

**HAFFKINE AJINTHA PHARMACEUTICALS LIMITED**

**HAFFKINE AJINTHA PHARMACEUTICALS LIMITED**

(A SUBSIDIARY OF HAFFKINE BIO-PHARMACEUTICAL CORPN. LTD.)

(A Government of Maharashtra Undertaking)

**THIRTY-SIXTH ANNUAL REPORT**

**2012-2013**

Haffkine Institute Compound,  
Acharya Donde Marg,  
Parel, Mumbai 400 012

36th ANNUAL REPORT

# **HAFFKINE AJINTHA PHARMACEUTICALS LIMITED**

(A SUBSIDIARY OF HAFFKINE BIO-PHARMACEUTICAL CORPN. LTD.)  
(A Government of Maharashtra Undertaking)

## **BOARD OF DIRECTORS**

### **MANAGING DIRECTOR**

SMT. SEEMA VYAS

### **DIRECTOR**

SHRI S. V. SHANKARVAR

### **AUDITORS**

M/S. M. A. CHAVAN & CO.  
CHARTERED ACCOUNTANTS, MUMBAI.

### **BANKERS**

IDBI BANK LTD.

### **REGISTERED OFFICE**

HAFFKINE INSTITUTE COMPOUND,  
ACHARYA DONDE MARG,  
PAREL, MUMBAI - 400012

### **FACTORY**

PLOT NO. B - 4, M. I. D. C. AREA,  
AJINTHA ROAD, MEHRUN,  
JALGAON - 425 003.

# **HAFFKINE AJINTHA PHARMACEUTICALS LIMITED**

(A SUBSIDIARY OF HAFFKINE BIO-PHARMACEUTICAL CORPN. LTD.)  
(A Government of Maharashtra Undertaking)

## **NOTICE** **THIRTY SIXTH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 36th Annual General Meeting of **HAFFKINE AJINTHA PHARMACEUTICALS LIMITED** will be held at the Registered office of the Company at Haffkine Institute Compound, Acharya Donde Marg, Parel, Mumbai 400 012 on Friday, the 10th June, 2016, at 11.30 a.m. to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31st March 2013 and the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

By Order of the Board of Directors

**(SEEMA VYAS)**  
MANAGING DIRECTOR

Mumbai.

Dated : 10th June, 2016

REGISTERED OFFICE :

Haffkine Institute Compound,  
Acharya Donde Marg,  
Parel, Mumbai 400 012

**NOTE : A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

(A SUBSIDIARY OF HAFFKINE BIO-PHARMACEUTICAL CORPN. LTD.)  
(A Government of Maharashtra Undertaking)

## DIRECTORS' REPORT

To the Members of the

### **HAFFKINE AJINTHA PHARMACEUTICALS LIMITED**

1. Your Directors have great pleasure in presenting the 36th Annual Report, alongwith the audited Statement of Accounts of the Company for the year ended 31st March, 2013, Report of the Statutory Auditors thereon and the comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956.

### **2. CORPORATE PERFORMANCE AT A GLANCE**

During the year 2012-2013, the Company achieved a sales turnover of Rs. 493 Lakhs (previous year Rs. 525 lakhs) and as a result earned a net loss of Rs. 163 lakh as compared with the net loss of Rs. 206 lakh incurred during the previous year.

A brief Corporate performance of the Company during 2012-2013 in comparison with previous two years is furnished hereunder :-

(Rs. in Lakh)

	2010-2011	2011-2012	2012-2013
A. SALES	697	525	493
B. PROFIT / (LOSS) AFTER TAX AND PRIOR PERIOD ADJUSTMENT	5	(206)	(163)
C. NET WORTH	266	60	(103)

### **3. PRODUCTION**

PRODUCT	2010-2011	2011-2012	2012-2013
A. TABLETS (LAKH NO.)	2066.31	1457.98	1173.45
B. CAPSULES (LAKH NO.)	59.85	65.10	83.85
C. OINTMENT (KGS.)	3284.70	2100.00	3949.80
E. O.R.S. POWDER SACHETS (NO)	532200	752000	767380

**4. EMPLOYEES' RELATIONS**

The employer-employee relationship continued to be very cordial and satisfactory during the year.

**5. PARTICULARS OF EMPLOYEES**

The information pursuant to the requirements of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time, is Nil.

**6. DIRECTORS**

There was no change in the composition of the Board of the Company.

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

Adequate measures are taken to restrict energy consumption by regularly monitoring the level of energy consumption and thereby improving the overall plant power factor. The information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is given in **ANNEXURE-I** forming part of this report.

**8. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) that they have prepared the annual accounts on a going concern basis.

## 9. AUDITORS

- 9.1 The Comptroller & Auditor General of India had appointed M/s. M.A. Chavan & Co., Chartered Accountants, as the Auditors of the Company for the year ended on 31st March, 2013.
- 9.2 The management replies to the observations made by the Statutory Auditors in their Report dated 27th March, 2015 are attached herewith as **ANNEXURE-II** and are to be considered as forming part of this report.
- 9.3 The Comptroller and Auditor General of India has issued “**NO Comments**” under Section 619(4) of the Companies Act, 1956, on the Accounts of the Company for the year, which are attached herewith as **ANNEXURE - III**.

