



Baroda Address: Village Manglej Nareshwar Road, Taluka Karjan, Dist. Vadodara, Gujarat. 391210.





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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul Ranchal

Mr. Rajesh Mahajan

Dr. D.S. Maity
Director

Mr. Rajnish Kumar Bedi

Mr. Deepak Mahajan

Ms. Sonia Gupta

Chairman

Managing Director

CED cum Technical

Independent Director

Independent Director

Independent Director

CHIEF FINANCIAL OFFICER

Mr. Anil Kumar Pillai

COMPANY SECRETARY

Ms. Jyoti Sancheti

AUDITORS

M/s SGCO & Co.

Chartered Accountants

4A, Kaledonia-HDIL, 2nd Floor,
Sahar Road, Near Andheri Station,
Andheri (East), Mumbai - 400 069

Tel: 022 66256363

BANKERS

Kotak Mahindra Bank

State Bank of India

Indian Bank

REGD. OFFICE & WORKS

Unit 1: Village Kishanpura

Nalagarh Road Baddi,

Distt. Solan, H.P.- 174101

Tel.: 01795- 654001/02/03

Fax: 01795-236939

Unit 2: Baroda Address:

Village Mangrej

Narashwar Road, Taluka

Karjan, Dist. Vadodara,

Gujarat: 391210.

CORPORATE OFFICE

502, Kanakia Atrium -2, Next to Hotel Courtyard

Marriott Andheri Kuria Road, Andheri (East),

Mumbai - 400093

Tel.: 022-61933100 / Fax.: 022-61933114

email:investors@brookslabs.net

website:www.brookslabs.net

CIN : L24232HP2002PLC 00026

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.,

C-101, 247 Park,

L.B.S.Marg, Vikhroli (W),

Mumbai- 400083

Tel: 022-49186000



CHAIRMANS LETTER

Dear Shareholders,

Last few years have been particularly challenging for our industry in India as well as globally. The pharmaceutical industry is witnessing a slow rate of growth due to factors like increasing regulatory & compliance issues and pricing pressures across markets. There were several changes in the pharmaceutical eco-system.

However, despite all these challenges and changes, we stand strong. During the year, we identified several improvement areas in our current processes and capacities which will give us encouraging outcomes in the near future.

We also laid emphasis on building our base by automating our processes as our markets got tougher in regulations. We are not only adhering to new tougher regulations but also expanding our capacities too as we have better demand. So we are directed in our efforts towards strengthening our core capabilities through a stronger focus on better technology with enhanced capacities.

In the future too, we shall continue to increase our current capacities, make our presence felt in the international markets, though international highly regulated markets take their own sweet time for approvals and registrations, we at Brooks are leaving no stone unturned to keep it going at best

possible pace with our serious efforts and continuous improvement through focus on global compliances with better quality and processes.

We remain optimistic and continue to act with resilience. With commencement of operations at Vadodara, 2017-18 is an important year for the organisation and we are excited to have you on board in this journey with us. As we move towards the new growth trajectory, we remain committed to build a strong organisation. We strive to create a culture that attracts and retains the best talent as we look to expand our global footprints.

At Brooks, we have always been committed for patients across the world and towards creating value to our stakeholders. Although the year under review has been challenging, your organisation remains well poised for continuous and sustained growth. Our aim is to transform the organisation to an innovative company and deliver our best.

Keeping the above in mind, we strive to maintain our excellence in quality, safety, and compliance at Baddi and Vadodara facilities. We will continue to deliver on your expectations with increased profitability and improved cash flows in the coming years. Your continuous support towards the Company's endeavours and the commitment of our outstanding employees gives me immense faith and confidence in the future of our Company.

Place: Mumbai
Date: 02.09.2017

Atul Ranchal
Chairman, Brooks Laboratories Ltd.



MANAGING DIRECTOR'S SPEECH

Dear Shareholders,

It gives me great pleasure to share with you some insights about your Company and the pharma industry at large.

Our performance during the year was moderate and the reasons for the same can be attributed to the end of excise exemption at our Baddi facility which made it difficult to compete at price levels. We have invested in expansion and upgradation activities during the year. Global pharma industry at large is facing a slow growth which has impacted our business too.

We are working hard each day to grow our Company and achieve the targeted milestones.

New facility in Vadodra, Gujarat

We inaugurated our new manufacturing facility at Vadodra in March this year. Our Vadodra plant is a state-of-the-art and a fully compliant facility, which would help us serve our growing business by catering to domestic and global markets. We are confident of placing ourselves into the next higher orbit of growth and generate sustainable and profitable revenues.

I would like to share with you our focus areas for this year:

- **Optimum capacity utilization**
- **World class systems**

• Catering to global customer base

• Create an impact

We have elaborated the focus areas in following pages.

I would like to take this opportunity to thank all our valued colleagues, investors, and other stakeholders at Brooks Laboratories. I am optimistic about our Company's future and the growth that we can achieve.



Place: Mumbai
Date: 02.09.2017

Rajesh Mahajan
Managing Director, Brooks Laboratories Ltd.

WORLD CLASS SYSTEMS

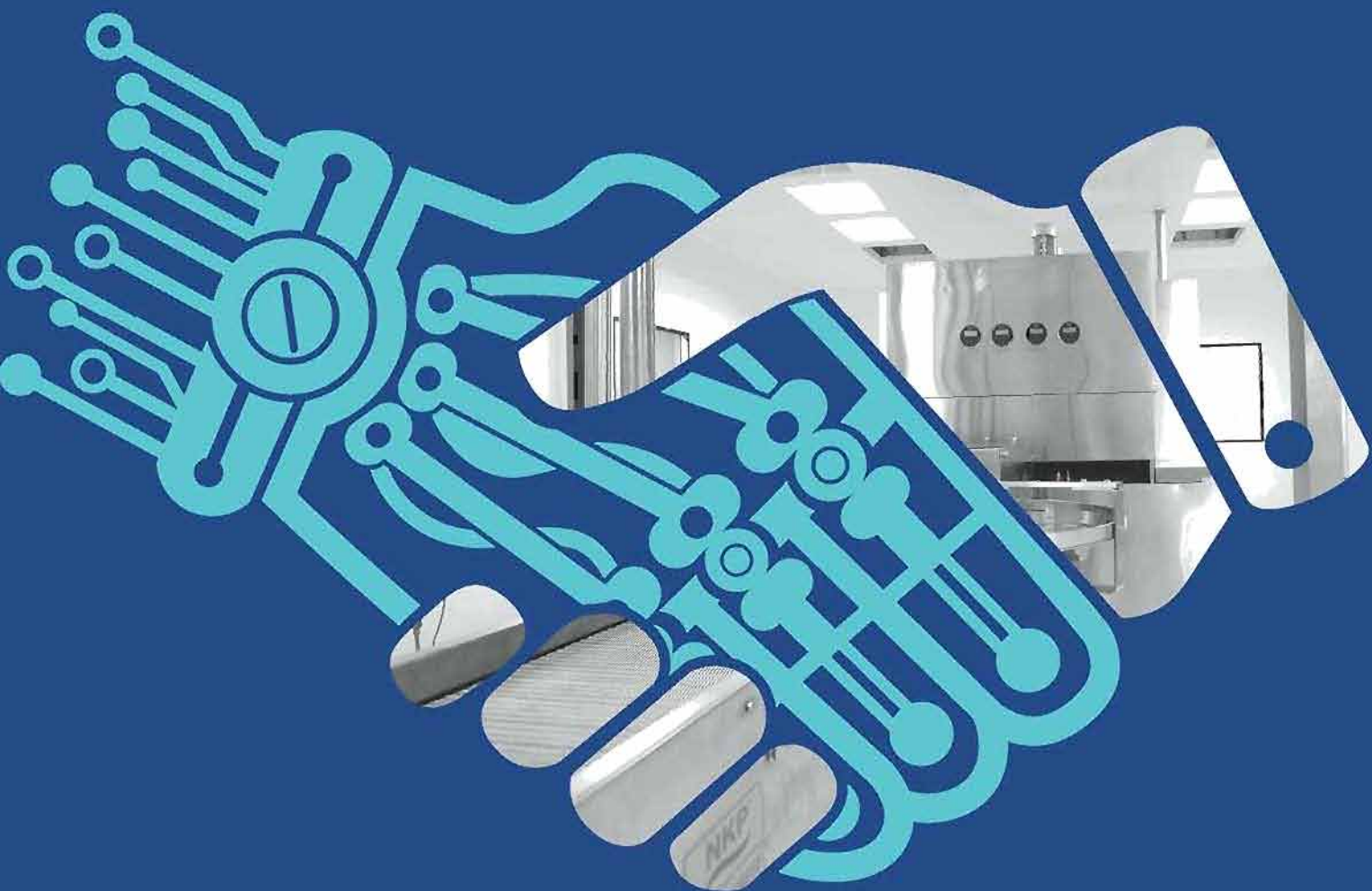




We have developed facilities that utilize cutting edge technology and automated processes to improve the quality of production. With minimized human intervention, our quality of products has improved and are difficult to compete with.

Our strategy going forward is to optimize our operating capacity in our Baddi and Vadodara facilities. Keeping this in mind, we have upgraded our Baddi plant in line with cGMP and improved our injectable manufacturing line. With both our world class facilities operating at maximum capacity, our performance in the coming years will improve and we will see better revenues and profitability.

OPTIMUM CAPACITY UTILIZATION

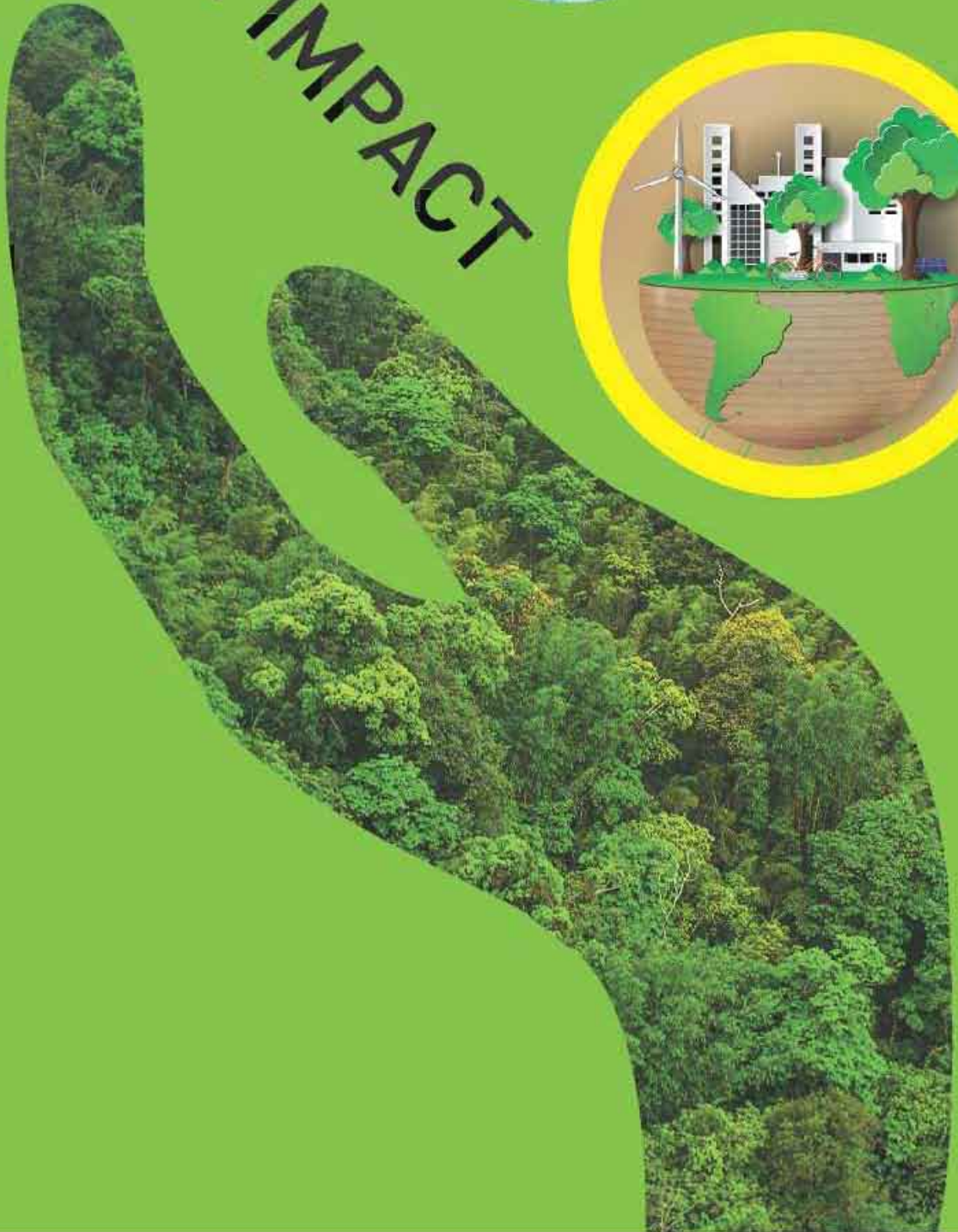


CATERING TO GLOBAL CUSTOMER BASE

With world class systems and compliance with best manufacturing practices for the global life science industry our company is set for catering to global customers. With this intent, we have recruited an international team for developing business in global markets.

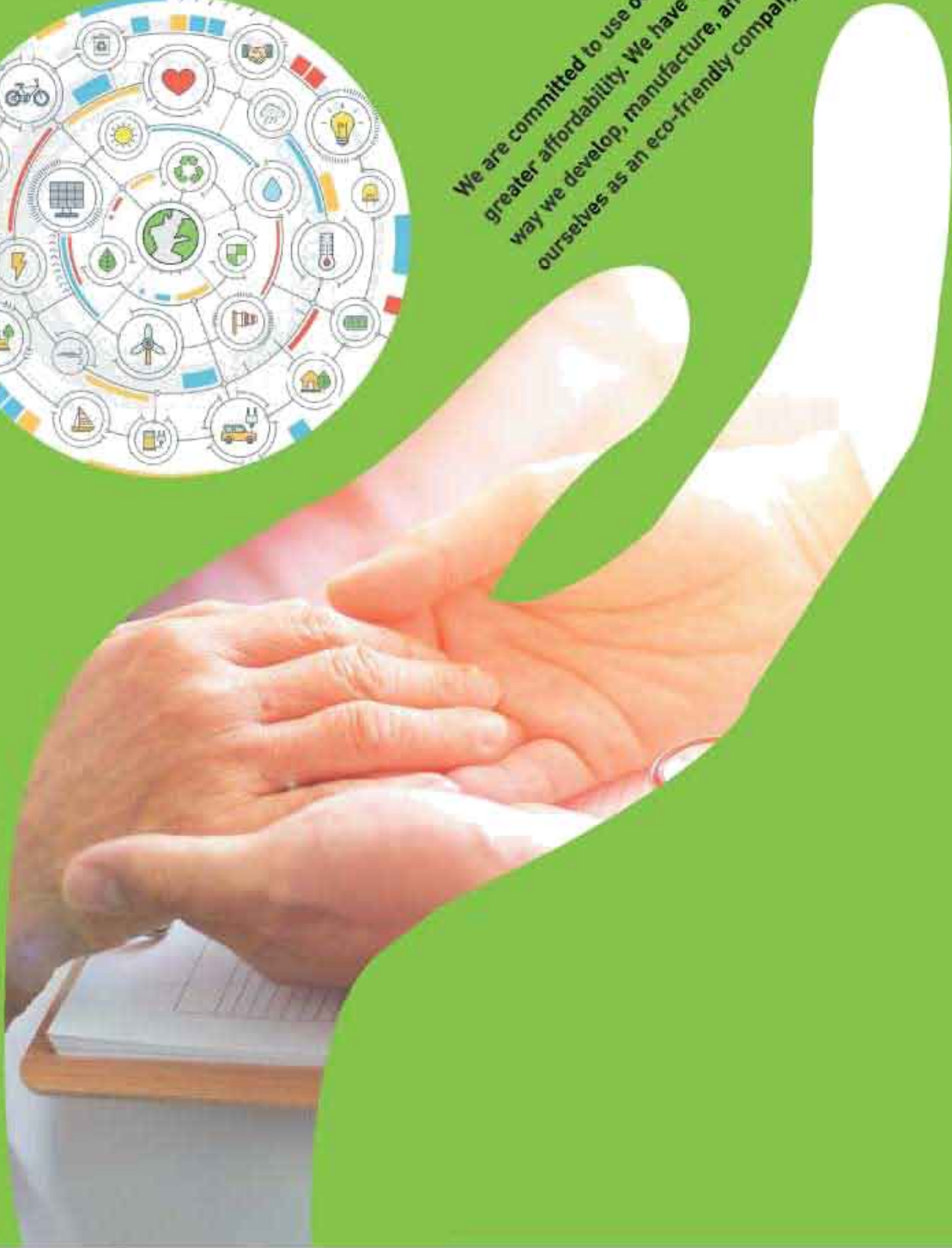


CREATE AN IMPACT





We are committed to use our technical expertise to reach out to large number of patients through greater affordability. We have laid emphasis on operational excellence, and have ensured that the way we devalop, manufacture, and ship our products does not harm the environment. We see ourselves as an eco-friendly company striving for the greater and collective good.





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Corporate Information

BOARD OF DIRECTORS

Mr. Atul Ranchal
Mr. Rajesh Mahajan
Dr. D.S. Maity
Mr. Rajnish Kumar Bedi
Mr. Deepak Mahajan
Ms. Sonia Gupta

Chairman
Managing Director
CEO cum Technical Director
Independent Director
Independent Director
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Anil Kumar Pillai

COMPANY SECRETARY

Ms. Jyoti Sancheti

AUDITORS

M/s SGCO & Co.

Chartered Accountants
4A, Kaledonia-HDIL
2nd Floor, Sahar Road
Near Andheri Station
Andheri (East)
Mumbai – 400 069
Tel: 022 66256363

BANKERS

1. Kotak Mahindra Bank
2. State Bank of India
3. Indian Bank

REGD. OFFICE & WORKS

Unit 1: Village Kishanpura
Nalagarh Road
Baddi, Distt. Solan, H.P. - 174101
Tel.: 01795- 654001/02/03
Fax: 01795-236939

Unit 2: Survey No. 62,
Village Manglej Nareshwar Road, Taluka
Karjan,
Dist.Vadodara, Gujarat:391210.

CORPORATE OFFICE

502, Kanakia Atrium -2
Next to Hotel Courtyard Marriott
Andheri Kurla Road
Andheri (East)
Mumbai – 400093
Tel.: 022-61933100
Fax.: 022-61933114

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101,247 Park,
L.B.S.Marg, Vikhroli (W),
Mumbai- 400083
Tel: 022-49186000

NOTICE

Notice is hereby given that the 15th Annual General Meeting of Brooks Laboratories Limited will be held at Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, H.P. on Thursday, 28th September, 2017 at 9 a.m. to transact the following business:

ORDINARY BUSINESS:

1. Adoption of annual audited financial statement and reports thereon

To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2017 and the Report of the Directors and Auditors thereon.

