of Shri Suresh B Dhatrak as an Independent Director.		
07.	Appointment of Shri Milind V. Kelkar as an Independent Director.		
08.	Appointment of Shri Devang Shah as an Independent Director.		
09.	To enter into a Contract with M/s Pharma Inter Chemie, for purchase and sales of materials		
10.	To enter into a Contract with M/s Chloro Chem of India, for Sale and purchase of materials		

Signed this on _____ day of _____, 2014

Signature of Shareholder :

Signature of Share Holder(s) :

Affix
Re 1
Revenue
Stamp

Note : This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

..... (TEAR FROM HERE)

LINK PHARMA CHEM LIMITED

REGD. OFFICE : 162, GIDC Estate, Nandesari-391 340. Dist. Vadodara.
Ph. : 91-0265-2840448 **Fax :** 0265-2841351 **E-mail :** linkpharmacs@gmail.com
CIN : L24230GJ1984PLC007540

ATTENDANCE SLIP

Folio No. / DP id - Client id :

No. of Shares held :

I/We hereby record my/our presence at the 29th Annual General Meeting of Members of the Company being held at Plot No. 163/164 Nandesari Ind. Estate, Nandesari-391 340, on Monday, 29th September, 2014 at 11:00 A.M.

Member's / Proxy's Name (in Block Letters)

Member's / Proxy's Signature

Notes : A Member / Proxy's attending the meeting must complete this Attendance Slip and hand it over at entrance of meeting hall.

BOOK-POST

To,

If Undelivered please return to :

LINK PHARMA CHEM LIMITED

Admn. Off. 503-504 Center Point

R. C. Dutt Road,

Alkapuri, Vadodara - 390 007.

HEM PRINTING PRESS, Baroda Ph. 2580233,2580244