## 10. GRATITUDE AND ACKNOWLEDGMENT

- 10.1 The Directors express their thanks for the continued co-operation and assistance rendered by the Govt. of Maharashtra and United Western Bank Ltd., as well as the Company's valued customers and suppliers.
- 10.2 The Directors also express their sincere thanks to the high degree of dedication and perseverance displayed by the employees at various levels.

For and on behalf of the Board of Directors

**SEEMA VYAS**  
Managing Director

Mumbai.  
Dated : 10th June, 2016

**REGISTERED OFFICE:**  
Haffkine Institute Compound  
Acharya Donde Marg,  
Parel, MUMBAI - 400 012.

**ANNEXURE - I**

**ANNEXURE TO DIRECTORS' REPORT**

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

**CONSERVATION OF ENERGY**

- a) Energy conservation measures taken. : No Boilers are used in the Company. Capacitors are sufficient to maintain the Power factor above 0.97.
- b) Additional investment and proposals, if any being implemented for reduction of consumption of energy. : --
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption on the cost of production. : The existing arrangement under (a) above has reduced the electrical consumption.
- d) Total energy consumption per unit of production as per Form-A of the Annexure in respect of industries specified in Schedule thereto. : ---

		<u>Current Year</u> 2012-2013	<u>Previous Year</u> 2011-2012
Electricity	Units (Lakh)	1.733	1.567
(Purchased)	Total Amt. (Rs. in Lakh)	15.243	13.636
	Cost/Unit (Rs.)	8.80	8.70
Furnace Oil	Qty. (K.Ltr.)	NIL	NIL

**TECHNOLOGY ABSORPTION**

- e) Efforts made in technology absorption as per Form-B of the Annexure. : NIL NIL

**FOREIGN EXCHANGE EARNINGS & OUTGO**

- f) Activities relating to export initiative taken to increase Exports, development of new export markets for products and services and export plans. : NIL NIL
- g) Total Foreign Exchange used & earned. : NIL NIL

For and on behalf of the Board of Directors

Place : Mumbai

Date : 10th June, 2016

**SEEMA VYAS**  
Managing Director

**ANNEXURE - II**  
**ADDENDUM TO DIRECTORS REPORT FOR THE YEAR**  
**2012-2013**

Replies of the management on the observation of the Statutory Auditors made in their report dated 27-3-2015 as required under section 217(3) of the Companies Act, 1956.

<b>AUDIT PARA</b>	<b>MANAGEMENT'S REPLIES</b>
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Para 9 of the Annexure

The Maintenance of cost records has been presented by the Central Government under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 and we are of the opinion that Prima Facie the prescribed accounts and records have been made and maintained.

For and on behalf of the Board of Directors

**SEEMA VYAS**  
**Managing Director**

Mumbai.

Dated : 10th June, 2016



**ANNEXURE - III****COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956, ON THE ACCOUNTS OF HAFFKINE AJINTHA PHARMACEUTICALS LIMITED, MUMBAI FOR THE YEAR ENDED 31 MARCH 2013.**

The preparation of financial statements of **Haffkine Ajintha Pharmaceuticals Limited, Mumbai** for the year ended **31st March 2013** in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This ***is stated to have been done by them vide their Audit Report dated 27 March 2015.***

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the Financial Statements of **Haffkine Ajintha Pharmaceutical Limited, Mumbai** for the year ended **31 March 2013**. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the Financial Statements and the related Audit Report:

**COMMENTS ON FINANCIAL POSITION****A- Balance Sheet****B Assets****2 Current Assets****(d) Cash and cash equivalents (Note No.14): ₹ 27.28 lakh**

1. The above balance of Cash and Cash equivalents has been arrived at after including negative balance of ₹ 9.16 lakh in current account at IDBI, Mehrun. The same should have been shown as Short Term Borrowing (Schedule 14) under the head "Current Liability" being a negative balance. This has resulted in understatement of Cash and Cash equivalents and Short Term Borrowing by ₹ 9.16 lakh.

**Other Current Liabilities (Note 6)****(b) Other payables: ₹ 76.00 lakh****(l) Interest payable ₹ 9.43 lakh**

2. The above represents interest payable @ 12 per cent p.a. on loan from Haffkine Bio-Pharmaceuticals Corporation Ltd., being holding Company. The Holding Company took a decision to waive the above interest in its Board meeting held on 7 August 2014.

However, the Company did not write back this 'Interest Payable' resulting in overstatement of Liability and Loss for the year by ₹ 9.43 lakh.

**COMMENT ON DISCLOSURE**

3. As on March 2013, the Company had Trade Receivables (Note-13) worth ₹ 6.87 crore. This included ₹ 5.22 crore receivable from State Government / Government agencies which are outstanding for more than three years.

The Company should disclose its policy with regard to non-provisioning for receivables that are outstanding from Government/ Government agencies for long periods.

For and on behalf of  
The Comptroller and Auditor General of India

Place : Mumbai

Date : 23rd Dec. 2015

**PRINCIPAL ACCOUNT GENERAL  
(AUDIT-III)**

**INDEPENDENT AUDITOR'S REPORT  
HAFFKINE AJINTHA PHARMACEUTICALS LIMITED**

To the Members of  
HAFFKINE AJINTHA PHARMACEUTICALS LIMITED.

**Report on the Financial Statements**

We have audited the accompanying financial statements of HAFFKINE AJINTHA PHARMACEUTICALS LIMITED, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the financial statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- 1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 21 1 of the Companies Act, 1956;
  - c) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For M. A. Chavan & Co.**  
*Chartered Accountants*  
FRN : 115164W

Place : Thane  
Date : 27 March 2015.