2. Appointment of Director in place of those retiring by rotation

To appoint a Director in place of Mr. Atul Ranchal (DIN: 01998361), who retires by rotation and being eligible, offers himself for re-appointment.

3. Ratification of Appointment of Statutory Auditors

To ratify the appointment of M/s. SGCO. & Co., Chartered Accountants, Mumbai (Firm Registration No. 112081W), as approved by Members at the Thirteenth Annual General Meeting as Statutory auditors of the Company, to hold office until the conclusion of Seventeenth Annual General Meeting, and to fix their remuneration for the financial year ending 31st March, 2018.

SPECIAL BUSINESS:

1. To ratify the remuneration of the Cost Auditors

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof), the Company hereby ratifies the remuneration payable to M/s. Balwinder & Associates, Cost Accountants, Mohali (Firm Reg No. 000201), as recommended by the Audit Committee and approved by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018, amounting to Rs. 55,000 plus taxes."

2. Increase in remuneration of Dr. D.S.Maity, Whole Time Director of the Company

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in supersession of any earlier resolution, and on recommendation of Nomination and Remuneration Committee and Board of Directors, consent of the Members be and is hereby accorded for increase in maximum remuneration payable to Dr. D.S. Maity, Technical Director of the Company, from Rs. 1,50,000/- per month upto Rs. 2,00,000/ per month for a period from 1st June, 2017 to 9th September, 2018 with further authority to the Board to alter and vary such terms and conditions including remuneration as agreed by the Board of Directors of the Company and Dr. D.S. Maity subject to the conformity with the provisions of the Companies Act, 2013 and Schedule V. Dr. D.S. Maity shall be entitled to sitting fees for attending the Meetings of the Board of Directors or any Committee thereof."

Place: Mumbai
September 2, 2017

By Order of the Board of Directors

Registered Office:
Village Kishanpura,
Nalagarh Road, Baddi, Distt. Solan, H.P.
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

For Brook Laboratories Limited
Sd/-
Rajesh Mahajan
Managing Director
(DIN: 02000634)

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the items of Special Business given in this Notice, is annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a member of the company.**
3. Pursuant to section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than 50 Members and holding, in the aggregate, not more than 10% of the total share capital of the Company carrying voting rights. However, a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other Member.
4. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Notice.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. During the period beginning 24 hours before the time fixed for the commencement of the Annual General Meeting, a Member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than 3 days' notice in writing of the intention to so inspect, is given to the Company.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 22nd September, 2017 to Thursday, 28th September, 2017, both days inclusive.
9. The Annual Report 2016-17 including the Notice of the Annual General Meeting and the Instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company / respective Depository Participants unless the Member has requested for a physical copy of the same. Hard copies of the above mentioned documents are being sent by the permitted mode to those Members who have not registered their e-mail addresses.
10. Members are requested to bring their copies of the Annual Report to the Meeting. The Notice convening the Annual General Meeting and the Annual Report 2016-17 are available on the Company's website www.brookslabs.net.
11. Members / Proxies / Representatives should bring the Attendance Slip, duly filled in, for attending the Meeting.
12. Members who have not registered their e-mail addresses so far are requested to register the same with their respective Depository Participants, in case of shares held in dematerialized form and with the Registrar and Share Transfer Agent in case of shares held in physical form so that all communication including Annual Report, Notices, Circulars, etc. can be sent to them electronically.
13. SEBI has mandated submission of Permanent Account Number (PAN) by every Member of the Company. Members holding shares in dematerialized form are requested to submit their PAN to their respective

Depository Participants. Members holding shares in physical form can submit their PAN to the Registrar and Share Transfer Agent.

14. As per the provisions of the Companies Act, 2013, nomination facility is available to the Members in respect of the shares held by them. Members who hold shares in physical form, either singly or jointly, can avail this facility by filling Form SH-13 in duplicate with the Registrar and Share Transfer which on request will supply blank forms. Members holding shares in the dematerialized form may contact the Depository Participant for recording nomination in respect of their shares.
15. For any assistance or information about shares, dividend etc. Members may contact the Registrar and Share Transfer Agents viz. Link Intime India Private Limited, C-101,247 Park, L.B.S.Marg, Vikhroli (W), Mumbai- 400083 (Tel: 022-49186000; Fax: 022-49186060; Email: rnt.helpdesk@linkintime.co.in; Website: www.linkintime.co.in).
16. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts and Arrangements in which Directors are interested as maintained under Section 170 and Section 189 of the Companies Act, 2013, respectively, will be available for inspection by the Members at the Annual General Meeting.
17. Members desirous of getting any information about the Accounts and Operations of the Company are requested to address their queries at the Registered Office of the Company or by email to investors@brookslabs.net at least 7 days in advance of the Meeting so that the information required can be made readily available at the Meeting.
18. All documents referred to in the Notice and accompanying Statement are open for inspection at the Registered Office of the Company on all working days of the Company between 10 a.m. and 12 noon up to the date of the Meeting.
19. **Procedure for e-Voting**
In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and amendments thereof and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide Members with the facility to exercise their right to vote at the forthcoming Annual General Meeting (AGM) by electronic means and all the businesses may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL).
20. **The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on Monday, 25th September, 2017 at 9:00 am and ends on Wednesday, 27th September, 2017 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday, 18th September, 2017 (record date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
21. A Member may participate in the Annual General Meeting of the Company even after exercising his / her voting right through e-voting but will not be allowed to vote again at the Annual General Meeting of the Company.
22. A Member can opt for only one mode i.e. either through e-voting or voting at the Annual General Meeting. If a Member casts votes by both modes, then voting done through e-voting shall prevail and the voting at the Annual General Meeting shall be treated as invalid.
23. Mr. GS Sarin, Partner of M/s. Sharma Sarin & Associates, Practising Company Secretaries, (M.No: FCS 4025 & CP 2751) will be acting as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
24. At the Annual General Meeting, the Chairman shall, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of ballot paper for all those Members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
25. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 3 days of the conclusion of the

Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

26. The Results declared along with the Scrutinizer's Report will be placed on the Company's website www.brookslabs.net and on the website of CDSL within 3 days of the Annual General Meeting of the Company and communicated to the Stock Exchanges.

Statement pursuant to Section 102(1) of the Companies Act, 2013 ('Act')

Resolution No. 4

As per Notification dated 31st December, 2014 issued by the Ministry of Corporate Affairs, the Companies (Cost Records and Audit) Rules, 2014, provisions relating to auditing of cost accounting records are applicable to the Company with effect from the date of above Notification. Accordingly, the audit of cost accounting records of the Company is mandatory from the financial year 2014-15.

At the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s Balwinder & Associates, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2017-18 at a remuneration of Rs. 55,000 plus taxes per financial year.

Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditor) Rules, 2014, requires the remuneration payable to the Cost Auditors to be ratified by the Members of the Company. Accordingly, the approval of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration to the Cost Auditor payable for the financial year 2017-18.

The Directors recommend the Resolution for the approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the Resolution.

Resolution No. 5

Dr. D.S Maity has been associated with the Company since 10.09.2010 and has been instrumental in formulation of long term vision and strategy of the Company. Since working of the Company has increased manifold and Dr. D.S.Maity is involved in the day to day affairs of the Company, it is recommended that maximum remuneration payable to Dr. D.S. Maity, Technical Director of the Company, from Rs. 1,50,000/- per month upto Rs. 2,00,000/- per month for a period from 1st June, 2017 to 9th September, 2018.

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

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested, except Dr. D.S. Maity, in the Resolution.

Place: Mumbai
September 2, 2017

By order of the Board of Directors
For **Brooks Laboratories Limited**

Registered Office:
Village Kishanpura,
Nalagarh Road, Baddi, Distt. Solan, H.P.
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

For Brook Laboratories Limited
Sd/-
Rajesh Mahajan
Managing Director
(DIN: 02000634)

Management Discussion & Analysis

A synopsis of the company's performance in FY 2016-2017:

- Company's revenues stood at Rs. 575.39 Mn experiencing a decrease of 28.08% over the previous year at Rs. 800.09 Mn
- EBITDA at Rs. 57.42 Mn, accounted for 9.98% of the Company's revenues. The Company registered a 45% decrease in the EBITDA margin over the previous year at Rs. 126.40 Mn.

Financial Performance:

(Rs. Million)		
Particulars	FY 2016-2017	FY 2015-2016
Income from Operations		
Net Sales (net of excise duty)	575.39	800.09
Other income	1.23	15.61
Total Income	576.62	815.70
Expenses	152.69	689.26
Cost of materials consumed	366.49	525.96
Changes in inventories of FG & WIP	0.13	3.47
Employee benefit expense	82.09	70.78
Other expenses	70.47	89.05
EBITDA	57.42	126.44
Depreciation and amortization expense	16.72	11.60
Finance costs	10.09	7.94
P&L before exceptional items	30.61	106.90
Exceptional items	-	1.29
PBT	30.61	108.19
Tax expense	11.05	1.86
PAT	19.56	106.33
EPS	1.21	6.57

Revenues:

The net sales of the company for the year ended March 31, 2017 stood at Rs. 575.39 million as against Rs. 800.09 million for the previous year ended March 31, 2016; there was decline over the previous year. The management decided to upgrade the facility in line with cGMP - upgraded Ampoule manufacturing line and new machines were put into production block in Baddi plant.

Cost of material:

There has been a reduction of in the cost of materials as a percentage to Net sales, from 65.74% of sales in FY2016 to 63.69% of sales for this year. This reduction is on account of change in product mix with addition of some high profit products and discontinuing some low profit products.

Employment Cost:

During the current year, our Vadodara plant commenced operations and we recruited specialized staff to cater to this new plant. This resulted in an increase in the employment cost by Rs 11.38 million, a 15.9% rise as compared to the previous year ended March 31, 2016.

EBITDA:

Earnings before Interest, Tax, Depreciation and Amortization at 9.98% for the year ended March 31, 2017, registered a decrease of 45% as compared to the previous year at 38.75%. The company has achieved improved performance due to the change in product mix, better negotiation of commission paid to liaison agents, replacing HSD boiler with wood fired boiler etc.

Finance Cost:

Finance expense was Rs. 10.09 million in FY2017 versus finance income of Rs. 7.94 million in FY2016. This movement is primarily due to the fact that previous year usage of cash credit limit was low as company had some surplus funds. However, the surplus funds were absorbed into the new facility at Vadodara, accordingly company had to avail major portion of cash credit limit in 2016-17 resulting in higher finance cost.

Depreciation:

There has not been any significant change in depreciation charge. During the year depreciation of our Vadodara Plant also included for certain period.

Tax:

During the current year, the tax expense at Rs. 11.05 million as compared to the tax expense of Rs. 1.86 million in FY2016. This is mainly due to the provision made on account of MAT credit entitlement /utilized adjustment. During the year, the company credited Rs. 6.24 million to this account as against Rs. 24.53 million for the previous year. A schedule of the tax expenditure and utilization of MAT credit is provided in the notes to the accounts provided as part of the Auditor's report.

Profit for the year:

Net profit decreased by 81.60% to Rs. 19.56 million in FY2017. This represents a PAT margin of 3.39% of total revenues versus 13.04% in FY2016.

Debt and Equity Position			(Rs. Million)
Particulars	As on March 31, 2017	As on March 31, 2016	Change
Total Stockholders' equity	1240.06	1220.50	19.56
Long-term borrowings	108.05	3.42	96.83
Short-term borrowings	21.75	52.84	-242.94
Total Debt	129.80	56.26	43.34

Operations during the year

The company operated the Baddi plant at 92% capacity. Your company expects the capacity utilization at the Baddi plant to be more than 95% in FY 2016-17. Further, the Baddi plant is WHO cGMP certification approved. We have started commercial production at the Vadodara plant and we plan to conduct WHO certification for the Vadodara plant in October 2017.

Human Resources Policy**Mission Statement**

HR supports and upholds Brooks' goals by nurturing a Positive and Engaging work environment while identifying and responding to the changing needs of the Organization and our Society.

Vision Statement

Brooks Human Resources department will serve as a Guardian for Excellence and Leadership through:

- Improving Organizational Effectiveness
- Innovative HR solutions
- Attract, Retain and Develop the talent
- Extraordinary Quality of services
- Building collaborative partnerships (HR as Business Partner)
- Develop a Robust Employee engagement plan for the staff & wage workforce through multiple engagement initiatives across the year.

Core values of HR Department**✓ Focused Approach**

We advance Brooks mission by thinking and acting in the best interests of the organization and the workforce; in particular, when developing policies, processes, programs and delivering services.

✓ Innovative

HR at Brooks would be dedicated to Quality, Excellence and Continuous improvement. We work to ensure the Brooks remains competitive in its Human Resources policies and practices by actively seeking and developing best practices, methods and approaches.

✓ Being Professional

We adhere to high professional standards of quality, competency and conduct. We act with honesty and integrity. We anticipate and are proactive, collegial and collaborative in our work. We remain current in professional practice.

✓ Accountable

We are accessible and answer to stakeholders for results in accordance with policies, standards, commitments and principles. We document, measure and report performance and evaluate program effectiveness.

✓ Transparent

We balance requests to share information clearly and openly while respecting the security of confidential and personal information entrusted to the department.

✓ Employees

We have more than 300 peoples employed on the rolls of the Company.

Risk management

For its operations the Directors believe that, the company has laid down internal financial controls to be followed by the company; and that such internal financial controls are adequate and were operating effectively.

Risk & Concerns:

Risk is a potential event or non-event, the occurrence or non-occurrence of which can adversely affect the objectives of the Company. Impact of risks could either be monetary that is impact on business profits due to increase in costs, decreasing revenue amongst others or non-monetary which is delay in securing regulatory approvals, reputational damage etc. The Company is susceptible to risks arising out of our business strategy, succession planning and decision on innovation or product portfolio. If there is any significant unfavourable shift in industry trend or pattern of demand, our returns on investments might get affected. We have risks associated with clients' and prospective clients' dispositions.

Any delays due to changes in regulatory requirement, clearances or executional failures could materially affect the timing and implementation of our strategy. Further, due to higher profitability in the injectables space and price pressure in the orals because of the competition, we have seen more Companies are eyeing injectables segment as an area to grow, thus increasing some competition from India in various markets like USA. Emerging countries' currencies have become significantly devalued making our products expensive or reduced margins in the emerging countries market.

Regulators across the globe strictly monitor the pharmaceuticals manufacturing facilities. Governing laws across the globe are becoming increasingly stringent over time, with severe penalties or actions in the event of non-compliance or violations to regulatory standards. In the scenario where we or any of our suppliers fail to comply with such regulations, there could be a regulator-enforced shutdown of concerned production facilities, withdrawal of drug approvals previously granted, failure or delay in obtaining approvals for new products, prohibition on the sale or import of noncomplying products etc. Such impact would significantly affect the delivery of our objectives. Given the evolving nature and regulatory complexities relating to Injectables production, there is a continuous challenge in meeting the regulatory requirements. This might also lead to additional requirements from the regulators before granting commercialization approval. The additional requirements would not only increase our financial commitments but also shift the launch timelines, there by impacting Company strategy.

In addition to the above, other key risks relating to our current operations include human capital risk such as loss of key personnel, timely replenishment of critical vacant roles, reliance on third party sole suppliers or service providers including reliance on regional suppliers, disruption of operations from natural disasters, risk arising out of strategic projects, foreign exchange fluctuations, changing landscape of statutory regime etc.

At **BROOKS**, Risk Management is a key strategic focus for the Members of Board. All key functions of the Company are independently responsible to monitor risks associated with in their respective areas of operations such as production, supply chain, marketing, finance, accounting, treasury, legal, human resource and others areas like health, safety and environment.

Brooks Lab Operations:**Manufacturing:**

During the year under discussion, the Company has commenced production of injectables at its state-of-the-art manufacturing facility at Vadodara. In addition, capacity enhancement was done at the Baddi plant to focus on high profit product line. All facilities and production lines are upgraded regularly to meet current cGMP, Safety, Health and Environmental Standards. Various initiatives are taken towards energy and water conservation. The Company's journey towards achieving operational excellence across functions was driven through its efforts through automation of operations & upgrading the facility to qualify for higher regulatory approvals.

Environment, Health & Safety (EHS)

Brooks is committed to comply to high standards of environment, health and safety performance and is an integral to its working. Brooks ensures that each employee strives to achieve EHS excellence.

Quality

Brooks assures a culture of compliance and follows systematic interventions to consistently meet and exceed quality standards. Brooks is committed to enhance its quality management systems to meet and exceed the current expectations of regulatory authorities such as CDSCO, US FDA, EU GMP, TGA, MCC, WHO, etc. Its state-of-the-art manufacturing facilities at Vadodara and Baddi are cGMP compliant in conformity with national and international standards. Brooks looks forward for implementation of robust and effective quality management systems for continuously monitoring through quality metrics and internal audits.

THREATS, RISKS AND CONCERNS for Brooks Operations:**Drug Price Control:**

The Health Ministry revised the National List of Essential Medicines (NLEM) to include 376 drugs in the new NLEM list 2015. It is likely that the Government may bring more drugs and formulations under price control or change the mechanism of calculating the ceiling price of the drugs, which are under the ambit of the revised policy, which in turn will affect the net margins of the Company.

Generics:

The Government of India is continuously bringing in policies to shift the market towards generic products. The implementation of this process requires action by all stakeholders. This may have impact on future business strategies of the Company.

Future Acquisition proposals:

The Company looks for opportunities in order to expand its product line either through complimentary or strategic acquisitions of other companies, asset acquisition, licensing agreements or any other arrangement.

Manufacturing & Supplying Risk:

Although a major portion of the Company's finished formulations and injectables are being manufactured at in-house facilities, the Company also depends on its suppliers for sourcing of its raw materials. Any significant disruption at in-house facilities or any of its suppliers locations due to economic, political & social factors or any other event may impair the Company's ability to meet the markets demand on a timely basis. In addition, the Company's manufacturing capabilities could be impacted by quality deficiencies in the products, which its suppliers provide, leading to impact on its financial performance.

Goods and Services Tax (GST):

The Government of India has finalised on the framework for GST making it effective from 1st July, 2017. Thus merging all the significant taxes currently applicable to the Company's business operations (except taxes relating to profit/income) into a single tax. While GST implementation is expected to bring in greater transparency across all the economic activities and reduce multiple tax levies and administration, there is likely to be a significant short-term impact on the business operations of the Company.

