

CHEMO PHARMA LABORATORIES LTD.

71ST ANNUAL REPORT

2012-2013

DIRECTORS	:	SHRI MADHUSUDAN VYAS (Resigned w.e.f. 14.01.2013) SHRI GHANSHYAM K. JOSHI SHRI RAM MANOHAR KHANDELWAL (Ceased due to death w.e.f. 28th June, 2012) SHRI NANDKUMAR PAREEK SHRI ASHOK SOMANI (Appointed w.e.f. 14.01.2013) SHRI BALKISHAN LOHIA (Appointed w.e.f. 18.10.2012)
BANKERS	:	AXIS BANK LTD., MUMBAI STATE BANK OF INDIA, MUMBAI
AUDITORS	:	BATLIBOI & PUROHIT CHARTERED ACCOUNTANTS MUMBAI
REGISTERED OFFICE	:	5, KUMUD APARTMENT CHS. LTD., KARNIK ROAD, CHIKAN GHAR, KALYAN, DIST. THANE - 421301. (MAHARASHTRA)
ADMINISTRATION OFFICE	:	EMPIRE HOUSE, 3RD FLOOR 214, DR. D. N. ROAD, FORT, MUMBAI – 400 001.
WEB	:	www.thechemopharmalaboratoriesltd.com
E-MAIL	:	contact@thechemopharmalaboratoriesltd.com

NOTICE

Notice is hereby given that the SEVENTY ONE ANNUAL GENERAL MEETING of the Company will be held at 5-Kumud Apartment, Co. Op. Hsg. Soc. Ltd., Karnik Road, Chikan Ghar, Kalyan, Dist. Thane-421301 (Maharashtra) on Friday, 30th August, 2013 at 5.00 P.M. to transact the following business.

Ordinary Business

1. To receive, Consider and Adopt the Audited Statement of Profit & Loss for the year ended 31st March, 2013 and the Balance Sheet as on date and Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Nandkumar Pareek who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and fix remuneration.

Special Business

4. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT Shri Balkishan Lohia who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 18th October, 2012 who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, and being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Shri Balkishan Lohia as a Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

5. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT Shri Ashok Somani who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 14th January, 2013 who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, and being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Shri Ashok Somani as a Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

Note:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not later than 48 hours before the meeting.
2. Members are requested to notify immediately any change in their address to M/s Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400072.
3. The Register of Members & Share Transfer Book of the Company will remain closed from 23rd August, 2013 to 30th August, 2013 (Both days inclusive).
4. Members desiring to submit mandates, to lodge transfer deed(s) for registration of transfer of shares are requested to forward the same so as to reach the Company's Registrars M/s Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East) Mumbai-400072 on or before 22nd August, 2013. The Company will not be in a position to act upon any document, which is incomplete or received after 22nd August, 2013.
5. In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be re-appointed are given in the Corporate Governance Report.
6. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
7. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.

8. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
9. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report.
10. Recently, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed Companies to send official documents to their shareholders electronically as part of its green initiatives in Corporate Governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send Documents like the Notice convening the General Meetings, Financial Statements, Directors', Auditors' Report, etc to the email address provided by you with your depositories.

We request you to update your email address with your Depository Participant to ensure that the Annual Report and other documents reach you on your preferred email.

11. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in demat form, the Nomination has to be lodged with their DP.
12. Members are informed that 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.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s Sharex Dynamic (India) Pvt. Ltd.

ON BEHALF OF THE BOARD

**Sd/-
ASHOK SOMANI
DIRECTOR**

**PLACE: MUMBAI
DATE: 23rd MAY, 2013**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No. 4**

Shri Balkishan Lohia was appointed as an Additional Director on the Board of the Company with effect from 18th October, 2012, in the Board of Directors Meeting held on 18th October, 2012, pursuant to Section 260 of the Companies Act, 1956 ("the Act"). Shri Balkishan Lohia holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a Member, proposing Shri Balkishan Lohia as a Director of the Company along with a deposit of Rs. 500/- which will be refunded to such Member, if Shri Balkishan Lohia is elected as a Director.

The Board of Directors recommends that he be appointed as a Director of the Company.

None of the Directors, other than Shri Balkishan Lohia, may be considered to be concerned or interested in the said appointment at item no. 4.

Item No. 5

Shri Ashok Somani was appointed as an Additional Director on the Board of the Company with effect from 14th January, 2013, in the Board of Directors Meeting held on 14th January, 2013, pursuant to Section 260 of the Companies Act, 1956 ("the Act"). Shri Ashok Somani holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a Member, proposing Shri Ashok Somani as a Director of the Company along with a deposit of Rs. 500/- which will be refunded to such Member, if Shri Ashok Somani is elected as a Director.