**C.A. Madhukar A. Chavan**  
*Partner*  
Membership No. 035846

## ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HAFFKINE AJINTHA PHARMACEUTICALS LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

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

1. (a) The company has maintained proper records up to 31/03/2008 showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) In our opinion and on the basis of our examination of the records, the formal record of physical verification were not maintained. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be

maintained under that section.

b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of subsection (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities.  
  
(b) The particulars of disputed Statutory Dues are given in Notes to Accounts-No. 23
10. The Company having accumulated losses at the end of Financial Year are Rs. 1,56,57,493/- and Current Year Loss is Rs. 1,62,94,387/- and has incurred cash loss Rs. 1,12,56,311/- during the Financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**For M. A. Chavan & Co.**  
*Chartered Accountants*  
*FRN : 115164W*

**Place : Thane**  
Date : 27 March 2015.

**C.A. Madhukar A. Chavan**  
*Partner*  
*Membership No. 035846*

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED BALANCE SHEET AS AT 31ST MARCH 2013

	Particulars	Note No.	As at 31 March, 2013	As at 31 March, 2012
No.			Rs.	Rs.
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
1	Shareholders' funds			
	(a) Share capital	1	1,765,000	1,765,000
	(b) Reserves and surplus	2	(12,058,020)	4,236,367
			(10,293,020)	6,001,367
2	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	3	--	--
			--	--
3	Current liabilities			
	(a) Short-term borrowings	4	108,225,073	101,425,073
	(b) Trade payables	5	15,842,800	45,137,564
	(c) Other current liabilities	6	7,600,505	8,696,446
	(d) Short-term provisions	7	10,033,555	20,307,600
			141,701,933	175,566,683
	<b>TOTAL</b>		<b>131,408,913</b>	<b>181,568,050</b>
<b>B</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	8	33,664,129	38,793,778
	(ii) Capital work-in-progress	8	-	-
	(b) Non-current investments	9		
	(c) Deferred tax assets (net)	10	754,942	657,869
	(d) Long-term loans and advances	11	10,064,975	8,815,717
			44,484,046	48,267,364
2	<b>Current assets</b>			
	(b) Inventories	12	6,989,086	15,670,846
	(c) Trade receivables	13	68,747,142	107,374,460
	(d) Cash and cash equivalents	14	2,728,201	2,373,048
	(e) Short-term loans and advances	15	8,460,438	7,882,332
	(f) Other current assets	16		--
			86,924,867	133,300,686
	<b>TOTAL</b>		<b>131,408,913</b>	<b>181,568,050</b>
	The significant accounting policies & notes to the financial statements form an integral part of the financial statements.			

As per our attached report of even date

**For M. A. Chavan & Co.**

Chartered Accountants

**For and behalf of Board of Directors**

**C.A. Madhukar Chavan**

Partner

Membership No. 35846

Thane

Date : 26 Mar, 2015

**(Seema Vyas)**  
Managing Director

**(S. V. Shankarwar)**  
Director



# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED Statement of Profit and Loss for the Year ended 31 March, 2013

	Particulars	Note No.	As at 31 March, 2013	As at 31 March, 2012
No.			Rs.	Rs.
1.	Revenue from operations (gross)	17	51,897,245	54,966,908
	Less: Excise duty		2,634,106	2,469,524
	Revenue from operations (net)		49,263,139	52,497,384
2	Other income	18	751,677	40,297
<b>3.</b>	<b>Total revenue (1+2)</b>		<b>50,014,816</b>	<b>52,537,681</b>
<b>4.</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	19	29,906,143	39,110,671
	(b) purchase of finished goods	19(c)	4,827,038	4,094,053
	(c) Changes in inventories of finished goods, work-in-progress and stock-in- trade	19(d)	4,489,193	(3,309,182)
	(d) Employee benefits expense	20	15,379,043	21,449,664
	(e) Finance costs	21	16,393	32,546
	(g) Depreciation and amortisation expense	8	5,135,149	5,755,866
	(h) Other expenses	22	6,653,317	6,635,932
	<b>Total expenses</b>		<b>66,406,276</b>	<b>73,769,550</b>
<b>5.</b>	<b>Profit before tax (3 - 4)</b>		<b>(16,391,460)</b>	<b>(21,231,869)</b>
<b>6.</b>	<b>Tax expense:</b>			
	(a) Current tax expense for current year		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		(97,073)	(611,812)
	(e) Deferred tax		(97,073)	(611,812)
<b>7.</b>	<b>Profit after tax (5 - 6)</b>		<b>(16,294,387)</b>	<b>(20,620,057)</b>
<b>8.</b>	<b>No. of shares</b>		<b>17,650</b>	<b>17,650</b>
	Earnings Der share (of -100/- each):			
	(a) Basic and Diluted		<b>(923)</b>	<b>(1,168)</b>
	The significant accounting policies & notes to the financial statements form an integral part of the financial statements.			