New capital investments:

The Company has commenced production in August 2017 in new renovated building at Baddi plant with almost double the capacity of previous line. The capacities are built in anticipation of demand and the Company runs the risk of under-utilization of capacities. The risks are sought to be mitigated by forming appropriate marketing team and corporate management oversight.

Though Baroda plant is fully functional, this plant is in process of filing Dossiers in regulated markets and semi regulated markets to capture sales in these markets, these are procedural steps which have to be followed and these steps take its own time, but processes are being followed actively.

Currency fluctuation risks:

Foreign currency risks arise out of overseas operations and financing activities. Exchange rate volatility significantly impacts earnings and net equity because of invoicing in foreign currencies, expenditure in foreign currencies, foreign currency borrowings and translation of financial statements of overseas subsidiaries into Indian rupees. The Company has a defined foreign exchange risk management framework to manage these risks excluding translation risks.

International Taxation:

As the Company has potential tax exposure resulting from application of varying laws and interpretations, which include intercompany transactions with related parties in relation to various aspects of business. Although the Company believes its cross border transactions between affiliates are based on internationally accepted practices, tax authorities in various jurisdictions may have different views or interpretations and subsequently challenge the amount of profits taxed in their jurisdiction resulting into increase in tax liability including interest and penalties causing the tax expenses to increase.

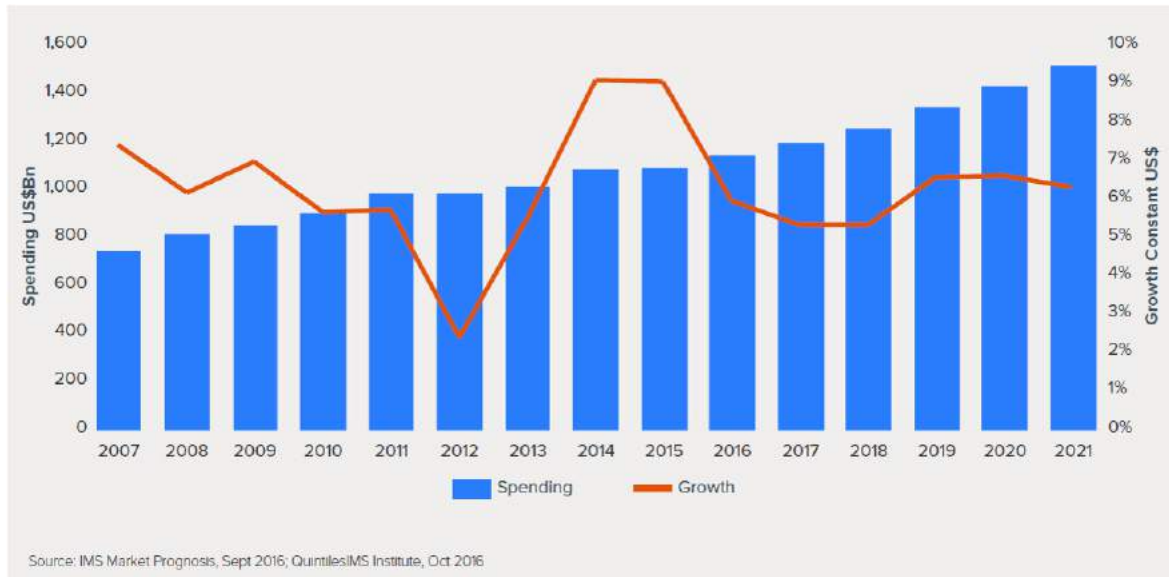
GLOBAL PHARMACEUTICALS MARKET**Global Economy Overview:**

As per International Monetary Fund (IMF) World Economic Outlook, global economic growth in 2016 was estimated at 3.1% down from 3.4% in 2015 with advanced economies decline from 2.1% in 2015 to 1.7% in 2016 and emerging economies from 4.2% in 2015 to 4.1% in 2016. However, from second half of 2016, global economy gained some momentum especially in advanced economies due to recovery in investment, manufacturing and trade. These include resumption in global demand, strengthening of commodity prices lifting global inflation, reducing deflationary pressures and positive developments in financial markets. Stronger than expected pickup in growth in advanced economies in latter part of 2016 reflects projected cyclical recovery in global manufacturing and uptick in business confidence especially after the United States of America (USA) elections.

In the United Kingdom (UK) too, the growth remained strong where spending proved resilient in the aftermath of June-2016 referendum in favor of leaving the European Union (BREXIT). Activity surprised on the upside in Japan due to strong net exports, as well as in Euro market countries, such as Germany and Spain, because of strong domestic demand. Economic performance across emerging markets and developing economies has remained mixed. Whereas China's growth remained strong, reflecting continued policy support, economic activity has slowed in India because of the impact of demonetization as well as in Brazil, which has been mired in deep recession. With the rebound in activity in advanced economies, stabilization of commodity prices and sustainable pattern of growth in developing economies, the overall global economy is projected to grow at 3.5% in 2017.

Global Pharmaceutical Outlook

As per a recent IMS® report, the global medicine related spending is expected to reach nearly USD 1.5 trillion by 2021, this growth represents a 4-7% CAGR over the next five years from the current spending levels. The report also highlights an increased spending in Oncology, Autoimmune and Diabetology treatments is expected to drive a large part of the spending growth. The US will continue to remain the largest pharmaceutical market with spending growth driven by originator brands. Increased focus on developing Specialty medicines by both innovators and generic players is expected to drive increase in the Specialty share of global spending from 30% in 2016 to 35% in 2021. Life sciences sector is expected to have sales growth for the next several years due to favorable demographic trends and operates around the issues relating to cost and pricing, clinical and operational innovation, customer and consumer engagement and regulatory compliance.



Global Pharmaceutical Sales

As reported by Hardman & Co - Global Pharmaceuticals Report 2017, global pharmaceutical sales grew by around 6.9% in the year 2016 compared to the year 2015 and key growth drivers continued to shift towards use of generic medicines accompanied by patent expiries mainly in the regulated market and higher growth in Pharmerging markets. During 2016, share of United States, Europe and emerging markets in global pharmaceutical sales remained relatively static compared to 2015.

US market opportunity:

The US market was a key driver of growth, rising 5.6% to \$320bn in 2016, from \$303bn in 2015.

European market opportunity:

The European market is estimated to be approximately US\$ 152 Bn with a negligible growth of around 1% in 2016. Relatively weak economic growth in the region, budget concerns arising from adopting and paying for innovative medicines and mechanisms to control healthcare spending will lead to a slower CAGR of around 1 to 4% through 2021.

European Health Report 2015 issued by the World Health Organization (WHO), alcohol consumption, tobacco use and obesity are among the major public health problems in the European Region while cardiovascular diseases and cancer are the leading causes of premature mortality. In 1998, cancer accounted for 37% of premature mortality, and this rose consistently to 43% in 2012. Currently, many European countries face shortages of inexpensive, essential medicines that are crucial for the treatment of cancer patients. Considering that the second most commonly reported medicines shortages are in cancer, a disease with a growing prevalence, this challenge presents an increasing threat to patient care in Europe.

India's large pharmaceutical firms have been working towards having enough cancer-fighting drugs in their product pipeline, reflecting a global trend. Few Indian companies have expanded their existing oncology divisions, while others have made fresh strategic investments. Also Indian drug companies are facing strong headwinds due to prompt regulatory action of United States Food and Drug Administration (USFDA), likely imposition of Border Adjustment Tax (BAT) and delay in new drug approvals. Thus making a conducive time for Indian pharma companies to explore opportunities and business in the European market.

Emerging Markets:

The Pharmerging markets mainly led by BRIC nations - China, Brazil, India and Russia are estimated to be US\$ 243 Bn and expected to grow slow at a CAGR of 6% to 9% through 2021, as compared to CAGR of around 10% of last five years. Over 90% of the medicines used in Pharmerging markets are off patent generic products. Volume usage growth is projected to slow to 3% to 6% from 2017-2021 compared to 6.6% from 2012-2016.

Developed market spending growth will be driven by original brands and innovation in specialty medicines while Pharmerging markets will continue to be driven by off patent generic products. Innovation in specialty medicines will continue lifting the share of global spending from 30% in 2016 to 35% in 2021 driven by the adoption of new breakthrough medicines

India Pharma Opportunity:

Business Standard reported in February 2017 that Indian pharma companies' annual spending on research and development (R&D) might cross \$2 billion in 2017-18. While pharma companies spent \$1.4 billion in the previous financial on R&D and are expected to spend about \$1.7 billion in the current financial, according to industry estimates; The rising R&D spend trend in Indian companies' is to protect themselves from the price erosion that plain generic drugs are facing in the US due to increasing competition and regulatory pressure.

Regulatory Developments

The pharmaceutical markets in India and USA are experiencing regulatory interventions on several fronts. While this is not new, the pace and direction of these developments require companies to rethink their approach towards drug development, product portfolio, manufacturing and sales & marketing.

1. The US FDA has increased its focus to further accelerate approval cycle of generics after having seen a significant improvement in the approval timelines under the Generic Drug User Fee Act (GDUFA). Specifically, clearer guidelines and faster approvals on complex generics will be beneficial for the Indian Pharmaceutical players. Over the last few years, US FDA has considerably increased its focus on inspecting facilities outside the US. Considering the increasing presence of Indian Pharmaceutical players in US, the Indian Pharmaceutical industry is expected to witness heightened scrutiny from the regulatory authority in the coming years. The new administration in the US has also announced several healthcare related changes including Border Adjustment Tax, repeal of 'the Patient Protection and Affordable Care Act' and others which could potentially alter the US market opportunity for Indian pharmaceutical companies.
2. The Indian regulatory environment is rapidly evolving with several announced and expected changes as follows:
 - Expansion of the National List of Essential Medicines with more drugs coming under price control
 - Potential ban on fixed dose combination drugs
 - Expected regulation around mandatory generic prescription by doctors
 - Stringent regulatory compliance with Uniform Code of Pharmaceutical Marketing Practices (UCPMP)

Pharma companies are dealing with such regulatory and other macroeconomic challenges by investing in complex generics and products that are difficult to develop and manufacture. They are also expanding globally with a view to diversify the footprint and benefit from the scale as well as the opportunity to service patients. Enhancing access, improving affordability and driving innovation are some of the common themes reflected in the portfolio and pipeline of key pharmaceutical companies.

R&D trends:

As per IMS Health report in 'Global Medicines Use in 2020' Research and Development spending to be affected by increasing numbers of philanthropy-led developments that will improve treatment of neglected tropical diseases by 2020. Oral vaccines, use of mobile technology, and room-temperature injectables will be explored in the hopes to eventually transform complex disease treatments in Africa, but will likely take more time to overcome persistent economic development issues.

Growth Drivers:

- **Ageing population and life expectancy:**

Populations across large parts of the world are ageing. The number of older people representing aged 65 and older is projected to increase from 8.5% in 2015 to 12% in 2030 and 16.7% in 2050. Global life expectancy is expected to improve from 68.6 years in 2015 to 76.2 years in 2050 due to declining infant mortality, enhanced living conditions, improved sanitation, better prevention of communicable diseases and growing access to medicines. These scenarios are expected to bolster healthcare spending.

- **Rising income and changes in lifestyle:**

In emerging markets, long-term economic growth will lead to rising wealth and simultaneous changes in diets and lifestyles. This will create increased demand for healthcare products.

- **Growing chronic diseases:**

Obesity, cardiovascular diseases, hypertension, and diabetes are chronic diseases having serious repercussions in both developed and emerging countries. This has resulted in widespread health problems that's expected to challenge public health systems to meet increasing demand for drugs and treatments.

- **Innovations in medicines:**

Innovation is critical to addressing the current medical need. The new medicines will address significant discrepancies needs in cancer, autoimmune diseases of metabolism, nervous system and others. In addition to the continued research of mechanism in use in existing drugs, there will be an ongoing flow of new mechanisms that will see their first human uses in areas such as genome-editing, microbiome as well as regenerative cell technologies that include stem cells harvested from one part of the body to use against a disease in another.

- **Improvement in medical infrastructure:**

In Pharmerging economies, health/medical infrastructure enhancement is expected to give healthcare providers the tools and resources necessary to treat their patients. This includes renovating/setting up hospitals and health care centers, procurement of medical equipment and devices and improvement in medical education.

- **Accessibility and affordability:**

The trend towards the adoption of universal healthcare continues, with more countries expanding public or private health care system coverage. Expanding health care coverage, the US federal and state governments continue to implement health insurance exchanges under the Patient Protection and Affordable Act of 2010 (ACA).

- **Faster regulatory approvals:**

Regulatory agencies are defining approval process for faster availability of drugs for treating serious diseases for treatment and R&D for new breakthrough therapies, thus aiding rapid drug availability to the target segment.

Global Injectables Market overview

As per Data Bridge Global Injectable Drug Delivery Market - Industry Trends and Forecast to 2024 Report, market is expected to reach USD 789.7 billion by 2024 from USD 330.6 billion in 2016, growing at a CAGR of 11.5% in the forecast period 2017 to 2024.

The global injectable drug delivery market is segmented on the basis of type, product type, application, usage pattern, mode of administration, end user, distribution channel, and geography. The global injectable drug delivery market is segmented into 2 types, namely injectable drug delivery device and injectable drug delivery formulation. In 2017, the injectable drug delivery formulation segment is expected to dominate the market with a share of ~75% and is expected to continue this trend till 2024. Injectable drug delivery device market is segmented into conventional injection devices and self-injection devices. The injectable drug delivery formulation is segmented into conventional drug delivery formulation and novel drug delivery formulation.

Global Injectable Drug Delivery Market Key Drivers:

Some of the major factors driving the market for injectable drug delivery market are:

- increasing use of biologics,
- rising prevalence of chronic diseases,
- increasing occurrence of needle-stick injuries, and the
- benefits of injections (convenience, ease of use, and reduced pain).

These factors increase the demand for devices such as safety syringes, prefilled syringes, and auto-disabled syringes. Increasing prevalence of chronic diseases, rising demand for self-injection devices, growth of the biologics, and technological advancements are the major factors driving the growth of the injectable drug delivery market. Needlestick injuries and infections, regulatory hurdles, and preference for alternate modes of drug delivery are the factors which may hinder the growth of this market. Increasing demand for biosimilars and generic injectables will drive the market in future.

Novel drug delivery formulation is dominating the injectable drug delivery formulation market:

- self-injection device market is growing with the highest CAGR
- needle free injector is driving the market with highest market share
- wearable injector is growing with highest CAGR.

As reported in Coherent Market Insights published in April 2017, Global Sterile Injectables Market was valued at US\$ 299.7 billion in 2015 and is projected to expand at a CAGR of 6.9% during the forecast period (2016–2024). The global sterile injectables market is expected to expand in major unrealized market, especially in Asia Pacific, Middle East and Africa.

Complex regulations imposed by U.S. FDA on manufacturing facilities and equipment has become a hurdle for both the current pharma players and new emerging players globally. Currently, pharmaceutical companies are focused on developing generic injectables. The expansion and manufacturing of sterile injectable products is highly complex and requires major investment.

Applications of generic injectables:

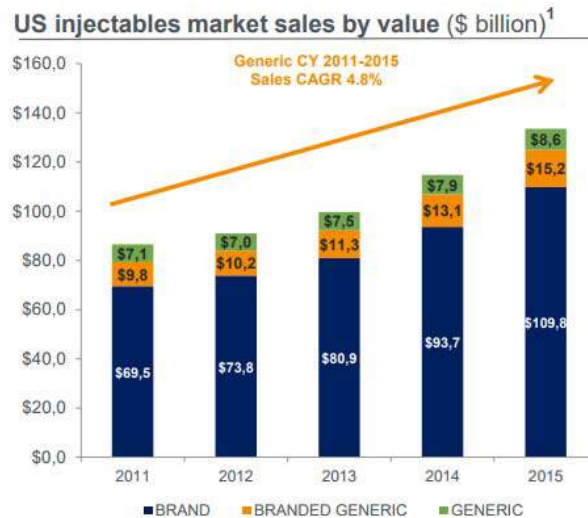
According to IMARC Group's new report titled "US Generic Injectables Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2017-2022", the US generic injectables market reached a value of US\$ 10 Billion in 2016, exhibiting a CAGR of more than 9% during 2009-2016. Currently, the market is projected to reach a value of more than US\$ 16 Billion by 2022, growing at a CAGR of around 8% during 2017-2022.

Generic injectables are widely used in the treatment of various chronic diseases such as cancer, diabetes, cardiovascular diseases, respiratory diseases, rheumatoid arthritis, osteoarthritis, osteoporosis, etc. The market growth can be attributed to the low cost of these drugs as compared to their branded counterparts. Moreover, as there is limited price erosion and low competition in the market, the profit margins are significantly higher than commoditised generics.

As reported in Bloomberg Intelligence in August 2016, market is poised for growth in generic injectables, which are valuable additions to a generic-drug maker's portfolio because they are relatively insulated from price pressure and less commoditized than their oral counterparts. Generic injectables market may grow at a 10% annual rate. The generic sterile injectable market is expected to grow at a 10% annual rate, driving the overall injectable market up 6% annually through 2020.

Global injectables growth has out-paced other generic categories in recent years:

- Global generic injectables market is estimated to exceed \$70 billion by 2020 – a CAGR of 10% from 2013
- \$15 billion of branded injectables sales are expected to lose patent protection in 2015-2018
- US market is currently around \$9 billion and is expected to grow at 6% per annum
- Ageing population and healthcare cost cutting are expected to drive greater generic penetration



¹ IMS Healthcare and equity research. Excludes biologics and other selected products (insulin, hormones, etc.)

India Injectables opportunity:

ICRA in July 2016 has reported that Indian generic players have better opportunity in US generic injectable market with upcoming patent expiries, drug shortages, quality manufacturing and development resources. Indian companies are increasingly focusing on complex generics and some of the leading Indian companies have carved a niche for themselves through the launch of differentiated and complex filings.

As per ICRA research, during the 2015-19 period injectables drugs worth US\$ 16 billion are expected to go off-patent in the US alone.

Among the various factors, the drug shortages for injectables in the US have been fuelled by:

- shifting of old molecules production to low cost countries such as India and China making high cost US facilities cost-inefficient,
- reduction in the number of players owing to M&A
- subsequent closure/consolidation among such facilities in addition to phasing out of low value low margin products.
- stringent action by US FDA regarding compliance to GMP led to several warning letters and supply disruptions for injectable drugs.

Issues with US FDA cGMP norms have led to demand for good quality facilities and called for contract manufacturers based out of low cost countries such as India, China to support large volumes at low cost. The complex development and manufacturing process of sterile injectables along with high capital and operational costs involved coupled with high compliance cost has led to a relatively consolidated market.