The Board of Directors recommends that he be appointed as a Director of the Company.

None of the Directors, other than Shri Ashok Somani, may be considered to be concerned or interested in the said appointment at item no. 5.

ON BEHALF OF THE BOARD

**PLACE: MUMBAI
DATE: 23rd MAY, 2013**

**Sd/-
ASHOK SOMANI
DIRECTOR**

MANAGEMENT DISCUSSION AND ANALYSIS

The Management of **CHEMO PHARMA LABORATORIES LIMITED** in its Analysis Report has highlighted the performance and outlook of the Company in order to comply with the requirement of Corporate Governance as laid down in Clause 49 of the Listing Agreement. However, investors and readers are cautioned that this discussion contains certain forward looking statements that involve risk and uncertainties.

OVERVIEW

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India. Our management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Since the Company had discontinued its manufacturing operations few years back, the Directors are exploring new business opportunities.

OUTLOOK, OPPORTUNITIES AND THREATS

At present the Company is not carrying any manufacturing operation and hence surplus funds have been deployed in a manner that same can be liquidated at any time to meet Capital requirement of the new business.

RISK AND CONCERN

There are no perceived risks in the present activity.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal checks and controls.

FINANCIAL PERFORMANCE

The Company earned a Other Income of Rs, 2,698,408/- as against Rs. 10,669,113/- in the previous year 2011-12. The Profit after taxation was Rs. 1,432,354 /- as against Rs. 8,480,378/- in the previous year 2011-12.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

BY ORDER OF THE BOARD

**PLACE: MUMBAI
DATE : 23rd MAY, 2013**

**Sd/-
ASHOK SOMANI
DIRECTOR**

DIRECTORS' REPORT

To,
The Members

The Directors present herewith the **SEVENTY ONE ANNUAL REPORT** and the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS :

The Company earned other Income of Rs 2,698,408/- as against Rs. 10,669,113/- in the previous year 2011-12. The Profit after taxation was Rs.1,432,354/- as against Rs. 8,480,378/- in the previous year 2011-12.

OPERATIONS :

There was no Manufacturing activity during the Year. The Company's main activities are Share Trading and Other Investments

PUBLIC DEPOSIT :

As on 31st March, 2013 the Company did not have any Public Deposit.

PARTICULARS OF EMPLOYEES :

None of the Employees of the Companies are in receipt of Remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE :

As required under Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rule 1988, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, etc. are not given as there has not been any manufacturing operation during the under report.

DIRECTOR'S RESPONSIBILITY STATEMENT

In term of Section 217 (2AA) of the Companies Act, 1956, we, the Directors of Chemo Pharma Laboratories Ltd., state in respect of Financial Year 2012-13 that:

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

AUDITORS :

M/s. Batliboi & Purohit, Auditors of the Company, retire at the Seventy One Annual General Meeting of the Company, and being eligible offer themselves for re-appointment.

AUDITOR'S REPORT :

The Board of Directors are making following clarification / explanation on the observations made by the Auditors in their Report on Notes Nos:- 14, 15 and 16 of the Notes to the Accounts :-

Note No:- 14 – There is no diminution in value of investments of Rs.16,656,,076/- in the Equity Shares of Tecil Chemical & Hydro Power Limited (TECIL) as the market value of the land in possession of the said company is having substantial value and based on its current market value, the fair value of Equity Shares of TECIL will be far in excess of the cost of acquisition of the investment made by the Company.

Note No :- 15- As the inter corporate deposit of Rs 1,42,00,000/- given to Ellora Mercantile Private Limited is recoverable, no provision was required to be made.

Note No :- 16- In the opinion of the Board of directors, there are fair chances that the appeals filed by the Company before I.T.A.T the penalty of Rs.60,47,659/- for the Assessment Year 2003-2004 will be decided in favour of the Company. Hence, no provision has been made.

DIRECTOR :

Shri Nandkumar Pareek, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Shri Ram Manohar Khandelwal has been ceased to be a Director of the Company w.e.f. 28th June, 2012 due to his death which has been taken on record in the Board Meeting held on 18th October, 2012. The Board of Directors condole the untimely demise of Shri Ram Manohar Khandelwal and took on record the invaluable contributions made by Shri Ram Manohar Khandelwal towards the progress of the Company.