As per our attached report of even date

**For M. A. Chavan & Co.**

Chartered Accountants

**For and behalf of Board of Directors**

**C.A. Madhukar Chavan**

Partner

Membership No. 35846

Thane

Date : 26 Mar, 2015

**(Seema Vyas)**  
Managing Director

**(S. V. Shankarwar)**  
Director

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX</b>	<b>-16,391,460</b>	<b>-21,231,868</b>
<b>ADJUSTMENT FOR</b>		
Depreciation	5135149	5755866
Interest Paid	0	0
Interest/Dividend received	0	0
Prior year adjustment	0	0
Operating Profit before Working Capital charges	<u>5135149</u>	<u>5,755,866</u>
	(11256311)	(15,476,002)
<b>ADJUSTMENTS FOR</b>		
(Increase)/Decrease (In Trade and other receivables	38627318	(8,281,086)
(Increase)/Decrease (In Trade and other receivables in Inventories	8681760	(1,564,459)
(Increase)/Decrease (In Trade and other payables	<u>(1827364)</u>	<u>(1,237,349)</u>
	(40664750)	11,584,955
<b>CASH GENERATED FROM OPERATION</b>	4816964	502,061
Less : Interest paid (Net of received)	-	-
Tax paid (including TDS & FBT)	0	1,00,000
Net Cash Inflow/(Outflow) from operations	<u>(6439347)</u>	<u>(15,073,941)</u>

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

Particulars	As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
<b>(B) CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(5500)	(1,435,783)
Additional in capital work in progress	0	0
Sale of assets	0	0
Dividend received	0	0
Net Cash inflow/(outflow)	(B) _____	(1,435,783)
<b>(C) CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Issue of Shares	0	0
Process from Borrowings	0	0
Secured Loan	0	0
Unsecured Loan	6800000	15550000
Net Cash Inflow(Outflow)	(C) _____	15550000
Cash and equivalents as at the end of the year	(A+B+C) _____	(959,724)
<b>OPENING CASH BALANCE</b>	2373048	3,332,773
<b>CLOSING CASH BALANCE</b>	2728201	2,373,048

As per our attached report of even date  
**For M. A. Chavan & Co.**  
*Chartered Accountants*

**C.A. Madhukar Chavan**  
 Partner  
 Membership No. 35846  
 Thane  
 Date : 26 Mar, 2015

**For and behalf of Board of Directors**  
  
**(Seema Vyas)** (S. V. Shankarwar)  
 Managing Director Director

**HAFFKINE AJINTHA PHARMACEUTICALS LIMITED**

( FORMALLY KNOWN AS AJINTHA PHARMACEUTICALS LIMITED )

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :**

**Schedule forming part of Balance Sheet and Profit and Loss Account for the year ended 31 st March 2013.**

**I] SIGNIFICANT ACCOUNTING POLICIES :**

**1) ACCOUNTING CONVENTION :**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principals as adopted consistently by the Company.

**2) FIXED ASSETS AND DEPRECIATION :-**

- (1) Fixed Assets are generally stated at cost of acquisition less accumulated depreciation. Cost of acquisition includes cost of purchase or construction including attributable interest and financial costs till such assets are put to use.
- (2) Depreciation for the year is calculated on written down value basis at the rates and in manner prescribed under Schedule XIV of the Companies Act, 1956 and Leased Asset is depreciated as per Leased Period.

**3) INVENTORIES :**

Inventories are valued on FIFO, basis as under :-

- a) Raw materials and packing materials are valued at Cost.
- b) Finished Goods are valued at lower of cost or Net Realisable Value.
- c) Work in Progress is valued at cost up to the proportionate stage of Completion or Net Realisable Value.
- d) Quality Control glassware in inventories are valued at 90% of the opening stock and purchase during the year.

**4) SALES :**

Sales is net off excise duty and recognized at the time of dispatch from factory premises and are net of returns, claims sales tax and discounts.

**5) RECOGNITION OF INCOME AND EXPENDITURE :**

Income and Expenditure are generally recognized on accrual basis as per Standard AS-9 issued by the Institute of Chartered Accountants of India, except Note No. 7.

**6) EXCISE DUTY :**

Excise duty has been accounted for on clearance of goods from factory premises.

## 7) RETIREMENTS BENEFITS :

Retirement benefits have been provided in terms of related acts and provisions. The Gratuity payable has been covered under Group Gratuity Scheme of L.I.C. Provision for Leave Salary is made based on the management estimation of the liability.

## 8) PROVISIONS FOR TAXATION :

- i) Provision for Taxation is made after considering various reliefs admissible under the Income Tax Act, 1961.
- ii) Deferred tax resulting from 'Timing difference' between book profit and taxable profit accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.

## 9) BORROWING COSTS :-

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets, upto the date such assets are ready for intended use. All other borrowing costs are charged to revenue.

## 10) IMPAIRMENTS OF ASSETS

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

## 11) Employee Retirement Benefit

The Company has taken a Group Gratuity Policy and the Gratuity payable is covered under the Group Gratuity Scheme of L.I.C.

## 12. Segment Reporting

The Company is principally engaged in the business of pharmaceutical. Accordingly there are no segments as per Accounting Standard 14 "Segmental Reporting" issued by the Institute of Chartered Accountants of India.