For and on Behalf of the Board
 For **Brooks Laboratories Limited**

Sd/-
Atul Ranchal
 Chairman
 (DIN: 01998361)

Place: Mumbai
 Date: 02.09.2017

Directors' Report

The Board of Directors of your Company has pleasure in presenting the 15th Annual Report on the affairs of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2017.

1. Financial Results

The Financial Results for the year are as under: -

	(Rs in lacs)	
PARTICULARS	2016-17	2015-16
Turnover	5753.98	8,000.93
Other Income	12.27	156.10
Total Income	5766.25	8,157.03
Expenditure	5191.98	6892.59
Profit before Depreciation, Interest & Tax (PBDIT)	574.27	1264.45
Financial Expenses (Interest)	100.94	79.43
Profit before Depreciation and Tax (PBDT)	473.33	1185.02
Depreciation and Amortization	167.20	116.00
Extraordinary items (Gain)	0	12.88
Profit before Tax (PBT)	306.13	1081.90
Income Tax (net of MAT Credit)	110.48	18.55
Profit after Tax	195.65	1063.35
Earnings per Share (in Rs.)	1.21	6.57

2. Performance of the Company

During the year under review, your Company has achieved a turnover of Rs.58 crores as compared to Rs. 80.09 crores in the previous year showing a decline in turnover as compare to previous year. The Company has earned a net profit after tax and depreciation of Rs. 1.96 Crores as compared to Rs. 10.63 Crores in the previous year. The decrease in profits is attributed to end of excise duty exemption on our unit after 10 years of exemption. The company had to compete with other manufacturing units who still enjoy excise tax holiday. Now with GST replacing excise the Brooks is at par with all units & expect to improve sales & profits significantly.

We are glad to inform you that on 7th March, 2017 our world class dedicated carbapenem facility in Vadodara Plant started manufacturing activity.

Brooks Management decided to upgrade the facility in line with cGMP in Baddi plant, since it is a running unit we decided to upgrade facility in steps. As a first step we upgraded one injectable manufacturing line, which started commercial production in November 2016. Expansion and upgradation of other injectable manufacturing line was initiated in June 2017 and expected to resume production by September 2017. These activities also were also reason for drop in sales.

We are confident that in coming years new Baroda facility & revamped Baddi facility, our performance will be much better on account of sales and profit.

3. Utilization of Funds through IPO

The Company had raised money by way of Initial Public offer in the financial year 2011-12 and has fully utilized the money for the purpose as raised by way of Initial Public offer.

4. Dividends

In view of the ongoing expansion projects and future growth plans, the Directors have decided to plough back the profits of the Company for financial year 2016-17. Accordingly, the Board does not recommend any dividend payment for the year under reference.

5. Reserves

The Company has not transferred any amount to reserves and not withdrawn any amount from the reserves.

6. Deposits

During the financial year 2016-17, the Company has not accepted any deposits from the public within the provisions of Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

7. Share Capital

The paid up Equity Share Capital of the Company as on 31st March, 2017 was Rs. 1618.64 lacs. During the year under review, there is no change in the Share Capital of the Company.

8. Change in the nature of business, if any

During the period under review there was no change in the nature of business of the company.

9. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

They have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

10. Changes in Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Atul Ranchal, Whole Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

During the year, there is no change in the Key Managerial Personnel of the Company.

11. Statement on declaration given by the Independent Directors

As required under Section 149 (7) of the Companies Act, 2013, all the Independent Directors have given their respective declarations that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

12. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There is no significant and material order passed by the regulators or courts or tribunals during the financial year 2016-17 that impacts the going concern status and company's operations in future.

13. Details of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any Subsidiary or Joint Ventures or Associate Companies

14. Corporate Governance Report and Management Discussion & Analysis

Your Company is committed to good corporate governance practices. The Report on Corporate Governance is given in **Annexure 1** and Management Discussion & Analysis provided above, as stipulated in Regulation 34 of listing Regulations forms part of this Director's Report.

15. Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 and rules framed thereunder.

A report on the CSR activities in the prescribed format as set out in Annexure to the Companies (Social Responsibility Policy) Rules, 2014, is given in **Annexure 2** to this Directors' Report. The Policy is disclosed on the Company's website: www.brookslabs.net.

16. Human Resources

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

17. Number of Meetings of the Board

The details of the number of meetings of the Board and other Committees are given in the Corporate Governance Report in Annexure 1 which forms a part of this Annual Report.

18. Audit Committee

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report in Annexure 1, which forms part of this Annual Report. All the recommendations of Audit Committee were accepted by the Board of Directors.

19. Vigil Mechanism

Pursuant to the requirements of the Companies Act, 2013, the Company has established Vigil mechanism/Whistle Blower Policy for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Policy is disclosed on the Company's website: www.brookslabs.net.

20. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. Internal Financial Controls related to financial statement

The Company has in place adequate internal financial controls related to financial statement. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

22. Extract of Annual Return

Pursuant to Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed Form MGT 9 is given as Annexure 7 to this Directors' Report.

23. Statutory Auditors

M/s. SGO & Co., Chartered Accountants, Mumbai, were appointed as Statutory Auditors of the Company at the 13th Annual General meeting held on 29th September, 2015 till the conclusion of 17th Annual General Meeting of the Company. As per the provisions of Section 139 of the Companies act, 2013, the appointment of auditors is required to be ratified by Members at every Annual General Meeting.

The Report given by the Statutory Auditors on the financial statement of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the auditors in their Report.

24. Cost Auditors

Pursuant to the provisions of section 148(3) of the Companies Act, 2013, the Board has appointed M/s. Balwinder Singh & Associates (Firm Reg No. 000201), Cost Accountants, F-125, Phase VIII B, Industrial Area, Mohali- 160071, as the Cost Auditors of the Company to conduct an audit of the cost records of bulk drugs and formulations, maintained by the Company for the financial year ending 31st march, 2018. The Board has approved the remuneration payable to the Cost Auditors subject to ratification of the Members at the forthcoming Annual General Meeting.

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

25. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company engaged the services of M/s. Sharma Sarin and Associates, Company Secretaries in practice, Chandigarh, to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2017.

The Secretarial Audit Report (Form MR-3) is given as Annexure 3 to this Directors' Report. The said Report does not contain any qualification, reservation or adverse remark or disclaimer.

26. Particulars of Loans, Guarantees or Investments

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 is given in the Note No. 12 of the Notes to the Financial Statement.

27. Contracts and arrangements with Related Parties

All transactions of the Company with Related Parties are in the ordinary course of business and at arm's length. Information about the transactions with Related Parties is presented in Note No. 33 in Notes to the Accounts.

Form AOC – 2 pursuant to the provisions of Section 134 (3) (h) of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is given as **Annexure 5** to this Directors' Report.

28. Risk Management Policy

The Company does not have any Risk Management Committee due to the non-applicability of the provisions of Regulation 21 of the Listing Regulations, whereas the Company has Risk Management Plan. Business Continuity Plans are periodically reviewed and tested to enhance their relevance. The Risk Management Framework covering business, operational and financial risk is being continuously reviewed by the Audit Committee. At

present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

29. Disclosure pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 6 to this Directors' Report.

The Statement pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company for the financial year 2016-17.

30. Conservation of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

The Statement of conservation of energy, technology absorption, foreign exchange earnings and outgo, as required prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure 4 to this Directors' Report.

31. Policy on appointment and remuneration of Directors

The Nomination and Remuneration Committee of the Company has recommended to the Board a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees including the criteria for determining the qualification, positive attributes and independence of a Director, as required under Section 178(1) of the Companies Act, 2013 which was adopted by the Board. A brief detail of the policy is given in the Corporate Governance Report in Annexure 1 which forms a part of this Annual Report. The Policy is disclosed on the Company's website: www.brookslabs.net.

32. Evaluation of Performance of Board, its Committees and Individual directors

During the year, a meeting of the Independent Directors was held to review the performance of the non-independent Directors and the Board as a whole and the Chairman on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board. Mr. Deepak Mahajan was appointed as the Lead Director to oversee the evaluation process at the meeting of the Independent Directors.

33. Acknowledgement

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

Place: Mumbai
Date: 02.09.2017

For and on Behalf of the Board
For Brooks Laboratories Limited

Sd/-
Atul Ranchal
(Chairman)
(DIN: 01998361)

Annexure 1

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

2. BOARD OF DIRECTORS

- **Composition of Board, Category of Directors and their other Directorships/Committee positions.**

The Board is represented by senior and eminent professionals. The Board consists of six Directors, of whom three are Executive and three are Non-Executive Independent Directors including one Woman Director. Thus, the composition of the Board is in compliance with the statutory requirements in this regard. The Chairman and the Executive Director are liable to retire by rotation. Day-to-day management of the Company, under the superintendence and control of the Board, is vested with the Managing Director, who is supported by a competent Management Team. Thus, the Company is committed to good corporate governance, based on an effective independent Board, the separation of supervisory role from executive management and the constitution of committees to oversee critical areas.

There is no relationship between the Directors inter se.

The composition of Board, as on date, and the Directorship/Committee positions of the Directors in other companies are as follows:

Name	Category and Designation	Other Directorships	Other Committee Memberships
Atul Ranchal	Chairman / Executive Promoter Director	NIL	NIL
Rajesh Mahajan	Managing Director / Executive Promoter Director	NIL	NIL
Dr. D. S. Maity	Executive Director	NIL	NIL
Rajnish Kumar Bedi	Independent Director	NIL	NIL
Deepak Mahajan	Independent Director	NIL	NIL
Sonia Gupta	Independent Director	NIL	NIL

- **Attendance of each Director at the Board Meeting and the last Annual General Meeting**

During the financial year 2016-17, 8(Eight) Board Meetings were held, that is on 5th May, 2016, 27th May, 2016, 6th July, 2016, 12th August, 2016, 3rd September, 2016, 14th November, 2016, 2nd February, 2017 and 14th February, 2017. The gap between any two Board Meetings did not exceeded 120 days. The Annual General Meeting was held on 27th September, 2016. The details of the attendance of the Directors at these Meetings are as follows:

Name	Board Meetings attended during the year	Whether last AGM attended
Atul Ranchal	6	YES
Rajesh Mahajan	6	YES
Dr. D. S. Maity	5	YES
Rajnish Kumar Bedi	4	YES
Deepak Mahajan	4	YES
Sonia Gupta	4	YES

- **Conduct of Board Meetings**

The Board meets at least once in a calendar quarter to, inter alia, to review the quarterly financial results, the strategic business plan and the annual budget. The annual calendar of meetings is tentatively agreed upon at the beginning of each year. Additionally, meetings are convened to transact special business, as and when necessary.

3. COMMITTEES

As mandated by SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, (hereinafter referred to as Listing Regulations) the Company has constituted an Audit Committee, a Nomination and Remuneration Committee and a Stakeholders' Relationship Committee. The Company Secretary of the Company acts as the Secretary to these Committees. The Minutes of each of the Committee Meetings are placed before the Board for noting /discussions.

AUDIT COMMITTEE

The Audit Committee (the Committee) monitors and provides effective supervision of the Management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

i. Terms of reference:

The terms of reference of the Audit Committee are in accordance with those specified in Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013.

ii. Composition

The Audit Committee comprises of three Directors as members, out of which two are Non-executive Independent Directors as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

iii. Meetings and Attendance

During the financial year 2016-17, the Audit Committee met five times i.e. on 27th May, 2016, 12th August, 2016, 3rd September, 2016, 14th November, 2016 and 14th February, 2017. The gap between any two Meetings did not exceeded 120 days. The Chairman of the Audit Committee was present at the Annual General Meeting held on 27th September, 2016. The detail of attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	5
Rajesh Mahajan	5
Deepak Mahajan	5

NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ensures that the Company's remuneration policy are aligned with the Board's vision, values and overall business objectives and are appropriately designed to motivate the Executive Directors, Key Management Personnel and the Senior Management to pursue the long term growth and success of the Company.

i. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in accordance with those specified in Regulation 19 of Listing Regulations and Section 178 of the Companies Act, 2013.

ii. Composition

The Nomination and Remuneration Committee comprises of three Non-executive Independent Directors in compliance with the applicable statutory requirements, as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Deepak Mahajan	Member	Independent Director
Sonia Gupta	Member	Independent Director

iii. Meetings & Attendance

During the financial year 2016-17, the Nomination and Remuneration Committee met four times i.e. on 29th June, 2016, 26th September, 2016, 21st December, 2016 and 14th February, 2017. The detail of attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	4
Deepak Mahajan	4
Sonia Gupta	4

iv. Remuneration Policy

The Nomination and Remuneration Policy of the Company is performance driven and is structured to motivate directors and employees, recognize their merits and achievements and promote excellence in their performance.

For Whole-time/Executive Directors

The remuneration paid to Whole-time/ Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, subject to the subsequent approval by the shareholders and if required, of the Central Government. The Remuneration paid to Whole-time/ Executive Directors is as follows:

(Rs. In lacs)

Name	Designation	Remuneration	Sitting Fees
Mr. Atul Ranchal	Chairman cum Whole-Time Director	96.00	1.20
Mr. Rajesh Mahajan	Managing Director	96.00	1.20
Dr. D. S. Maity	CEO cum Technical Director	17.04	1.00

For Non-Executive/Independent Directors

The Remuneration paid to the Non-executive/ Independent Directors for the financial year 2016-17 is as follows:

Name	Designation	Sitting Fees for the year (in Rs)
Mr. Rajnish Kumar Bedi	Independent Director	80,000
Mr. Deepak Mahajan	Independent Director	80,000
Mr. Sonia Gupta	Independent Director	80,000

Sitting fees paid to Non Executive Directors including independent & women directors is not less than Executive Directors.

None of the Non-Executive/Independent Directors has any other pecuniary interest in the Company.

Mr. Deepak Mahajan, Non-Executive Independent Director, holds 435 shares in the Company as on 31st March, 2017. None of the other Non-executive Independent Directors holds any shares in the Company.

v. PERFORMANCE EVALUATION OF BOARD

In terms of the provisions of the Companies Act, 2013 and Schedule II part D of the Listing Obligations & Disclosures Regulations, 2015, the Board has carried out the annual performance evaluation of its own including the various Committee and the individual Directors with a detailed questionnaire covering various aspects of Board's functioning like composition of Board and its Committees, Board culture, performance of specific duties and obligations.

A similar process with a separate exercise was carried out to evaluate the performance of the Independent Directors, who were evaluated on parameters such as the independence of judgment, level of engagement, their contribution and safeguarding the interests of the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee considers and resolves the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of Annual Report and other such issues.

i. Terms of Reference:

The terms of reference of Stakeholder Relationship Committee are in accordance with those specified in Regulation 20 of Listing Regulations and Section 178 of the Companies Act, 2013.

ii. Composition:

The Stakeholders Relationship Committee comprises of three Directors as members, out of which two are Non-executive Independent Directors as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

iii. Name and Designation of Compliance Officer

Ms. Jyoti Sancheti is the Company Secretary cum Compliance Officer of the Company as required under Regulation 6 of Listing Regulations.

iv. Complaints

During the financial year 2016-17, there were two complaints received from shareholders, which was resolved and, no complaints were pending as on 31st March, 2017.

FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry in a proactive manner. The detail of familiarization programs provided to the Independent Directors of the Company is available on the Company's website www.brookslabs.net.

4. GENERAL BODY MEETINGS
i. Location and time of the last three Annual General Meetings

Date	Time	Venue	Special Resolutions, if any
27 th September, 2016	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	Nil
29 th September, 2015	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	2
8 th August, 2014	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	1

ii. Special Resolutions through Postal Ballot

During the year under review, no Special Resolution was passed through Postal Ballot.

5. Disclosures
i. Related Party Transactions

During the financial year 2016-17, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large. Further details of related party transactions are presented in Note No. 33 in Notes to the Accounts. The Company has formulated a policy on materiality of related party transactions and disclosed the same on the website of the Company www.brookslabs.net.

ii. Accounting treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable and notified under the Companies Act, 2013.

iii. Management

The Management Discussion and Analysis, as required under Regulation 34 of Listing Regulations, is given in Annexure 2 to the Directors' Report which forms a part of this Annual Report.

iv. Securities and Exchange Board of India (SEBI) has passed an Adjudication Order No. – ID-4/AO/DRK/675-680/01-05/2015 dated January 12, 2015 against the Company and its directors/officials. As per the said Order, a penalty of ` 1 crore is imposed on the Company and ` 10.8 crores on five other entities comprising of three Directors and two former officials of the Company. This is on account of certain irregularities in its IPO covering the period from June, 2011 to September, 2011. However the Company doesn't agree with the said findings of the Order and has filed an appeal against the Order to Securities Appellate Tribunal.

v. **CEO / CFO Certification**

The Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board with regard to the financial statements and other matters as required by Regulation 17 of Listing Regulations. The Certificate forms a part of this Annual Report.

vi. **Code of Conduct for Prevention of Insider Trading**

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees at senior management level and other employees who could have access to unpublished price sensitive information of the Company are governed by this code.

vii. **Code of Conduct**

The Company has adopted a Code of Conduct for members of the Board and senior management personnel as required under Regulation 26 of Listing Regulations. The said Code has been communicated to all the Directors and Members of the Senior Management. The Code is posted on the Company's website www.brookslabs.net

viii. **Whistle Blower Policy**

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. Accordingly, a Whistle Blower Policy ("Policy") has been formulated where employees can voice their genuine concerns about any unethical or unacceptable business practice or any event of misconduct. It provides a mechanism for the employees of the Company to approach the Ethics Officer or the Chairman of the Audit Committee. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment.

The Policy is posted on the website of the Company www.brookslabs.net.

No personnel has been denied access to the Audit Committee.

ix. The Company has complied with all the mandatory requirements of Corporate Governance and the Company has also adopted non-mandatory requirements of Corporate Governance during the financial year 2016-17 as shown below:

- **Shareholder Rights:** Though the half yearly results are not sent to the Shareholders individually, all the results are promptly uploaded on the Company's website www.brookslabs.net
- **Audit qualifications:** The audit report is unmodified opinion.
- **Separate posts of Chairman and CEO:** The post of Chairman is separate from that of Managing Director in the Company.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company has independent direct access to the Audit Committee.

6. **MEANS OF COMMUNICATION**

- i. **Newspaper:** The Company publishes the statement of financial results (quarterly / half yearly / annual) in prominent English and Hindi newspapers like Financial Express and Jansatta.
- ii. **Website:** The financial results are also simultaneously posted on the Company's website www.brookslabs.net.
- iii. Any official news relating to investors information is released to the Stock Exchanges and also available on the website of the Company.

7. GENERAL SHAREHOLDERS INFORMATION
(i) Annual General Meeting Information:

Day and Date : Thursday, 28th September, 2017
 Time : 9:00 a.m.
 Venue : Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan,
 Himachal Pradesh.
 Book Closure : 22nd September, 2017 to 28th September, 2017 (both days inclusive)

(ii) Financial year (tentative)

The Company expects to announce the financial results for the financial year 2017-18, as per the following schedule:

1st quarter ending 30th June, 2017 : on or before 14th September, 2017
 2nd quarter ending 30th September, 2017 : on or before 14th December, 2017
 3rd quarter ending 31st December, 2017 : on or before 14th February, 2018
 4th quarter and financial year ending 31st March, 2018 : on or before 30th May, 2018
 16th Annual General Meeting : on or before 30th September, 2018

(iii) Stock Exchange Information:

The Company's Shares are listed on the following Stock Exchanges, having nation-wide trading terminals:

Stock Exchange	Stock Code
BSE Limited (BSE)	533543
National Stock Exchange of India Limited (NSE)	BROOKS

The Listing Fee for the financial year 2017-18CNX NIFTY has been paid to both the above Stock Exchanges.

(iv) Market Price Data (high, low during each month in the financial year 2016-17):

Month	BSE				NSE			
	Price in		S&P BSE SENSEX		Price in		CNX NIFTY	
	High	Low	High	Low	High	Low	High	Low
Apr-16	90.80	80.10	26100.54	24523.20	90.90	80.05	7992	7516.85
May-16	86.05	75.00	26837.20	25057.93	85.70	74.75	8213.6	7706.85
Jun-16	91.00	72.00	27105.41	25911.33	91.45	65.40	8308.15	7927.05
Jul-16	130.40	83.35	28240.20	27034.14	129.90	83.30	8674.7	8242.1
Aug-16	126.40	96.00	284532.25	27627.97	126.30	95.85	8819.2	8518.15
Sep-16	127.15	100.00	29077.28	27716.78	127.30	101.00	8968.7	8555.2
Oct-16	189.85	109.80	28477.65	27488.30	189.70	110.45	8806.95	8506.15
Nov-16	194.40	117.00	28029.80	25717.93	194.70	117.10	8669.6	7916.4
Dec-16	153.80	131.50	26803.76	25753.74	151.85	130.60	8274.95	7942.05
Jan-17	150.90	133.50	27980.39	26447.06	150.90	132.60	8672.7	8114.75
Feb-17	162.00	135.00	29065.31	27590.10	161.60	133.85	8982.15	8537.5
Mar-17	151.00	134.00	29824.62	28716.21	150.95	133.70	9218.4	8860.1

(v) Registrars and Share Transfer Agents

Link In Time India Private Limited
 C-101, 247 Park, LBS Marg,
 Vikhroli West, Mumbai-400083
 Tel: 022- 49186000, Fax: 022- 49186060
 Email: rnt.helpdesk@linkintime.co.in
 Contact person: Mr. Mahesh Masurkar
 (Team Leader- Investor Relation Registry)

(vi) Share Transfer System

The Board has delegated the authority for approving transfer, transmission etc. of the Company's shares, excluding issuance of duplicate share certificate to Link Intime India Private Limited, Registrar and Share Transfer Agent. A summary of the transfer, transmission etc., as approved, is placed before the Share Transfer Committee. The Company obtains a half yearly compliance certificate as required under Regulation 7(3) of Listing Regulations from a Company Secretary in whole time practice and files the same with the Stock Exchanges.

(vii) Shareholding Pattern as on 31st March, 2017

Category	No. of Shares	% of Shareholding
1. Promoter and Promoter Group	9811949	60.62
2. Bodies Corporate	986776	6.10
3. Resident Individuals	5242085	32.38
4. Non-resident and FII's	145612	0.90
Total	16186422	100.00

(viii) Distribution of Shareholding as on 31st March, 2017

Number of Shares		Shareholders		No. of Shares	
From	To	Number	% of Total	Number	% of Total
1	500	9149	85.11	1268528	7.84
501	1000	809	7.53	677940	4.19
1001	2000	374	3.48	589625	3.64
2001	3000	131	1.22	337444	2.08
3001	4000	58	0.54	210211	1.30
4001	5000	51	0.47	243740	1.51
5001	10000	88	0.82	612955	3.79
10001	and above	89	0.83	12245979	75.65
TOTAL		10749	100.00	16186422	100.00

(ix) Dematerialization of Shares

As on 31st March, 2017, 99.99 % of the total Equity Share Capital was held in dematerialized form. Only 2005 shares were held in physical form.

(x) Plant locations

Unit	Address
Unit - I	Village Kishanpura, Nalagarh Road, Baddi, Dist. Solan, Himachal Pradesh
Unit - II	Survey No. 61/62, Village Manglej, Nareshwar Road, Taluka Karjan, Distt. Vadodara, Gujarat – 391210

(xi) Address for correspondence

Registered Office and Works:

Village Kishanpura
Nalagarh Road
Baddi, Distt. Solan
Himachal Pradesh
Tel: 01795-654001/04/06
Fax: 01795-236939
E-mail: investors@brookslabs.net
Website: www.brookslabs.net

Corporate Office:

502, Kanakia Atrium-2
Next to Hotel Courtyard Marriott
Andheri Kurla Road, Andheri (E)
Mumbai – 400 093
Tel: 022 61933100
Fax: 022 61933114

DECLARATION

(As required under Regulation 34 of Listing Regulations)

As required under Regulation 34 of Listing Regulations with the Stock Exchanges, the Board Members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2017.

Place: Mumbai
Date: 02.09.2017

For **Brooks Laboratories Limited**

Sd/-
Rajesh Mahajan
Managing Director
(DIN: 02000634)

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members
Brooks Laboratories Limited

We have examined the compliance of Corporate Governance by Brooks Laboratories Limited for the year ended 31st March, 2017, as stipulated in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchange. The compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examination has been limited to the review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that no investor complaint is pending for a period exceeding one month as on 31st March, 2016 against the Company, as per records maintained by the Investor Grievance Committee of the Company.

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

For Sharma Sarin & Associates
Company Secretaries

Place : Chandigarh
Date: 30.08.2017

Sd/-
P.D. SHARMA
Partner
C.P. No. 2692

MD/CFO CERTIFICATION
(As required under Regulation 17(8) of the Listing Regulations)

To,

The Board of Directors

Brooks Laboratories Limited

We, Mr. Rajesh Mahajan, Managing Director and Mr. Anil Pillai, Chief Financial Officer of the Brooks Laboratories Limited ("the Company"), hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and based on our knowledge and belief, state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
 - (i) there has been no significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and
 - (iii) we are not aware of any material instances of significant fraud during the year and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: 02.09.2017

For Brooks Laboratories Limited

Sd/-
Rajesh Mahajan
Managing Director
(DIN: 02000634)

Sd/-
Anilkumar Pillai
Chief Financial Officer

Annexure 2

Annual Report on the CSR activities pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR Policy

The Company's philosophy towards Corporate Social Responsibility (CSR) is conducting business by integrating its economic, environmental and social objectives in such a way that it will contribute for the social good together with its operational growth. The Company believes that CSR is a process by which an organization thinks about its relationship with its stakeholders for the common good and demonstrates its commitment to the same. The Company intends to undertake multiple initiatives like promoting healthcare and education, ensuring environment sustainability etc. under its CSR policy

The Company has adopted a CSR Policy in compliance with the provisions of the Companies Act, 2013 and can be accessed on the Company's website www.brookslabs.net.

2. Composition of the Committee:

The Committee comprises of three Directors as members with one Non-executive Independent Director as given below:

Name	Designation	Category
Rajesh Mahajan	Chairman	Executive Director
Atul Ranchal	Member	Executive Director
Rajnish Kumar Bedi	Member	Independent Director

3. Average Net Profit of the Company of last three financial years: Rs. 8.94 crores

4. Details of prescribed CSR expenditure (2% of the Average Net Profit):

- Total CSR amount to be spent for the financial year 2014-15: Rs.17.54 lacs
- Total CSR amount to be spent for the financial year 2015-16: Rs.17.06 lacs
- Total CSR amount to be spent for the financial year 2016-17 Rs. 17.89 lacs
- Total Amount spent during the year: Rs. NIL
- Amount unspent: Rs 46.4 lacs
- Manner in which the amount spent during the financial year is detailed below:

1)	2)	3)	4)	5)	6)	7)	8)
S.No	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL

*Give details of implementing agency

5. The activities for the balance amount of CSR were did not commenced as on 31st March, 2017. Further, the Company is planning to adopt a village for Rain Water Harvesting Project in Distt. Vadodara within next financial year i.e. 2017-18 under Rural development project of Schedule VII of Section 135 of the Companies Act, 2013.

6. The CSR Committee affirms that the implementation will be done as soon as the CSR activities finalised.

Place: Mumbai
Date: 02.09.2017

For and on Behalf of the Board
For Brooks Laboratories Limited

Sd/-
Rajesh Mahajan
Managing Director
DIN: 02000634

Annexure 3**Form No. MR-3****SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
BROOKS LABORATORIES LIMITED

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **BROOKS LABORATORIES LIMITED** Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing my opinion thereon.

Based on our verification of the **BROOKS LABORATORIES LIMITED**, Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on **31st March, 2017** complied with the Statutory Provisions Listed hereunder and also that the Company has proper Board-processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers and Minute Books, Forms and Returns filed and other records maintained by **BROOKS LABORATORIES LIMITED** for the Financial Year ended on **31st March, 2017**, according to the Provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other laws as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry is;
- a) Drugs and Cosmetics Act, 1940
 - b) The Trade Mark Act, 1999

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a. Company has not filed any MGT 10 during the year for disclosure u/s 93 read with Companies (Management and Administrative) Rules, 2014 with respect to change in number of shares of promoters and top ten shareholders with a view that changes to be reported is the change of 2% or more of the total share capital of the company instead of 2% holding of shareholders.**
- b. Adjudication Order No: - ID-4/AO/DRK/675-680/01- 05/2015 has been passed by the Securities & Exchange Board of India under section 15-I of Securities & Exchange Board of India Act, 1992 read with rule 5 of SEBI in the matter of the Company. The Company has filed an appeal against the said Order before the Securities Appellate Tribunal. The case is still pending before the Appellate Tribunal.**
- c. The Company has allocated the funds and yet to spend total 2% of its average net profit as required under Section 135 of Companies Act, 2013 on the activities mentioned in Schedule VII under Section 135 of the Companies Act, 2013.**

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in Compliance with the Provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meeting and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure Compliance with Applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period the Company has passed Special Resolution under Section 180 (1) C of the Companies Act, 2013.

Place: Chandigarh
Date: 25.08.2017

Sharma Sarin & Associates

Sd/-
P. D. Sharma
Partner
FCS 2285, CP No. 2692

The Secretarial Audit Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,
The Members
BROOKS LABORATORIES LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chandigarh
Date: 25.08.2017

For Sharma Sarin & Associates

Sd/-
P. D. Sharma
Partner
FCS 2285, CP No. 2692

Annexure 4

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

Your Company has always been conscious of the need to conserve energy and reduce the cost of production. Upgraded new Chillers have been installed in the core production areas which not only provide increased cooling efficiency for controlled areas but are also energy saving.

B. TECHNOLOGY ABSORPTION

Research and Development (R&D)

(a) Specific areas in which Research and Development is carried out by the Company: -

R & D has been carried out in areas of

1. Improvement on product quality.
2. Innovation in manufacturing process to increase yields and reduce reaction time to enhance productivity.

(b) Benefits derived as a result of above R & D:

R & D efforts at Brooks Laboratories Ltd. have yielded positive results, which can be measured from the fast growth of the Company, both in terms of turnover and penetration of geographies.

Generation of Intellectual wealth: Key inventions/ technologies for drug substance synthesis were protected by filing patent applications.

Your Company was able to improve the quality of existing products and develop customer specific materials with stringent specifications, gaining an edge over competition and penetrating global markets.

Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

- Setting up of a new project in Gujarat with world class facilities and infrastructure for development of cost competitive active pharmaceutical ingredients and drug products.
- State-of-the-art development laboratories.
- Further enhancement of technological expertise in the field of complex formulations' manufacturing.

2. Benefits derived as a result of the above efforts:

- These initiatives will result in development of cost effective active pharmaceutical ingredients.
- Speedy introduction of difficult-to-formulate products in all markets upon approval.
- Reduction of raw material cost, time cycle and increased productivity.

Imported Technology: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings: Nil

Foreign Exchange Outgo: Capital Goods - US \$ 1,06,300/-

Place: Mumbai

Date: 02.09.2017

For and on Behalf of the Board
For Brooks Laboratories Limited

Sd/-
Atul Ranchal
(Chairman)
DIN: 01998361

Annexure 5
Form AOC – 2

Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contract / arrangements entered in to by the Company with the related parties referred to in sub-Section 188 (1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered in to by the Company during the year ended 31st March, 2017, which were not at arm's length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

There were no material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2017.

Information about the transactions with Related Parties are presented in Note No. 34 in Notes to the Financial Statement.

For and on behalf of the Board
For **Brooks Laboratories Limited**

Place: Mumbai
Date: 02.09.2017

Sd/-
Mr. Atul Ranchal
Chairman
(DIN:1998361)

Annexure 6

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17:

Name	Designation	Ratio to Median Remuneration
Mr. Atul Ranchal	Chairman	100.00:1
Mr. Rajesh Mahajan	Managing Director	100.00:1
Dr. D.S. Maity	Whole-time Director	17.75:1

Apart from above directors, there were three Independent Directors who were paid sitting fees for attending the Meetings.

- ii) Increase in remuneration of any Director, Chief Financial Officer and Company Secretary during the financial year 2016-17.

Name	Designation	% increase in remuneration
Atul Ranchal	Chairman	No Change
Rajesh Mahajan	Managing Director	No Change
Dr. D.S. Maity	Whole-time Director	21.37%
Anil Kumar Pillai	Chief Financial Officer	12.10%
Jyoti Sancheti	Company Secretary	Not applicable

- iii) The median remuneration of employees during the financial year 2016-17 is increased to Rs. 8000 as compared to the last financial year 2015-16 was Rs. 7000.

- iv) The number of permanent employees on the rolls of the Company as on 31st March, 2017 was 329 employees.

- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 and its comparison with the increase in the managerial remuneration for the same financial year.

(Amount in Rs. lakhs)

Remuneration paid to employees excluding managerial personnel for the FY 2015-16	Remuneration paid to employees excluding managerial personnel for the FY 2016-17	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2015-16	Remuneration paid to managerial personnel for the FY 2016-17	(%) change in remuneration paid to managerial personnel
592.04	776.04	31.08	188.04	209.25	11.28

- vi) It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

Annexure 7
Form No. MGT-9
Extract of Annual Return
(As on the financial year ended on 31st March, 2017)
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]
I. Registration and Other Details:

1. CIN : L24232HP2002PLC000267
2. Registration Date : 23rd January, 2002
3. Name of the Company : Brooks Laboratories Limited
4. Category : Company limited by shares
5. Sub-Category of the Company : Indian Non-Government Company
6. Address of the Registered office & contact details : Village Kishanpura, Nalagarh Road
Baddi, Distt. Solan, Himachal Pradesh
Tel.: 01795-654001/02/03
Fax: 01795-236939
Email id: investors@brookslabs.net
Website: www.brookslabs.net
7. Whether listed company :Yes
8. Name, Address and Contact details of Registrar and Transfer Agent: Link In Time India Private Limited
C-101, 247 Park,L.B.S.Marg,
Vikhroli (W),Mumbai- 400083
Tel: 022- 49186000, Fax: 022- 49186060
Email: rnt.helpdesk@linkintime.co.in

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Name and Description of main products / services	NIC Code of the Product/ Service	% of total turnover of the Company
Pharmaceuticals	210	100%

III. Particulars of Holding, Subsidiary and Associate Companies

The Company does not have any Holding, Subsidiary and Associate Companies

i. Indian	1001408	0	1001408	6.19	986776	0	386776	6.10	-0.09
ii. Overseas									
(b)									
Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	3330922	6015	3336937	20.61	3312143	2005	3314148	20.47	-0.14
Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1384962	0	1384962	8.55	1149423	0	1149423	7.10	-1.45
(c) Any Other									
i Non Resident Indians (Repat)	94518	0	94518	0.58	91932	0	91932	0.57	-0.01
ii Non Resident Indians (Non Repat)	35399	0	35399	0.21	15223	0	15223	0.09	-0.12
iii Clearing Member	319967	0	319967	1.98	398022	0	398022	2.46	0.48
iv Hindu Undivided Family	200781	0	200781	1.24	380091	0	380091	2.35	1.11
v Office Bearers	401	0	401	0.01	401	0	401	0.01	0.00
Sub Total (B)(2)	6368358	6015	6374373	39.38	6334011	2005	6336016	39.14	-0.23
Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	6368458	6015	6374473	39.38	6372468	2005	6374473	39.38	0.00
Total (A)+(B)	16180407	6015	16186422	100	16184417	2005	16186422	100	0.00

(C)	Shares held by custodians and against which Depository Receipts have been issued											
i	Promoter and Promoter group											
ii	Public											
-	Sub Total (C)											
	GRAND TOTAL (A)+(B)+(C)	16180407	6015	16186422	100	16184417	2005	16186422	100			0.00

Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Share Pledged/e nced to total shares	No. of Shares	% of total Shares of the Company	% of Share Pledged/e nced to total shares	
1.	Mr. Atul Ranchal	4113071	25.41	-	4113071	25.41	-	-
2.	Mr. Rajesh Mahajan	3493151	21.58	-	3493151	21.58	-	-

(iii) Change in Promoters' Shareholding

During the financial year 2016 – 17 there was no change in Promoter's Shareholding.