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>1 : SHARE CAPITAL</b>		
(a) Authorised Equity Shares of Rs. 100/- Each	30,000	30,000
b) Issued, Subscribed & fully Paid up Equity Shares of Rs. 100/- each Issued, Subscribed and fully called up and paid up (held by the holding Company HAFFKINE BIO-PHARMACEUTICAL CORPORATION LTD. MUMBAI.)	17,650	17,650
<b>TOTAL</b>	<b>17,650</b>	<b>17,650</b>
<hr/>		
Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>1 (a) Details of Share held by each shareholder holding more than 5% shares :</b>		
HAFFKINE BIO-PHARMACEUTICAL CORPN LTD.	17650	100.00
<b>TOTAL</b>	<b>17650</b>	<b>100</b>
<hr/>		
Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>1 (b) The reconciliation of number of shares outstanding is set out below :</b>		
Equity shares at the beginning of the year	17650	--
Add : Shares issued	--	--
Less Shares Cancelled	--	--
Equity shares at the end of the year	<b>17650</b>	<b>17650</b>

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>2 : Reserve and Surplus</b>		
(a) Revaluation reserve	--	--
Opening balance	--	--
Add : addition on revaluations during the year	--	--
Less Utilised for set off against depreciation	--	--
Closing Balance	--	--
(b) General reserve	3,599,473	3,599,473
Opening balance	3,599,473	3,599,473
Add : Transferred from surplus in Statement of Profit & Loss	--	--
Less : Utilised / transferred during the year for	--	--
Closing Balance	3,599,473	3,599,473
(c) P/L A/c.	636,894	21,256,951
Opening Balance	(16,294,387)	(20,620,057)
Add : Current years profit	--	--
Less : Utilised / transferred during the year for :	(15,657,493)	636,894
Closing Balance	<b>(12,058,020)</b>	<b>4,236,367</b>
<b>TOTAL</b>		
<b>3 : Long Term Borrowings</b>		
Particulars		
(a) Term Loans	--	--
(b) Term Loans	--	--
Total	--	--

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>4 : Short-term borrowings</b>		
(a) Loans repayable on demand from banks (Secured)	NIL	NIL
(b) Loans and advances from related parties (unsecured) from Haffkine Bio-Pharma/ Corporation Ltd. (100% Holding Company)	108,225,073	101,425,073
<b>Total</b>	<b>108,225,073</b>	<b>101,425,073</b>
<b>5 : Trade Payables</b>		
Acceptances	--	--
(i) Payables for goods	15,586,504	44,693,557
(ii) Payable for expenses	256,296	444,007
<b>Total</b>	<b>15,842,800</b>	<b>45,137,564</b>

(Above includes an amount of Rs. 79,07,626/- (Net) (P.Y. 62,34,750/-) due from Haffkine Bio-Pharmaceutical Corpn. Limited



# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>6 : Other Current liabilities</b>		
(a) Current maturities of long term debt	--	--
(ii) Other payables	124,425	40,545
1, Statutory dues :		
Provision of Excise duty on Finished goods	62,58,694	5,685,205
2. Provision for Leave Encashment		
Other payables	942,911	942,911
(i) Interest payable	274,475	2,027,785
(ii) Deposit from Distributors and others	<u>7,600,505</u>	<u>8,696,446</u>
<b>TOTAL</b>		
<hr/>		
Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>6(a) : Current maturities of long term debts details</b>		
(b) Terms loans (form other parties(Secured)	--	--
<b>TOTAL</b>	--	--
<hr/>		
Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>7 : Short - term provisions</b>		
(a) Provision		
Provision for expenses:		
(i) Outstanding Expenses	5,288,555	15,562,600
(b) Provision for Tax:		
(i) Provision for Income Tax	4,635,000	4,635,000
(ii) Provision for Fringe Benefit Tax	110,000	110,000
<b>TOTAL</b>	<u>10,033,555</u>	<u>20,307,600</u>

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

### SCHEDULE 4 FIXED ASSET

SR. NO.	Particulars of Assets	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		As on 1-4-2012	Additions During the Year	Deduction During the Year	As on 31-3-2013	Up to 31-3-2012	For the Year	Deduction	Total on 31-3-2013	As on 31-3-2013	As on 31-3-2012	
1	Lease hold Land	75,114	--	--	75,114	27,694	791	--	28,485	46,629	47,420	
2	Factory Building & Other	16,764,381	--	--	16,764,381	6,561,346	1,020,304	--	7,581,650	9,182,731	10,203,035	
3	Office Building & Other	1,146,692	--	--	1,146,692	914,435	11,612	--	926,047	220,645	232,257	
4	Plant & Machinery	37,474,977	--	--	37,474,977	14,004,641	3,264,724	--	17,269,365	20,205,612	23,470,336	
5	Furniture & Fixture	2,951,839	--	--	2,951,839	1,388,552	282,955	--	1,671,507	1,280,332	1,563,287	
6	Electrical Installation	2,538,154	--	--	2,538,154	1,206,649	185,212	--	1,391,861	1,146,293	1,331,505	
7	A. C. & Ventilation	3,554,935	--	--	3,554,935	2,972,618	81,000	--	3,053,618	501,317	582,317	
8	Transfer Equipment	49,075	--	--	49,075	40,881	1,140	--	42,021	7,054	8,194	
9	Office Equipments	355,519	--	--	355,519	305,531	9,048	--	314,579	40,940	49,988	
10	Storage Racks	437,777	--	--	437,777	269,558	30,448	--	300,006	137,771	168,219	

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

### SCHEDULE 4 FIXED ASSET

SR. NO.	Particulars of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 1-4-2012	Additions During the Year	Deduction During the Year	As on 31-3-2013	Up to 31-3-2012	For the Year	Deduction	Total on 31-3-2013	As on 31-3-2013	As on 31-3-2012
11	Weight Balances	367,779	--	--	367,779	201,849	23,081	--	224,930	142,849	165,930
12	Vehicles (Cycles)	3,797	--	--	3,797	3,312	97	--	3,409	388	485
13	Quality Control Equipment	2,094,493	--	--	2,094,493	1,780,699	43,649	--	1,824,348	270,145	313,794
14	Water Coolers	88,040	--	--	88,040	79,329	1,212	--	80,541	7,499	8,711
15	Cycle Stand	54,064	--	--	54,064	36,483	1,758	--	38,241	15,823	17,581
16	Tools & Equipments	11,611	--	--	11,611	11,406	29	--	11,435	176	205
17	Intercom System	104,016	--	--	104,016	94,835	1,736	--	96,571	7,445	9,181
18	Motor Car	542,328	--	--	542,328	21,927	134,732	--	156,659	385,669	520,401
19	Computers	1,599,188	5,500	--	1,604,688	1,498,256	41,621	-	1,539,877	64,811	100,932
	<b>TOTAL</b>	<b>70,213,779</b>	<b>5,500</b>	<b>--</b>	<b>70,219,279</b>	<b>31,420,001</b>	<b>5,135,149</b>	<b>--</b>	<b>36,555,150</b>	<b>33,664,129</b>	<b>38,793,778</b>
	<b>एकूण</b>	<b>68,777,996</b>	<b>1,435,783</b>	<b>--</b>	<b>70,213,779</b>	<b>25,664,135</b>	<b>5,755,866</b>		<b>31,420,001</b>	<b>38,793,778</b>	<b>43,113,861</b>

Note : Refer Schedule 16A(2) of Significant Accounting Policies "50% depreciation for additional shift.

**HAFFKINE AJINTHA PHARMACEUTICALS LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>10 : Deferred Tax Asset (Net)</b>		
(a) Deferred Tax Asset	--	158,786
(i) On account of Depreciation	1,962,516	499,083
(ii) Others	--	--
(b) Deferred Tax Liabilities	(1,207,574)	-
(i) On account of Depreciation	(1,207,574)	-
<b>TOTAL</b>	<b>754,942</b>	<b>657,869</b>
<b>11 : Long-term loans and advances (Unsecured, considered good)</b>		
(a) Security deposits	820,299	843,099
(b) Advance income Tax	--	100,000
(i) Current Year	5,263,515	5,163,515
(ii) Previous Year	2,995,217	1,761,053
(iii) Paid in for Appeal	545,237	507,343
(c) TDS deducted at source	109,707	109,707
(d) Advance fringe benefits tax	331,000	331,000
(e) Bombay Sales Tax Paid - Appeal	331,000	331,000
<b>TOTAL</b>	<b>10,064,975</b>	<b>8,815,717</b>

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Particulars		
<b>12 : Inventories (All lower of cost and net realisable value)</b>		
(a) Quality Control Glassware	221,382	245,981
(b) Raw Materials	2,743,559	7,059,102
(c) Packing Materials	1,401,442	1,253,867
(d) Finished Goods in Process	29,186	6,185,616
(e) Finished Goods	2,583,649	702,342
(f) Resale	9,868	223,938
<b>Total</b>	<b><u>6,989,086</u></b>	<b><u>15,670,846</u></b>
Particulars		
<b>13 : Trade Receivables (Unsecured, Considered good)</b>		
(a) Trade receivables outstanding for a period exceeding six months from the date they were	50,130,049	68,537,177
(b) Other Trade Receivable	18,617,093	38,837,283
<b>TOTAL</b>	<b><u>68,747,142</u></b>	<b><u>107,374,460</u></b>

(above includes an amount of Rs. 43,043,610/- (Net) (P.Y. Rs. 83,323,147/-) due from Haffkine Bio-Pharmaceutical Corpn. Limited, holding Company)

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>14 : Cash and Bank Balances</b>		
1. Cash & Cash Equivalents		
(a) Cash on hand	7,280	11,439
(b) Postage Stamps on Hand	279	374
2. Other Bank Balances		
(b) Balances with banks		
(i) In Current Accounts		
- IDBI Mehrun	(916,345)	1,360,339
- IDBI Dadar	549,141	744,970
- IDBI Dadar	3,070	3,070
- Canara Bank Jalgaon	92,999	92,999
- Canara Bank Parel	2,991,777	159,857
<b>TOTAL</b>	<b>2,728,201</b>	<b>2,373,048</b>
<b>15 : Short-term loans and advances (Unsecured, considered good)</b>		
(1) Loans and advances to employee		
(a) Advance to staff	623,420	640,420
(b) Festival Advance	-	33,490
(2) Prepaid Expenses - Unsecured , Considered		
(a) Interest Receivable	--	--
(b) Prepaid Insurance	37,911	36,773
(3) Balance with government authorities		
(a) Balance with Excise Authorities	4,773,117	4,026,956
(b) Vat Receivable	3,025,990	3,144,693
<b>TOTAL</b>	<b>8,460,438</b>	<b>7,882,332</b>