(iv) Shareholding Pattern of top ten Shareholders (other than directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. shares at the beginning 01.04.2016	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Indianivesh Securities Limited	116908	0.7223				116908	0.7223
				08.04.2016	2302	Bought	119210	0.7365
				15.04.2016	1141	Bought	120351	0.7435
				22.04.2016	7600	Bought	127951	0.7905
				06.05.2016	11000	Bought	138951	0.8584
				13.05.2016	8147	Bought	147096	0.9088
				20.05.2016	8828	Bought	155924	0.9633
				27.05.2016	56034	Bought	211958	1.3095
				03.06.2016	20361	Bought	232319	1.4353
				10.06.2016	(6839)	Sold	225480	1.3930
				17.06.2016	118390	Bought	343870	2.1244
				24.06.2016	65624	Bought	409494	2.5299

				30.06.2016	(220762)	Sold	188732	1.1660
				01.07.2016	(27903)	Sold	160829	0.9936
				08.07.2016	(160000)	Sold	829	0.0051
				15.07.2016	17207	Bought	18036	0.1114
				22.07.2016	86136	Bought	104172	0.6436
				29.07.2016	18670	Bought	122842	0.7589
				05.08.2016	(1190)	Sold	121652	0.7516
				12.08.2016	3931	Bought	125583	0.7759
				19.08.2016	66249	Bought	191832	1.1851
				26.08.2016	4514	Bought	196346	1.2130
				02.09.2016	739	Bought	197085	1.2176
				09.09.2016	(20236)	Sold	176849	1.0926
				16.09.2016	2056	Bought	178905	1.1053
				23.09.2016	(3210)	Sold	175695	1.0854
				30.09.2016	(175531)	Sold	164	0.0010
				07.10.2016	49035	Bought	49199	0.3040
				14.10.2016	14324	Bought	63523	0.3924
				21.10.2016	(12089)	Sold	51434	0.3178
				28.10.2016	22722	Bought	74156	0.4581
				04.11.2016	(478)	Sold	73678	0.4552
				11.11.2016	(57167)	Sold	16511	0.1020
				18.11.2016	38522	Bought	55033	0.3400
				25.11.2016	12598	Bought	67631	0.4178
				02.12.2016	20084	Bought	87715	0.5419
				09.12.2016	(14424)	Sold	73291	0.4528
				16.12.2016	2100	Bought	75391	0.4658
				23.12.2016	26000	Bought	101391	0.6264
				30.12.2016	(10381)	Sold	91010	0.5623
				06.01.2017	(42726)	Sold	48284	0.2983
				13.01.2017	(47298)	Sold	986	0.0061
				20.01.2017	31319	Bought	32305	0.1996
				27.01.2017	1865	Bought	34170	0.2111
				03.02.2017	13190	Bought	47360	0.2926
				10.02.2017	132420	Bought	179780	1.1107
				17.02.2017	14429	Bought	194209	1.1998
				24.02.2017	(3066)	Sold	191143	1.1809
				03.03.2017	(34)	Sold	191109	1.1807
				10.03.2017	10276	Bought	201385	1.2442
				17.03.2017	(129802)	Sold	71583	0.4422
				24.03.2017	7726	Bought	79309	0.4900
				31.03.2017	141576	Bought	220885	1.3646
				Closing Balance			220885	1.3646
2.	Indianivesh Capitals Limited	100000	0.6178				100000	0.6178

				30.06.2016	15000	Bought	115000	0.7105
				08.07.2016	160000	Bought	275000	1.6990
				15.07.2016	46000	Bought	321000	1.9831
				22.07.2016	37000	Bought	358000	2.2117
				21.10.2016	123298	Bought	481298	2.9735
				11.11.2016	12000	Bought	493298	3.0476
				25.11.2016	(50000)	Sold	443298	2.7387
				02.12.2016	(45914)	Sold	397384	2.4550
				09.12.2016	248000	Bought	645384	3.9872
				06.01.2017	(122000)	Sold	523384	3.2335
				13.01.2017	(60000)	Sold	463384	2.8628
				10.02.2017	(127086)	Sold	336298	2.0777
				31.03.2017	(132255)	Sold	204043	1.2606
	Closing Balance			31.03.2016			204043	1.2606
3.	Ambika Anil Raika	160000	0.9885				160000	0.9885
				17.06.2016	2762	Bought	162762	1.0055
				30.06.2016	2238	Bought	165000	1.0194
				07.10.2016	35000	Bought	200000	1.2356
				11.11.2016	(35000)	Sold	165000	1.0194
				25.11.2016	17802	Bought	182802	1.1294
				02.12.2016	(15802)	Sold	167000	1.0317
	Closing Balance			31.03.2016			167000	1.0317
4.	Rajesh Nuwal	0	0.0000				0	0.0000
				17.03.2017	130000	Bought	130000	0.8031
	Closing Balance			31.03.2017			130000	0.8031
5.	Satish Jagannath Aggarwal	99000	0.6116				99000	0.6116
	Closing Balance			31.03.2016			99000	0.6116
6.	Varalakshmi Guttikonda	50000	0.3089				50000	0.3089
				15.07.2016	20000	Bought	70000	0.4325
				29.07.2016	12000	Bought	82000	0.5066
				17.03.2017	16000	Bought	98000	0.6054
	Closing Balance			31.03.2017			98000	0.6054
7.	Sabsons International Pvt. Ltd. Shah	35000	0.2162				35000	0.2162
				30.06.2016	10000	Bought	45000	0.2780
				09.09.2016	236	Bought	45236	0.2795

				25.11.2016	9764	Bought	55000	0.3398
	Closing Balance			31.03.2017			55000	0.3398
8.	Neelima Karlapudi	50000	0.3089				50000	0.3089
	Closing Balance			31.03.2017			50000	0.3089
9.	Brightlight Agency Private Limited	0	0.0000				0	0.0000
				23.09.2016	50000	Bought	50000	0.3089
				14.10.2016	(375)	Sold	49625	0.3066
	Closing Balance			31.03.2017			49625	0.3066
10.	Sai Prasanna Manchineni	0	0.0000				0	0.0000
				22.07.2016	21607	Bought	21607	0.1335
				11.11.2016	5000	Bought	26607	0.1644
				13.01.2017	14951	Bought	41558	0.2567
				10.02.2017	2500	Bought	44058	0.2722
				17.02.2017	5076	Bought	49134	0.3036
	Closing Balance			31.03.2017			49134	0.3036
11.	Steel City Securities Limited	69759	0.4310				69759	0.4310
				08.04.2016	(370)	Sold	69389	0.4287
				15.04.2016	(469)	Sold	68920	0.4258
				22.04.2016	1034	Bought	69954	0.4322
				29.04.2016	(2928)	Sold	67026	0.4141
				06.05.2016	(28202)	Sold	38824	0.2399
				13.05.2016	221	Bought	39045	0.2412
				20.05.2016	(1256)	Sold	37789	0.2335
				27.05.2016	1300	Bought	39089	0.2415
				03.06.2016	(900)	Sold	38189	0.2359
				10.06.2016	764	Bought	38953	0.2407
				17.06.2016	(330)	Sold	38623	0.2386
				24.06.2016	113	Bought	38736	0.2393
				30.06.2016	(703)	Sold	38033	0.2350
				01.07.2016	4758	Bought	42791	0.2644
				08.07.2016	(14829)	Sold	27962	0.1727
				15.07.2016	9030	Bought	36992	0.2285
				22.07.2016	(18691)	Sold	18301	0.1131
				29.07.2016	3441	Bought	21742	0.1343
				05.08.2016	(3030)	Sold	18712	0.1156
				12.08.2016	8050	Bought	26762	0.1653
				19.08.2016	(6234)	Sold	20528	0.1268
				26.08.2016	(568)	Sold	19960	0.1233

				02.09.2016	20175	Bought	40135	0.2480
				09.09.2016	4809	Bought	44944	0.2777
				16.09.2016	959	Bought	45903	0.2836
				23.09.2016	730	Bought	46633	0.2881
				30.09.2016	80	Bought	46713	0.2886
				07.10.2016	601	Bought	47314	0.2923
				14.10.2016	(1463)	Sold	45851	0.2833
				21.10.2016	(5416)	Sold	40435	0.2498
				28.10.2016	(6313)	Sold	34122	0.2108
				04.11.2016	(4819)	Sold	29303	0.1810
				11.11.2016	4406	Bought	33709	0.2083
				18.11.2016	(858)	Sold	32851	0.2030
				25.11.2016	(3532)	Sold	29319	0.1811
				02.12.2016	(2227)	Sold	27092	0.1674
				09.12.2016	2619	Bought	29711	0.1836
				16.12.2016	(534)	Sold	29177	0.1803
				23.12.2016	449	Bought	29626	0.1830
				30.12.2016	(1208)	Sold	28418	0.1756
				06.01.2017	3244	Bought	31662	0.1956
				13.01.2017	(944)	Sold	30718	0.1898
				20.01.2017	335	Bought	31053	0.1918
				27.01.2017	765	Bought	31818	0.1966
				03.02.2017	(6200)	Sold	25618	0.1583
				10.02.2017	(9209)	Sold	16409	0.1014
				17.02.2017	14602	Bought	31011	0.1916
				24.02.2017	50	Bought	31061	0.1919
				03.03.2017	2425	Bought	33486	0.2069
				10.03.2017	(2911)	Sold	30575	0.1889
				17.03.2017	3077	Bought	33652	0.2079
				24.03.2017	5092	Bought	38744	0.2394
				31.03.2017	8321	Bought	47065	0.2908
				31.03.2017			47065	0.2908
12.	Angel Broking Private Limited	64235	0.3968				64235	0.3968
				01.04.2016	(200)	Sold	64035	0.3956
				08.04.2016	(639)	Sold	63396	0.3917
				15.04.2016	(581)	Sold	62815	0.3881
				22.04.2016	(5721)	Sold	57094	0.3527
				29.04.2016	65	Bought	57159	0.3531
				06.05.2016	(1804)	Sold	55355	0.3420
				13.05.2016	(12556)	Sold	42799	0.2644
				20.05.2016	(1483)	Sold	41316	0.2553
				27.05.2016	(645)	Sold	40671	0.2513
				03.06.2016	(1689)	Sold	38982	0.2408

				10.06.2016	11866	Bought	50848	0.3141
				17.06.2016	(2436)	Sold	48412	0.2991
				24.06.2016	(1226)	Sold	47186	0.2915
				30.06.2016	(3047)	Sold	44139	0.2727
				01.07.2016	(125)	Sold	44014	0.2719
				08.07.2016	4772	Bought	48786	0.3014
				15.07.2016	(3978)	Sold	44808	0.2768
				22.07.2016	(10616)	Sold	34192	0.2112
				29.07.2016	7487	Bought	41679	0.2575
				05.08.2016	(8295)	Sold	33384	0.2062
				12.08.2016	2642	Bought	36026	0.2226
				19.08.2016	(1616)	Sold	34410	0.2126
				26.08.2016	1126	Bought	35536	0.2195
				02.09.2016	2458	Bought	37994	0.2347
				09.09.2016	3436	Bought	41430	0.2560
				16.09.2016	1436	Bought	42866	0.2648
				23.09.2016	5744	Bought	48610	0.3003
				30.09.2016	272	Bought	48882	0.3020
				07.10.2016	632	Bought	49514	0.3059
				14.10.2016	(5193)	Sold	44321	0.2738
				21.10.2016	1034	Bought	45355	0.2802
				28.10.2016	928	Bought	46283	0.2859
				04.11.2016	9338	Bought	55621	0.3436
				11.11.2016	(5457)	Sold	50164	0.3099
				18.11.2016	822	Bought	50986	0.3150
				25.11.2016	(2347)	Sold	48639	0.3005
				02.12.2016	(5871)	Sold	42768	0.2642
				09.12.2016	(1245)	Sold	41523	0.2565
				16.12.2016	(8229)	Sold	33294	0.2057
				23.12.2016	(6133)	Sold	27161	0.1678
				30.12.2016	(3132)	Sold	24029	0.1485
				31.12.2016	(100)	Sold	23929	0.1478
				06.01.2017	(589)	Sold	23340	0.1442
				13.01.2017	(2406)	Sold	20934	0.1293
				20.01.2016	(936)	Sold	19998	0.1235
				27.01.2017	2313	Bought	22311	0.1378
				03.02.2017	2248	Bought	24559	0.1517
				10.02.2017	9974	Bought	34533	0.2133
				17.02.2017	2799	Bought	37332	0.2306
				24.02.2017	(839)	Sold	36493	0.2255
				03.03.2017	(377)	Sold	36116	0.2231
				10.03.2017	(1900)	Sold	34216	0.2114
				17.03.2017	1883	Bought	36099	0.2230
				24.03.2017	(2241)	Sold	33858	0.2092
				31.03.2017	1084	Bought	34942	0.2159

	Closing Balance			31.03.2017			34942	0.2159
13.	Challa Rama Krishna Reddy	145000	0.8958				145000	0.8958
				22.04.2016	(4021)	Sold	140979	0.8710
				29.04.2016	(35046)	Sold	105933	0.6545
				06.05.2016	(40216)	Sold	65717	0.4060
				13.05.2016	(30717)	Sold	35000	0.2162
				24.06.2016	(16057)	Sold	18943	0.1170
				30.06.2016	(14641)	Sold	4302	0.0266
				07.07.2016	(4302)	Sold	0	0.0000
	Closing Balance			31.03.2017			0	0.0000
14.	Challa Corporation Ltd.	90000	0.5560				90000	0.5560
				13.05.2016	(29075)	Sold	60925	0.3764
				20.05.2016	(17925)	Sold	43000	0.2657
				27.05.2016	(9500)	Sold	33500	0.2070
				03.06.2016	(14830)	Sold	18670	0.1153
				10.06.2016	(18670)	Sold	0	0.0000
	Closing Balance			31.03.2017			0	0.0000
15.	Mehul Jadavji Shah	83000	0.5128				83000	0.5128
				05.08.2016	(22000)	Sold	61000	0.3769
				12.08.2016	(13000)	Sold	48000	0.2965
				26.08.2016	(4000)	Sold	44000	0.2718
				09.09.2016	(16000)	Sold	28000	0.1730
				23.09.2016	(10000)	Sold	18000	0.1112
				30.09.2016	(5000)	Sold	13000	0.0803
				07.10.2016	(5000)	Sold	8000	0.0494
				14.10.2016	(2000)	Sold	6000	0.0371
				21.10.2016	(4000)	Sold	2000	0.0124
				28.10.2016	(2000)	Sold	0	0.0000
	Closing Balance			31.03.2017			0	0.0000
16.	Namita Bhandare	70000	0.4325				70000	0.4325
				15.07.2016	(70000)	Sold	0	0.0000
	Closing Balance			31.03.2017			0	0.0000

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No	For each of the Directors and KMP	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2015)/ end of the year 31.03.2016	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Atul Ranchal, Chairman	4113071	25.41				4113071	25.41
2.	Mr. Rajesh Mahajan, Managing Director	3493151	21.58				3493151	21.58
3.	Dr. D.S. Maity, Executive Director	3000	0.02				3000	0.02
4.	Deepak Mahajan, Independent Director	438	0.003				438	0.003

None of the other Directors and Key Managerial Personnel hold any shares in the Company.

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	528.36			528.36
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	528.36			528.36
Change in Indebtedness during the financial year				
• Addition	1259.51			1259.51
• Reduction	528.36			528.36

Net Change	731.15			731.15
Indebtedness at the end of the financial year				
i) Principal Amount	1259.51			1259.51
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	1259.51			1259.51

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Director and/or Manager

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of the MD/ WTD/ Manager			Total Amount
		Atul Ranchal	Rajesh Mahajan	D.S. Maity	
1.	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) of the Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	96.00	96.00	17.04	209.04
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - As % of profit Others, please specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total A	96.00	96.00	17.04	209.04
	Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)				

B. Remuneration of Other Directors

(Rs in lacs)

Sr. No.	Particulars of Remuneration	Name of the Directors			Total Amount
		Rajnish Kumar Bedi	Deepak Mahajan	Sonia Gupta	
1.	Independent/Non-Executive Directors				
	Fee for attending board/ committee meetings	0.80	0.80	0.80	2.40
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total B	0.80	0.80	0.80	2.40
	Total Managerial Remuneration (A+B)				211.44
	Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)				

Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Anil Kumar Pillai	Jyoti Sancheti	
1.	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) of the Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	11.12	5.64	16.76
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission - As % of profit Others, please specify	-	-	
5.	Others, please specify			
	Total	11.12	5.64	16.76

VII. Penalties/Punishment/ Compounding of Offences

There were no penalties, punishment or compounding of offence for breach of any provisions of the Companies Act, 2013 by the Company during the year under review.

Independent Auditor's Report

To the Members of Brooks Laboratories Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Brooks Laboratories Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the Financial Statements, that give a true and fair view, 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 the Company's Directors, 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 on the Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the Company as at 31st March 2017, its profit and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
 - a) We have sought and 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 aforesaid Financial Statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
 - e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in **Annexure B**"; and
 - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements. (Refer Note no. 28 (ii) of Financial Statements)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to

30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 37

For S G C O & Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 29th May, 2017

Annexure to Auditor's Report

Annexure "A" to Independent Auditor's Report

Annexure referred to in Paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the accounts of **Brooks Laboratories Limited** for the year ended 31st March 2017.

As required by the Companies (Auditors Report) Order, 2016 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the Company and the nature of its assets. In accordance with this program certain fixed assets were verified during the year. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified by the management during the year at reasonable intervals. Discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) a) During the year the Company has not granted any Loan, secured or unsecured, to any party covered in the registered maintained under section 189 of the Companies Act, 2013.
- b) In view of our comments in para (iii) (a) above, clauses 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, section 185 of the Companies Act, 2013 is not applicable, since the Company has not granted any loan during the year. With regards to investments in securities of other body corporates, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public
- (vi) As per explanation & information given to us, the Company has maintained proper cost records pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013. However, the same have not been reviewed by us.
- (vii) a) According to the records of the Company, amount deducted/accrued in the books of accounts in respect of the undisputed statutory dues including Provident Fund, Employee's State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other Statutory Dues to the extent applicable to the Company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2017 for a period more than six months from the date they became payable.

- b) According to the information and explanations given to us, disputed dues of Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, and Value Added Tax which have not been deposited on account of disputes with the relevant authorities are as under.

Nature of Liability	Amount (Rs. in lacs)	Period to which matter pertains	Forum at which dispute is pending
Income Tax	1,400.72	A.Y 2012-13	Income Tax Appellate Tribunal
Income Tax	339.51	A.Y 2013-14	Commissioner of Income Tax – Appeals
Income Tax	142.85	A.Y 2014-15	Commissioner of Income Tax – Appeals

- (viii) In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of its dues to banks. The Company did not have any outstanding dues to any financial institution & debenture holders during the year.
- (ix) In our opinion and according to the information and explanation given to us the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year. The Company has applied term loans during the year for the purpose they were obtained.
- (x) According to the information & explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section 188 and 177 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements as required by the “Accounting Standard 18” – Related Party disclosure specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S G C O & Co.LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem No : 44739

Place : Mumbai.