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Particulars		
<b>16 : Other Current Assets (Unsecured, Considered good)</b>		
(b) Capital advances	--	--
TOTAL	--	--
Particulars		
	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>17: Revenue from Operations</b>		
1. SALES OWN PRODUCTION		
(a) Sale of Products	46,544,258	51,141,097
Less : Excise duty service Tax Return	2,634,106 93,124	2,469,524 33,736
2. RESALE	43,817,028 5,446,111	48,637,837 3,859,547
TOTAL	<u>49,263,139</u>	<u>52,497,384</u>
Particulars		
	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>18: Other Income</b>		
(a) Interest income	--	--
(b) Excise duty on finished goods	--	17,802
(c) Miscellaneous Income	35,411	19,622
(d) Discount Deducted from Supplier	26,822	2,621
(e) Sundry Balance written back	689,444	252
TOTAL	<u>751,677</u>	<u>40,297</u>

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
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### 19 : Cost of Material Consumed

#### RAW MATERIAL CONSUMED

Opening Stock	7,059,102	8,803,277
Add : Purchase	22,639,980	35,160,499
	<u>29,699,082</u>	<u>43,963,776</u>
Less : Closing Stock	2,743,559	7,059,102
Less : Sale of raw Material	--	126,250
<b>TOTAL</b>	<b><u>26,955,523</u></b>	<b><u>36,778,424</u></b>

#### PACKING MATERIAL CONSUMED

Opening Stock	1,253,867	1,251,418
Add : Purchase	3,073,596	2,307,365
	<u>4,327,463</u>	<u>3,558,783</u>
Less : Closing Stock	1,401,442	1,253,867
<b>TOTAL</b>	<b><u>2,926,021</u></b>	<b><u>2,304,916</u></b>

#### QUALITY CONTROL GLASSWARE

Opening Stock	245,981	248,979
Add : Purchase	--	24,333
	<u>245,981</u>	<u>273,312</u>
Less : Closing Stock	221,382	245,981
<b>TOTAL</b>	<b><u>24,599</u></b>	<b><u>27,331</u></b>

#### TOTAL CONSUMPTION

<b>29,906,143</b>	<b>39,110,671</b>
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**HAFFKINE AJINTHA PHARMACEUTICALS LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>19 (B) : Break-up Material Consumed</b>		
Sulphamethoxazole IP	5,908,512	8,912,327
Paracetamol IP	3,921,904	4,050,621
TRIMETHOPRIM IP	2,544,112	4,006,658
Ciprofloxacin IP	2,338,261	5,322,136
Furazolidone I.P.	1,762,366	1,050,429
Tetracycline Hydrochloride I.	304,562	623,924
Ampicillin Trihydrate I.P.	277,717	--
Mebendazole I.P.	--	3,545
Others	9,898,089	12,808,784
<b>TOTAL</b>	<b><u>26,955,523</u></b>	<b><u>36,778,423</u></b>
<b>19 (c) : Purchase - Finished Goods</b>		
Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Purchase of Finished Goods	4,827,038	4,094,053
<b>TOTAL</b>	<b><u>4,827,038</u></b>	<b><u>4,094,053</u></b>

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>19 (d) : (Increase) / Decrease in WIP / Finished Goods</b>		
Inventories at the end of the year	2,583,649	702,342
Work-in-progress	29,186	6,185,616
Resale	9,868	223,938
<b>TOTAL</b>	<b><u>2,622,703</u></b>	<b><u>7,111,896</u></b>
<b>Inventories at the beginning of the year</b>		
Finished goods	702,342	1,226,104
Work-in-progress	6,185,616	2,477,553
Resale	223,938	99,057
	<b><u>7,111,896</u></b>	<b><u>3,802,714</u></b>
<b>Net (Increase) / Decrease</b>	<b><u>4,489,193</u></b>	<b><u>(3,309,182)</u></b>
<b>20 Employee benefits expense</b>		
Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
(a) Salaries and wages and bonus	9,788,491	16,484,198
(b) Directors Remuneration		
(c) Leave encashment and other funds	1,447,880	1,466,170
(d) Contributions to provident and other funds	1,932,670	1,789,309
(e) Contributions to gratuity funds	475,413	450,000
(f) ESIC Contribution	102,445	110,555
(g) Washing Charges	32,119	45,046
(h) Rent Staff Quarters	27,612	24,886
(i) Leave travel Assistance	369,488	44,729
(j) Stipend to Trainees	144,936	149,314
(k) Maharashtra Labour Welfare	4,140	4,044
(l) Education allowances	486,088	615,542
(m) Staff welfare expenses	338,132	265,871
(n) Medical Reimbursement	40,000	-
(o) Honorarium	189,629	-
<b>Total</b>	<b><u>15,379,043</u></b>	<b><u>21,449,664</u></b>

**HAFFKINE AJINTHA PHARMACEUTICALS LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>21 : Finance Costs</b>		
(a) Interest expenses on :		
(i) Borrowings	--	--
(ii) Other	--	--
(b) Bank Charges	16,393	32,546
<b>TOTAL</b>	<u><u>16,393</u></u>	<u><u>32,546</u></u>
	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>22. Other Expenses</b>		
Payment to Auditor (as per 22a)	222,703	148,242
Miscellaneous expenses (As per 22 (b))	6,430,614	6,487,690
<b>TOTAL</b>	<u><u>6,653,317</u></u>	<u><u>6,635,932</u></u>
	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>23. Payment to Auditor</b>		
(i) Payment to the auditors comprises (Net of service tax input Credit, Where applicable)	39,326	39,326
As auditors - statutory audit	28,090	28,090
For Tax Audit taxation matters	155,287	80,826
For other services	<u><u>222,703</u></u>	<u><u>148,242</u></u>
<b>TOTAL</b>		

**HAFFKINE AJINTHA PHARMACEUTICALS LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>22 (b) : Miscellaneous Expenses</b>		
Electricity Charges	1,603,201	1,482,184
Factory Expenses	162,457	863,289
Oil & Lubricants	12,530	8,600
Testing Charges	347,723	223,542
Quality Control Chemicals	69,494	112,673
Water Charges	147,549	176,909
Consumables Stores	179,139	144,333
Security Charges	425,734	380,091
Rent, Rates & Taxes	114,000	114,000
Advertisement Expenses	4,500	-
Books & Periodicals	3,990	-
Building Tax	61,378	61,378
Conveyance Expenses	46,977	62,384
Directors Sitting Fees	2,500	2,100
Garden Expenses	23,961	51,345
Cartage	23,100	20,189
Insurance Premium	37,931	35,220
Legal & Professional Expenses	252,040	152,686
Computer Expenses	23,085	23,231
Post. Telegram Expenses	41,181	51,225
Professional Tax (Co.)	2,500	2,500
Printing & Stationary	215,395	190,922
Miscellaneous Expenses	131,197	119,853
Office Expenses	108,830	94,516

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## HAFFKINE AJINTHA PHARMACEUTICALS LIMITED SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
<b>Repairs &amp; Maintenance</b>		
1. Plant & Machinery	87,390	74,895
2. Building	-	178,577
3. Electricals & Others	277,806	367,544
4. A.C. Plant	52,894	31,475
5. Computer	59,503	90,187
Sundry Fees & Licence Fees	114,949	205,718
Travelling Expenses	151,505	240,354
Transport Outward	1,149,315	590,149
Telephone / Telex Charges	157,937	187,943
Computer Stationary	36,612	9,109
Rent for Machinery	21,006	21,006
Transport Inwards	94,615	83,846
Vehicle Insurance	--	20,206
Vehicle Expenses	13,665	9,531
Fuel	89,145	3,980
Excise duty on finished goods	83,880	
<b>TOTAL</b>	<b><u>6,430,614</u></b>	<b><u>6,487,690</u></b>

# HAFFKINE AJINTHA PHARMACEUTICALS LIMITED

## 23. Contingent liability not provided for :

Following disputed Income Tax dues, as under Income Tax Act, 1961, of Contingent nature have not been provided for :

### (A) Income Tax :

Name of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax	*13,63,323/-	A.Y.2007-08	Commissioner of Income Tax (Appeals)
Income Tax	97,653/-	A.Y.2006-07	Appeal has been upheld by Commissioner of Income Tax (Appeals) and referred to A.O. The order is awaited
Income Tax	14,06,593/-	A.Y.2005-06	Income Tax Appellate Tribunal has remitted the matter to A.O. and same is Pending.

\* Out of the total demand of Rs. 30,26,723/- total advance of Rs. 16,63,400/- paid.

Name of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Sales Tax	*22,00,772/-	F.Y.2004-05	Jt. Commissioner of Sales Tax, Mumbai

\* Rs. 3,31,000/- has been paid as a part payment pending appeal.

## 24. OTHER INFORMATION

	31.03.2013	31.03.2012
d) C.I.F. Value of Imports	Nil	Nil
e) F.O.B. Value of Exports	Nil	Nil
f) Expenditure in Foreign Currency	Nil	Nil
g) Break up of Raw Material Consumed :		

	Amount (Rs.)	%	Amount (Rs.)	%
Indigenous	2,69,55,523	100.00	36,778,424	100.00
Imported	Nil	0.00	Nil	0.00
	<u>2,69,55,523</u>	<u>100.00</u>	<u>36,778,424</u>	<u>100.00</u>

### h) Break up of Stores & Spares Consumed :

Indigenous	Nil	Nil	Nil	Nil
Imported	Nil	Nil	Nil	Nil
	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>

**25. Earning per Share :**

No. of Equity Share	17,650	17,650
Face Value per share	100	100
Profit for the Year	(1,62,94,387)	(20,620,057)
Earning per share	(923)	(1168)

26. Previous years figures have been re-grouped and or re-arranged wherever necessary.

27. As per Government Resolution (GR) of the State Government of Maharashtra there is 6th Pay Commission effect was given to 27 workers from December,2011 and effect of the 6th Pay Commission 28 Office Staff effect on 14th January,2013.

The provision as on 31st March,2013 was made towards 6th Pay Commission effect of Rs. 1,23,73,852/- out of which Rs.76,42,332/- pertaining to staff has been reversed during the year as no more payable by crediting to employees benefit by expenses.

The Management has to take decision as regards to 6j\*L Pay Commission payment of Rs.47,31,520/-

The Government Resolution dated 14th January,2013 in para 2(4) has put a condition that 6th Pay Commission effect will be given out of own income and for this payment Government shall not give any financial help.

As per our attached report of even date

**For M. A. Chavan & Co.**

*Chartered Accountants*

**C.A. Madhukar Chavan**

Partner

Membership No. 35846

Thane

Date : 26 Mar, 2015

**For and behalf of Board of Directors**

**(Seema Vyas)**  
Managing Director

**(S. V. Shankarwar)**  
Director