Date : 29th May, 2017

Annexure “B” to the Independent Auditor’s Report of even date on the financial statements of Brooks Laboratories Limited for the year ended 31st March 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Brooks Laboratories Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S G C O & Co.LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date: 29th May, 2017

Brooks Laboratories Limited
Balance Sheet as at 31st March, 2017

(Rs. In Lacs)

Particulars	Notes	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,618.64	1,618.64
Reserves & surplus	3	10,782.02	10,586.37
		12,400.66	12,205.01
Non-current liabilities			
Long-term borrowings	4	1,080.51	34.24
Deferred tax liabilities (Net)	5	248.02	146.09
Long-term provisions	6	97.54	76.18
		1,426.07	256.51
Current liabilities			
Short-term borrowings	7	217.55	528.36
Trade payables	8	1,836.40	1,571.60
Other current liabilities	9	351.70	561.32
Short-term provisions	10	76.80	130.88
		2,482.45	2,792.16
Total		16,309.18	15,253.68
ASSETS			
Non-current assets			
Fixed assets			
i) Tangible assets	11	11,858.96	1,633.56
ii) Capital work-in-progress	11	-	8,685.84
Non-current investments	12	2.00	2.00
Long-term loans and advances	13	2,047.39	1,938.27
		13,908.35	12,259.67
Current assets			
Inventories	14	769.90	668.90
Trade receivables	15	1,149.17	1,891.43
Cash and bank balances	16	183.68	222.58
Short-term loans and advances	17	286.96	189.33
Other current assets	18	11.12	21.77
		2,400.83	2,994.01
Total		16,309.18	15,253.68

See accompanying Notes to the financial statements

1 to 39

As per our report of even date attached

For S G C O & Co. LLP
Chartered Accountants

Sd/-

Suresh Murarka
Partner
Mem. No. 44739

Place : Mumbai

Date: May 29, 2017

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal
Chairman

Din : 01998361

Sd/-

Anil Kumar Pillai
CFO

Place : Mumbai

Date: May 29, 2017

Sd/-

Rajesh Mahajan
Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti
Company Secretary

Brooks Laboratories Limited
Statement of Profit and Loss for the Year ended 31st March, 2017

Particulars	Notes	(Rs. In Lacs)	
		Year ended 31st March 2017	Year ended 31st March 2016
INCOME			
Revenue from operations (Gross)	19	6,484.30	8,000.94
Less: Excise Duty		730.32	
Revenue from operations (Net)		5,753.98	8,000.94
Other income	20	12.27	156.10
Total Revenue		5,766.25	8,157.04
EXPENSES			
Cost of materials consumed	21	3,664.91	5,259.54
Changes in inventories of finished goods, work - in progress	22	1.34	34.67
Employee benefits expense	23	820.95	707.86
Finance costs	24	100.94	79.44
Depreciation	11	167.20	116.00
Other expenses	25	704.78	890.52
Total Expenses		5,460.12	7,088.03
Profit before exceptional items and tax		306.13	1,069.01
Add/(Less) :			
Exceptional items	26	-	12.88
Profit before tax		306.13	1,081.89
Less : Tax expenses			
- Current tax		66.61	242.06
- MAT credit (Entitlement)/Utilised		(62.36)	(245.27)
- Deferred tax		101.91	13.21
- Tax of earlier years		4.32	8.55
Profit for the year		195.65	1,063.34
Earnings per equity share	27		
(Nominal value of share Rs.10 (PY Rs.10))			
- Basic		1.21	6.57
- Diluted		1.21	6.57

See accompanying Notes to the financial statements

1 to 39

As per our report of even date attached

For S G C O & Co. LLP

Chartered Accountants

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Anil Kumar Pillai

CFO

Place : Mumbai

Date: May 29, 2017

Sd/-

Jyoti Sancheti

Company Secretary

Place : Mumbai

Date: May 29, 2017

Brooks Laboratories Limited
Cash Flow Statement for the Year ended 31st March, 2017

(Rs. In Lacs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
A. Cash Flow from Operating Activities		
Net Profit before exceptional items & taxation	306.13	1,069.01
Adjustment for:		
Depreciation on fixed assets	167.20	116.00
Interest Expense	87.68	79.44
Interest income	(10.84)	(128.67)
Dividend received	(0.20)	(0.20)
Operating profit before working capital changes	549.98	1,135.58
Adjustment for:		
(Increase) / Decrease in inventories	(100.99)	84.49
(Increase) / Decrease in trade receivables	742.27	38.02
(Increase) / Decrease in short term loans and advances	(97.64)	(92.38)
(Increase) / Decrease in long term loans and advances	(49.23)	-
(Increase) / Decrease in other current assets	10.66	125.25
Increase / (Decrease) in trade payable	264.80	(311.96)
Increase / (Decrease) in provisions	22.71	11.27
Increase / (Decrease) in other current liabilities	(209.62)	360.38
Cash generated from operations	1,132.94	1,350.65
Direct tax paid	(172.81)	(538.62)
Net cash flow from operating activities	960.13	812.03
B. Cash flow from investing activities		
Purchase of fixed assets	(1,762.54)	(167.40)
Addition to capital work-in-progress	-	(3,423.43)
Sale of fixed assets	55.77	-
Investment in fixed deposits	15.96	1,957.45
Capital Advances	48.94	148.32
Interest income	10.84	128.67
Dividend received	0.20	0.20
Net cash inflow / outflow from investment activities	(1,630.83)	(1,356.19)
C. Cash Flow from financing activities		
Proceeds from long term borrowing	1,046.27	34.24
Proceeds from short term borrowing	(310.81)	477.11
Finance cost	(87.68)	(79.44)
Net cash flow from / (used in) financing activities	647.77	431.91

Net increase / (decrease) in cash and cash equivalents	(22.93)	(112.25)
Cash and cash equivalents at the beginning of the year	36.90	149.15
Cash and cash equivalents at the end of the year	13.97	36.90

Cash and Cash Equivalents at the end of the year consists of cash in hand and balances with banks are as follows :

Particulars	(Rs. In Lacs)	
	As at 31st March, 2017	As at 31st March, 2016
Cash in Hand	1.86	1.31
Balances with Banks	12.11	35.59
	13.97	36.90

Previous year's figures have been regrouped and rearranged wherever necessary in order to confirm to current year's classification.

As per our Report of even date attached

For S G C O & Co.LLP
Chartered Accountants

Sd/-

Suresh Murarka
Partner
Mem. No. 44739

Place : Mumbai
Date: May 29, 2017

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal
Chairman
Din : 01998361

Sd/-

Anil Kumar Pillai
CFO

Place : Mumbai
Date: May 29, 2017

Sd/-

Rajesh Mahajan
Managing Director
Din : 02000634

Sd/-

Jyoti Sancheti
Company Secretary

Brooks Laboratories Limited**Accompanying notes to the financial statements for the year ended March 31, 2017**

Note 1 : Significant Accounting Policies:**A Company Background**

Brooks Laboratories Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and was incorporated on 23rd January, 2002. Its shares are listed on BSE & NSE in India. The Company has a manufacturing plant at Baddi, Himachal Pradesh and recently company has also set up a plant at Vadodara, Gujarat. The Company is a pharmaceutical manufacturing company working on contract basis.

B Basis of Accounting:

a) The Financial Statements have been prepared in compliance with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

b) Financial Statements are based on historical cost convention and are prepared on accrual basis.

C Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period.

Difference between actual results and estimates are recognized in the periods in which the results are known / materialize.

D Revenue Recognition

- i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.
- ii) Sales are recognised when all significant risks and rewards of ownership of the goods are passed on to the buyer i.e. on dispatch of goods to the buyer.
- iii) Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.
- iv) Dividend income is recognised when right to receive the same is established.

E Fixed Assets:

Fixed Assets are stated at actual cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

F Impairment of Fixed Assets

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets". Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

G Depreciation:

Depreciation on Fixed Assets has been provided on 'Straight Line Method' as per the useful life and in the manner prescribed in the Schedule II of the Companies Act, 2013.

H Inventories:

Inventories are valued as follows:

- i) Finished Goods are valued at lower of cost or net realisable value.

- ii) Raw Material are valued at lower of cost or net realisable value.
- iii) Packing Materials are valued at cost or net realisable value.
- iv) Work in process is valued at lower of cost or net realisable value.
Cost is arrived at on weighted average cost method.

I Investments

Investments that is intended to be held for more than a year from the date of acquisition are classified as long term investments and are carried at cost less any provision for other than temporary diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

J Employee Benefits

- i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- ii) Retirement benefits in the form of Gratuity & Leave Encashment are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.

K Provisions and Contingent Liabilities

i) Provisions are recognized in terms of Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets in accordance with the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

ii) Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

iii) Contingent Liabilities are disclosed by way of notes.

L Foreign Currency Transactions

- i) The transactions in foreign currencies on revenue accounts are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange, prevailing on the date of transaction and the date of realisation are recognised as Income or Expenses.
- iii) Differences on translation of Current Assets and Current Liabilities remaining unsettled at the year-end are recognised as Income or Expenses.

M Borrowing Costs

Borrowing costs are recognized as an expense in the period in which they are incurred except the borrowing costs attributable to the acquisition/ construction of qualifying assets which are capitalized as a part of the cost of the fixed assets, up to the date, the assets are ready for its intended use.

N Accounting for Taxation of Income

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred tax assets are reviewed as at each Balance Sheet date.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

O Miscellaneous Expenditure

Preliminary expenses are amortised in the year in which they are incurred.

Brooks Laboratories Limited
Accompanying notes to the financial statements for the Year Ended 31st March, 2017
Note 2 : Share capital
a) Details of authorised, issued and subscribed share capital

Particulars	(Rs. In Lacs)	
	As at 31st March, 2017	As at 31st March, 2016
Authorised Capital 20,000,000 Equity Shares of Rs.10/- each	2,000.00	2,000.00
Issued, Subscribed and Fully Paid Up 16,186,422 Equity shares of Rs. 10/- each fully paid up	1,618.64	1,618.64
	1,618.64	1,618.64

b) Terms & Conditions

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shareholders having more than 5 % shareholding

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	% holding	No. of Shares	% holding
Atul Ranchal	4,113,071	25.41%	4,113,071	25.41%
Rajesh Mahajan	3,493,151	21.58%	3,493,151	21.58%

d) Reconciliation of number of shares

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	Amount (in Rs. lacs)	No. of Shares	Amount (in Rs. lacs)
Equity Shares				
Shares outstanding at the beginning of the year	16,186,422	1,618.64	16,186,422	1,618.64
Shares Issued during the year	-	-	-	-
Outstanding at the end of the year	16,186,422	1,618.64	16,186,422	1,618.64

Note 3 : Reserves & surplus

Particulars	As at 31st March, 2017	As at 31st March, 2016
A) Securities premium		
Opening Balance	5,341.40	5,341.40
Less : Expenses related to Initial Public Offer	-	-
Closing Balance Total - A	5,341.40	5,341.40
B) Surplus in the Statement of Profit and Loss		
Opening Balance	5,244.97	4,181.63
Add : Profit for the year	195.65	1,063.34
Closing Balance Total - B	5,440.62	5,244.97
TOTAL	10,782.02	10,586.37

Note 4 : Long- term borrowings

Particulars	As at 31st March, 2017	As at 31st March, 2016
Secured		
Term Loan from Banks	1,041.96	-
Less: Current maturity of long term debt	56.25	-
	985.71	-
Hire purchase loan		
From Banks	34.24	41.93
Less: Current maturity of long term debt	8.45	7.69
	25.79	34.24
From Others	86.40	-
Less: Current maturity of long term debt	17.39	-
	69.01	-
	1,080.51	34.24

Term Loan from Banks

Rs 1,041.96 lacs (PY Nil) term loan from Indian Bank carries interest @ 10% p.a. The loan is repayable in 32 equal quarterly instalments starting from March, 2018. The loan is secured by hypothecation of Plant and Machinery at Vadodara unit and collaterally secured by Equitable Mortgage of land and building at Vadodara unit. It is further secured by Personal Guarantee of two Directors of the Company.

Hire purchase loan From Banks

Rs 34.24 lacs (PY 41.93 lacs) hire purchase loans from Axis Bank Ltd carries interest @ 9.5% p.a. The loans are repayable in 60 equal monthly instalments starting from November, 2015. The loan is secured by hypothecation of vehicles financed.

Hire purchase loan From Others

Rs 86.40 lacs (PY Nil) hire purchase loans from Kotak Mahindra Prime Ltd carries interest @ 10.67% p.a. The loan is repayable in 60 equal monthly instalments starting from June, 2016. The loan is secured by hypothecation of vehicles financed.

Note 5 : Deferred tax liabilities (Net)

The major components of deferred tax liability / asset as recognized in the financial statement is as follows:

Particulars	As at 31st March, 2017	As at 31st March, 2016
Deferred tax liabilities		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	508.41	174.98
Less : Deferred tax asset		
Provision for employee benefits	36.39	28.89
Unabsorbed Depreciation loss	224.00	-
Deferred tax liabilities (Net)	248.02	146.09

Note 6 : Long-term provisions

Particulars	As at 31st March, 2017	As at 31st March, 2016
Provision for employee benefits:		
Gratuity	72.30	56.57
Leave Encashment	25.24	19.61
	97.54	76.18

Note 7 : Short-term borrowings

Particulars	As at 31st March, 2017	As at 31st March, 2016
Loans repayable on demand		
Secured		
Cash credit facility	217.55	528.36
	217.55	528.36

Secured Loans from Banks includes:

- a. Cash Credit facility from Kotak Mahindra Bank amounting to Rs. 180.27 lacs (PY Rs. 528.36 lacs) is secured by 1st Hypothecation charge on Stocks, Receivable & all current assets and collaterally secured by Equitable Mortgage of Industrial Property at Baddi & Corporate office, Mumbai. It is further secured by Personal Guarantee of Directors of the Company. It carries interest @ (KMBR as on date 9.50%) + 1% with a minimum of 10.5%.
- b. Cash Credit facility from Indian Bank amounting to Rs. 37.28 lacs (PY Nil) is secured by Hypothecation charge on Stocks, WIP and finished goods, book debts/other Receivables of Vadodara unit and collaterally secured by Equitable Mortgage of land and building at Vadodara. It is further secured by Personal Guarantee of two Directors of the Company. It carries interest @ MCLR- 1 year (8.60%) + 1.40% i.e. 10%.

Note 8 : Trade payables

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Due to Micro Small and Medium Enterprises	54.40	5.40
	Others	1,782.00	1,566.20
		1,836.40	1,571.60

Notes : The information regarding dues to Micro Small and Medium Enterprises have been determined on the basis of information available with the company.

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	The principal amount remaining unpaid to any supplier as at the end of accounting year;	54.40	5.40
	The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
	The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note : Interest paid or payable by the Company on the aforesaid principal amount has been waived by the concerned suppliers.

Note 9 : Other current liabilities

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Current maturities of long term debt	82.09	7.69
	Interest accrued but not due on borrowings	0.79	0.17
	Salary & wages payable	66.97	62.08
	Duties & taxes payable	34.65	43.96
	Advance from customers	35.08	23.58
	Payable for capital goods	100.13	376.67
	Retention amount	31.99	47.17
		351.70	561.32

Note 10 : Short-term provisions

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Provision for employee benefits:		
	Gratuity	8.96	7.97
	Leave encashment	3.55	3.18
	Others:		
	Provision for taxation (net of advance tax)	64.29	119.73
		76.80	130.88

Brooks Laboratories Limited

Accompanying notes to the financial statements for the Year ended March 31, 2017

Note 11: FIXED ASSETS

(Rs. in Lacs)

Particulars	Gross Block			Depreciation			Net Block			
	As at 1-Apr-2016	Additions during the year	Deductions during the year	As at 31-Mar-2017	Upto 31-Mar-2016	Provided for the year	Adjustments / (Deductions)	Up to 31-Mar-2017	WDV as on 31.03.2017	WDV as on 31.03.2016
Tangible Assets										
Land	132.68	991.29	55.77	1,068.20	-	-	-	-	1,068.20	132.68
Factory Building	351.92	4,132.57	-	4,484.49	112.36	21.26	-	133.63	4,350.86	239.56
Office Building	437.70	21.98	-	459.68	21.11	7.32	-	28.43	431.25	416.60
Plant and Machinery	954.76	4,562.36	-	5,517.12	309.36	75.46	-	384.82	5,132.29	645.40
Lab Equipment's Electrical	14.92	-	-	14.92	8.16	1.71	-	9.87	5.05	6.76
Equipment Furniture & Fixtures	15.28	448.62	-	463.90	7.10	4.87	-	11.97	451.93	8.18
Vehicles	68.01	84.99	-	153.00	34.44	8.76	-	43.20	109.80	33.57
Office Equipment	188.69	127.82	-	316.51	106.92	28.15	-	135.08	181.43	81.77
Computer	24.79	17.58	-	42.38	14.17	5.44	-	19.62	22.76	10.62
Generator	26.77	18.23	-	45.01	20.11	6.78	-	26.90	18.11	6.66
Air Conditioner	41.20	-	-	41.20	17.52	3.31	-	20.84	20.36	23.67
Server	45.22	-	-	45.22	17.13	3.64	-	20.76	24.45	28.09
	-	42.94	-	42.94	-	0.49	-	0.49	42.45	-
SUB TOTAL (A)	2,301.95	10,448.38	55.77	12,694.56	668.40	167.20	-	835.60	11,858.96	1,633.56
(Previous Year)	2,133.58	168.38		2,301.95	565.27	116.00	(12.88)	668.40	1,633.56	

(Rs. In Lacs)				
Capital Work-in-Progress				
Particulars	As at 1-Apr-2016	Additions during the year	Deductions during the year	As at 31-Mar-2017
Land	919.45	71.84	991.29	-
Building Under Construction	3,560.29	194.03	3,754.33	-
Office Building	-	36.22	36.22	
Plant and Machinery	3,560.51	559.99	4,120.51	-
Electrical Equipment	123.49	64.11	187.60	-
Furniture & Fixtures	23.41	30.41	53.82	-
Office Equipment	31.53	27.93	59.46	-
Computer	8.65	-	8.65	-
Pre Operative Expenses	458.50	594.05	1,052.55	-
SUB TOTAL (B)	8,685.84	1,578.58	10,264.42	-
(Previous Year)	5,286.46	3,400.36	0.98	8,685.84

Note 12 : Non - current investments

Particulars	As at 31st March, 2017	As at 31st March, 2016
Unquoted, Non trade investments, (valued at cost, unless stated otherwise)		
<u>Investment in Equity Instruments</u>		
Shivalik Solid Waste Management Limited		
20,000 Equity Shares of Rs. 10/- each fully paid up	2.00	2.00
	2.00	2.00

Particulars	As at 31st March, 2017	As at 31st March, 2016
Aggregate value of unquoted investments	2.00	2.00

Note 13 : Long-term loans and advances

(Unsecured, considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Capital advances	119.83	168.77
Security deposits	194.51	208.75
Balances with Government authorities	345.70	282.23
MAT credit entitlement	959.52	897.14
Advance Tax & TDS (Net of Provisions)*	427.83	381.38
	2,047.39	1,938.28

* includes Rs.404.41 (P.Y. Rs. 357.96) paid against income tax dispute (Refer Note no. 28 (iii)(b))

Note 14 : Inventories

(Valued at lower of cost or net realisable value)

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Raw materials	474.74	357.47
	Packing materials	173.48	188.41
	Work-in-process	87.77	44.00
	Finished goods	33.91	79.02
		769.90	668.90

Note 15 : Trade receivables

(Unsecured, considered good)

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Outstanding for a period exceeding six months from the date they are due for payment	432.31	349.97
	Others	716.86	1,541.46
		1,149.17	1,891.43

Note 16 : Cash and bank balances

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Cash & cash equivalents		
	Balances with banks		
	Banks - Current A/c	12.11	35.59
	Cash on hand	1.86	1.31
		13.97	36.90
	Other Bank Balances		
	Fixed Deposits with banks to the extent held as margin money	169.71	185.68
		169.71	185.68
		183.68	222.58

**Note 17 : Short-term loans and advances
 (Unsecured, considered good)**

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Advance recoverable in cash or kind	17.75	15.28
	Duties & taxes receivable	49.88	3.56
	Advance given to suppliers	63.54	14.70
	Other receivables	155.79	155.79
		286.96	189.33

Note 18 : Other current assets

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Accrued Interest	4.03	18.09
	Prepaid expenses	7.09	3.68
		11.12	21.77

Note 19 : Revenue from operations

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Sales of drugs	6,484.30	8,000.94
	Less : Excise duty	730.32	-
		5,753.98	8,000.94

Note : W.e.f 2nd June 2016, excise duty has been levied on the product manufactured at baddi unit at Himachal Pradesh which was exempted earlier by central government being backward state.

Note 20 : Other income

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Interest income	10.84	139.06
	Gain / (Loss) on exchange fluctuation	0.06	-
	Dividend from long term investments	0.20	0.20
	Sundry balances written back	-	16.84
	Miscellaneous income	1.17	-
		12.27	156.10

Note 21 : Cost of materials consumed

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	<u>Raw Material (Including Packing Material)</u>		
	Opening stock	545.88	595.69
	Add: Purchases	3,767.25	5,209.73
	Less: Closing stock	648.22	545.88
		3,664.91	5,259.54

Details of materials consumed

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Clavulanate Potassium	842.10	1,616.74
	Amoxicilin Trihydrate	461.00	807.39
	Others	2,361.81	2,835.41
		3,664.91	5,259.54

Details of inventory

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Clavulanate Potassium	250.76	212.18
	Amoxicilin Trihydrate	90.67	41.60
	Others	306.79	292.10
		648.22	545.88

Note 22 : Changes in inventories of finished goods, work - in progress

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Opening inventory		
	- Finished goods	79.02	126.63
	- Work-in-process	44.00	31.06
		123.02	157.69
	Closing inventory		
	- Finished goods	33.91	79.02
	- Work-in-process	87.77	44.00
		121.68	123.02
	Changes in inventories	1.34	34.67

Details of Inventory

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	<u>Finished goods</u>		
	Dry Syrup	5.00	2.19
	Tablets	8.96	38.70
	Injection	19.95	38.13

		33.91	79.02
	<u>Work-in-progress</u>		
	Dry Syrup	9.48	10.73
	Tablets	5.96	2.52
	Injection	72.33	30.75
	Total	87.77	44.00

Note 23 : Employee benefits expense

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Salary, wages and other allowances	558.65	466.17
	Directors remuneration	209.25	188.04
	Contribution to -		
	Provident fund and other funds	37.33	29.71
	Staff welfare expenses	15.73	23.93
		820.95	707.86

Note 24 : Finance costs

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Interest expense :		
	Interest to bank	87.68	74.92
	Bank charges	13.25	4.52
		100.94	79.44

Note 25 : Other expenses

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<u>Manufacturing expenses</u>		
Stores & spares consumed	37.86	29.54
Power & fuel	153.99	204.67
Packing charges	55.51	54.99
Repairs & maintenance:		
- Plant & machinery	13.07	18.50
- Factory building	1.07	6.01
Other factory expenses	28.22	52.67
	289.72	366.39
<u>Administration, selling and distribution expenses</u>		
Rent	6.17	21.97
Insurance expenses	6.85	4.34
Repairs & maintenance		
- Building	5.92	4.21
- Others	2.08	6.02
Legal and professional fees	36.12	33.21
Auditor's remuneration	9.00	9.43
Travelling & conveyance	56.91	45.86
Advertising & sales promotions	48.04	17.17
Commission	133.63	187.41
Transportation, freight & handling charges	20.63	40.27
Exchange Fluctuation loss	-	7.15
Bad debts written off	-	6.98
Expenditure on CSR activities	-	6.09

	Miscellaneous expenses	89.72	134.03
		704.78	890.52

Auditors Remuneration :

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Audit fees	8.40	9.00
	Taxation matters	0.60	0.43
		9.00	9.43

Note 26 : Exceptional items

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Prior Period Items	-	12.88
		-	12.88

Note 27 : Earnings per equity share

In accordance with Accounting Standard 20- Earning Per Share, the computation of earnings per share is set out below :

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Weighted average number of Equity Shares of Rs. 10/- each		
	Number of shares at the end of the year	161.86	161.86
	Weighted average number of Equity Shares outstanding during the year	161.86	161.86
	Weighted average number of Potential Equity Shares outstanding during the year	-	-
	Total number of Equity share for calculating Diluted Earning Per Share	161.86	161.86
	Net Profit after Tax available for Equity shareholders	195.65	1,063.33
	Basic Earning Per Share (in Rs.)	1.21	6.57
	Diluted Earning Per Share (in Rs.)	1.21	6.57

Note 28 : Contingent liabilities

(i) Bank guarantee outstanding Rs. 155.05 lacs (P.Y. Rs. 190.63 lacs).

(ii) Disputed statutory liabilities:

(a) Securities and Exchange Board of India (SEBI) has passed an Adjudication Order on January 12, 2015 against the Company and its directors/officials. As per the said Order, a penalty of Rs 1 crore is imposed on the Company and Rs 10.8 crores on five other persons comprising of three directors and two former officials of the Company. This is on account of certain irregularities/ fraudulent activities in its IPO covering the period from June 2011 to September 2011.

The Company has filed an Appeal against the Order of SEBI before the Securities Appellate Tribunal and awaiting its decision.

(b) Disputed Income Tax demand - matters under appeal : Rs. 1,883.08 lacs (P.Y. Rs. 1,740.23 lacs).

The Company has received Notice of Demand u/s 156 of the Income Tax Act, 1961 for the three assessment years and company has filed an appeal against the same. Details of the same are given as follows :

	A.Y to which matter pertains	Year ended 31st March, 2017		Year ended 31st March, 2016	
		Demand Amount Raised	Stay amount paid	Demand Amount Raised	Stay amount paid
	2012-13	1,400.72	281.96	1,400.72	281.96
	2013-14	339.51	101.00	339.51	76.00
	2014-15	142.85	21.45	-	-
	Total	1,883.08	404.41	1,740.23	357.96

Note 29 : Commitments

(i) Estimated amount of contracts remaining to be executed on capital account (net of advances already made) and not provided for is Rs. 93.82 lacs (P.Y. 65.46 lacs).

(ii) Custom duty against export obligation : Rs. 443.21 lacs (P.Y. Rs. 449.16 lacs).

The Company has obtained license under Export Promotion Capital Goods Scheme (EPCG) for purchase of capital goods on zero percent custom duty. Under the EPCG the Company needs to fulfill certain export obligations, failing which, it is liable for payment of custom duty. Total Export obligations amounts to Rs. 3,127.60 lacs (P.Y. Rs. 3,163.29 lacs) out of which Rs. 1,254.25 lacs needs to be fulfilled within 6 years & Rs. 1,873.35 lacs needs to be fulfilled within 8 years from the date of purchase of respective Capital Goods.

Note 30 : In the opinion of the Board, Current Assets, Loans & Advances are realisable in the ordinary course of business atleast equal to the amount at which they are stated in the

Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

Note 31 : Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’

Actuarial assumption:

	Services Rendered	Year ended 31st March, 2017	Year ended 31st March, 2016
	Salary Growth *	5%	5%
	Discount Rate	7%	8%
	Withdrawal Rate	10%	10%

* The estimates of future salary increases, considered in a actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

	Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Present value of obligation as at the beginning of the year	64.54	22.80	60.64	15.43
	Interest cost	4.60	1.64	4.85	1.23
	Current service cost	12.10	16.87	8.00	12.37
	Past Service cost	1.13	0.65	-	-
	Benefits paid	(1.01)	(10.98)	(3.06)	(8.89)
	Actuarial (gain) / loss on obligation	(0.09)	(2.20)	(5.89)	2.66
	Closing Present value of obligation	81.26	28.79	64.54	22.80

(ii) Actuarial gain/ loss recognised in the Statement of Profit and Loss:

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Actuarial gain/ (loss) for the year obligation	0.09	2.20	5.89	(2.66)
Total (gain)/ loss for the year	0.09	2.20	(5.89)	(2.66)
Actuarial (gain)/ loss recognised during the year.	(0.09)	(2.20)	(5.89)	2.66

(iii) The amounts recognised in the Balance Sheet are as follows:

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of obligation as at the end of the year	81.26	28.79	64.54	22.80
Funded value of assets (unfunded)	(81.26)	(28.79)	(64.54)	(22.80)
Net assets / (liability) recognised in balance sheet	(81.26)	(28.79)	(64.54)	(22.80)

(iv) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	12.10	16.87	8.00	12.37
Past service cost	1.13	0.65	-	-
Interest cost	4.60	1.64	4.85	1.23
Expected return on plan assets	-	-	-	-
Net actuarial (gain) / loss recognized in the year	(0.09)	(2.20)	(5.89)	2.66
Expenses recognised in the statement of profit and loss	17.73	16.97	6.96	16.26

Amounts of Gratuity for the current and previous four year are as follows:

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2012
	Defined benefit obligation	81.26	64.54	60.64	53.53	43.04
	Fair value of Plan assets	-	-	-	-	-
	(Surplus)/deficit in the plan	81.26	64.54	60.64	53.53	43.04
	Actuarial (Gain) / Loss on Plan Obligation	(0.09)	(5.89)	(5.10)	(1.61)	(2.94)
	Actuarial Gain / (Loss) on Plan Assets	-	-	-	-	-

Note 32 : Segment Reporting

The Company is mainly engaged in the business of “Manufacturing of Drugs & Pharmaceutical” and there is no other reportable business segment as per Accounting Standard (AS-17) issued by The Institute of Chartered Accountants of India.

Note 33 : Related Party Disclosures

a. List of Related Parties :

i) Directors

Mr. Atul Ranchal (Wholetime Director)

Mr. Rajesh Mahajan (Managing Director)

Dr. Durga Shankar Maity (Wholetime Director)

ii) Key Managerial Personnel

Mr. Anil Kumar Pillai (Chief Financial Officer)

Mrs. Jyoti Sancheti (Company Secretary)

Mr. Ankit Parekh (Company Secretary) (upto 20 June 2015)

iii) Relative of Directors with whom the Company has entered into transaction

Mrs. Saras Gupta

Mrs. Rajani Ranchal

Mrs. Davinder Kumari

b. Transactions with Related Parties :

	Name of Party	Nature of Transaction	Year ended 31st March, 2017	Year ended 31st March, 2016
	Mr. Atul Ranchal	Director Remuneration	96.07	87.00
		Sitting Fees	1.20	1.00
		Leave Encashment	2.36	-
	Mr. Rajesh Mahajan	Director Remuneration	96.07	87.00
		Sitting Fees	1.20	1.00
		Leave Encashment	2.36	-
	Dr. Durga Shankar Maity	Director Remuneration	17.11	14.04
		Sitting Fees	1.00	1.00
	Mrs. Saras Gupta	Salary	28.87	28.80
		Leave Encashment	0.94	-
	Mrs. Rajani Ranchal	Salary	28.87	28.80
		Leave Encashment	0.88	-
	Mrs. Davinder Kumari	Salary	24.07	24.00
		Leave Encashment	0.63	-
	Mr. Anil Kumar Pillai	Salary	11.19	9.92
	Mr. Ankit Parekh(upto 20 June 2015)	Salary	-	0.93
	Mrs. Jyoti Sancheti	Salary	5.67	2.01

c. Balance Outstanding of Related Parties :

	Name of Party	Nature of Transaction	Year ended 31st March, 2017	Year ended 31st March, 2016
	Mr. Atul Ranchal	Salary & Wages Payable	4.78	7.00
		Sitting fees payable	-	0.90
	Mr. Rajesh Mahajan	Salary & Wages Payable	4.54	6.50
		Sitting fees payable	-	0.90

Dr. Durga Shankar Maity	Salary & Wages Payable	1.01	1.09
	Sitting fees payable	-	0.90
Mrs. Saras Gupta	Salary & Wages Payable	0.11	2.00
Mrs. Rajani Ranchal	Salary & Wages Payable	1.53	2.40
Mrs. Davinder Kumari	Salary & Wages Payable	1.34	2.00
Mr. Anil Kumar Pillai	Salary & Wages Payable	0.88	0.77
Mrs. Jyoti Sancheti	Salary & Wages Payable	0.47	0.47

Note 34 : Operating Lease

Future minimum lease payment under non-cancellable operating leases is as follows:

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Not later than one year	-	4.47
Later than one year and not later than five years	-	0.73
TOTAL	-	5.20

Note 35 : Corporate Social Responsibility

During the year the Company has not incurred expenditure towards CSR activities and has spent Rs.Nil (P.Y. 6.09 lacs) as against Rs. 52.50 lacs (P.Y. Rs.34.61 lacs) as required by section 135 read with Schedule VII of the Companies Act, 2013.

Note 36 : Information pursuant to para 5(viii) of the General Instructions to the Statement of Profit and Loss
(a). Value of Imports on C.I.F Basis:

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Raw Materials	-	293.51
Capital goods	71.93	64.45
TOTAL	71.93	357.96

(b). Consumption of raw materials:

	Particulars	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
		Amount	Percentage	Amount	Percentage
	Imported	-	-	457.06	8.69%
	Indigenous	3,664.91	100%	4,802.49	91.31%
	TOTAL	3,664.91	100%	5,259.55	100%

(c). Stores & spares consumed:

	Particulars	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
		Amount	Percentage	Amount	Percentage
	Indigenous	37.86	100%	29.54	100%
	TOTAL	37.86	100%	29.54	100%

(d). Expenditure in foreign currency (on accrual basis):

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
	Exhibition Expenses	15.53	-
	Foreign Travelling Expenses	2.27	1.04

Note 37 : The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as per notification dated 30th March, 2017 issued by Ministry of Corporate Affairs is as follows :

	Particulars	SBNs	Other denomination notes	Total
	Closing cash in hand as on 08.11. 2016	1.13	1.11	2.24
	(+) Permitted receipts	-	3.53	3.53
	(-) Permitted payments	-	3.23	3.23
	(-) Amount deposited in Banks	1.13	-	1.13
	Closing cash in hand as on 30.12. 2016	-	1.42	1.42

Note 38 : During the month of March 2017, company has commenced its commercial production of Vadodara unit, first sale invoice of Vadodara unit is raised in April, 2017

Note 39 : The Company has re-grouped, reclassified and/or re-arranged previous year's figures, wherever necessary to confirm to current year's classification.

In terms of our report of even date

For S G C O & Co.

Chartered Accountants

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place : Mumbai

Date: May 29, 2017

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Anil Kumar Pillai

CFO

Place : Mumbai

Date: May 29, 2017

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

BROOKS LABORATORIES LIMITED
CIN: L24232HP2002PLC000267

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

Website: www.brookslabs.net, Email id: investors@brookslabs.net

Attendance Slip

DP ID:	
Client ID:	

Folio No.	
No. of Shares held	

Full Name and Address of the Member (IN BLOCK LETTERS): _____

I certify that I am a member/ proxy for the member of the Company.

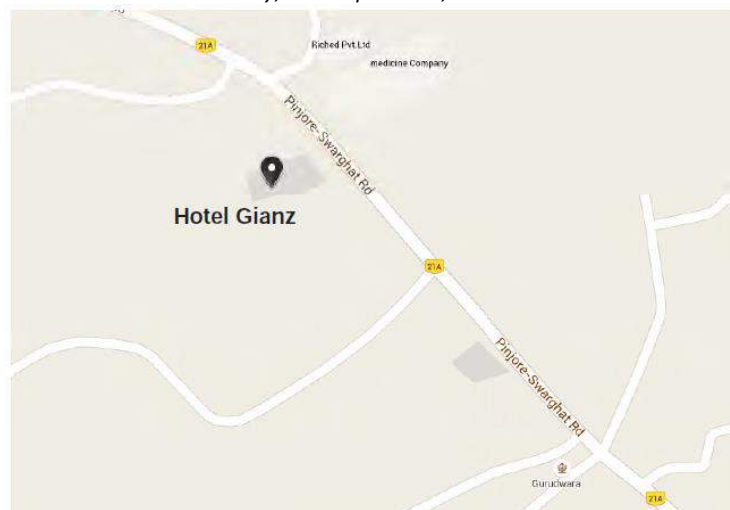
I hereby record my presence at the 15th Annual General Meeting of the Company being held at **HOTEL GIANZ, BADDI-NALAGARH HIGHWAY, NH-21A, BADDI, DISTT. SOLAN, H.P.** at **9.00 A.M., on Thursday, the 28th day of September, 2017.**

Full Name of the Proxy (if any) _____

Signature

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

Route Map for the 15th Annual General Meeting of the Members of Brooks Laboratories Limited to be held at Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh on Thursday, 28th September, 2017 at 9 a.m.



BROOKS LABORATORIES LIMITED**CIN: L24232HP2002PLC000267**

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

Website: www.brookslabs.net, Email id: investors@brookslabs.net**Proxy Form****(Form No. MGT-11)**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered Address: _____

Email Id: _____

Folio No./ DP Id and Client ID: _____

I/We being the member(s) of _____ shares the above named Company hereby appoint

Name: _____ Email Id: _____

Address: _____

_____ Signature:

or failing him/her

Name: _____ Email Id: _____

Address: _____

_____ Signature:

or failing him/her

Name: _____ Email Id: _____

Address: _____

_____ Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 15th Annual General Meeting of the Company to be held **on Thursday, the 28th day of September, 2017 at 9.00 A.M. at HOTEL GIANZ, BADDI-NALAGARH HIGHWAY, NH-21A, BADDI, DISTT. SOLAN, H.P.** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For*	Against*
1.	Adoption of Annual Audited Financial Statement and Reports thereon		
2.	Re-appointment of Mr. Atul Ranchal who retires by rotation		
3.	Appointment of Auditors and fixing of their remuneration		
4.	Ratification of the remuneration of the Cost Auditors		

Signed this.....day of.....2017

Signature.....

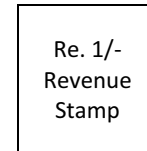
NOTES:

*Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

A Proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.

Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.





A WHO GMP & ISO 9001:2008 Certified Company

CORPORATE OFFICE

502, Kanakia Atrium -2

Next to Hotel Courtyard Marriott
Andheri Kurla Road, Andheri (East),
Mumbai – 400 093

Tel.: 022-61933100

Fax.: 022-61933114

email: investors@brookslabs.net

website: www.brookslabs.net

CIN : L24232HP2002PLC 00026