Shri Balkishan Lohia was appointed as the Additional Director w.e.f. 18th October, 2012 in the Board Meeting held on 18th October, 2012. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from the Members proposing his appointment as the Director.

Shri Ashok Somani was appointed as the Additional Director w.e.f. 14th January, 2013 in the Board Meeting held on 14th January, 2013. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from the Members proposing his appointment as the Director.

CORPORATE GOVERNANCE :

Report on Corporate Governance and a Certificate from S. K. Jain & Company, Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange is given as Annexure II forming part of this Report.

GENERAL :

The Balance Sheet and Profit & Loss of the Company have been signed by two of the Directors present in the Board Meeting in accordance with Provision of Section 215 of the Companies Act, 1956 for and on behalf of the Board of Directors.

ACKNOWLEDGMENT :

The Directors acknowledge with gratitude the help, co-operation and understanding received by it from all quarters.

BY ORDER OF THE BOARD

**PLACE: MUMBAI
DATE : 23rd MAY, 2013**

**Sd/-
ASHOK SOMANI
DIRECTOR**

ANNEXURE TO THE DIRECTOR'S REPORT

Statements of Particulars under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A.	CONSERVATION OF ENERGY	NotApplicable.
B.	TECHNOLOGY ABSORPTION	NotApplicable.
C.	FOREIGN EXCHANGE EARNING AND OUTGO	Rs. NIL

BY ORDER OF THE BOARD

**PLACE : MUMBAI
DATE : 23rd MAY, 2013**

**Sd/-
ASHOK SOMANI
DIRECTOR**

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

Your Board of Directors present the Corporate Governance Report for the year 2012-13 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2013

2. Board of Directors:

The Company's Board comprised of Four Directors: one is Promoter Executive Director, one is Non-Executive Director and two are Non-Executive Independent Directors. The Chairman of the Board is Executive Promoter Director. The number of Non-Executive Independent Directors is 50% of the total strength of the Board.

During the year 05 (Five) Board Meetings were held on 04/05/2012, 29/06/2012, 18/07/2012, 18/10/2012 and 14/01/2013. The attendance of the Directors in the Board Meetings and last Annual General Meeting is given here below.

Name	Category and Designation	No. of Board Meetings attended during the year 2012-2013	Whether attended last AGM	No. of Directorship in other Limited Companies	No. of Membership of other committee	No. of Chairmanship of other Committee
Shri M. S. Vyas (resigned w.e.f. 14.01.2013)	EC	05	Yes	1	Nil	Nil
Shri G. K. Joshi	ID	05	Yes	3	4	4
Shri R. M. Khandelwal (Ceased due to death w.e.f. 28.06.2012)	ID	Nil	No	1	2	Nil
Shri N. K. Pareek	NED	05	Yes	1	2	Nil
Shri Ashok Somani (Appointed w.e.f. 14.01.2013)	ED	01	No	Nil	Nil	Nil
Shri Balkishan Lohia (Appointed w.e.f. 18.10.2012)	ID	02	No	Nil	Nil	Nil

ED- Executive Director
EC – Executive Chairman
ID – Independent Director
NED-Non –Executive Director

Particulars of Re-appointed / appointed Directors:

1. Name : Shri Nandkumar Pareek
Designation : Director
Age : 64 Years
Experience : Commerce graduate from Mumbai University and has more than 30 years' experience in managing day to day operations of limited companies.
Other Directorship : M/s. Citric India Ltd.
: M/s. Shree consultations and Services Pvt. Ltd

2. Name : Shri Balkishan Lohia
 Designation : Director
 Age : 64 Years
 Experience : Commerce graduate from Hyderabad University and has more than 30 years' experience in managing day to day operations of limited companies
 Other Directorship : M/s. Shree consultations and Services Pvt. Ltd
 : M/s. Chinar Tie-up Private Limited
 : M/s. Ellora Mercantile Private Limited

3. Name : Shri Ashok Somani
 Designation : Executive Director
 Age : 51 Years
 Experience : Commerce graduate from Mumbai University and has more than 2 decades of experience in managing day to day operations of limited companies.
 Other Directorship : M/s. Solace Logistic Private Ltd

Board Committees :

The Board has constituted the following Committees of Directors:

(a) **Audit Committee:**

i. **Terms of Reference**

The role and terms of reference of Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

ii. **Composition**

The Audit Committee was reconstituted by inducting Shri Balkishan Lohia as Member of the Audit Committee in place of Shri Ram Manohar Khandelwal, Member of the Audit Committee who has ceased as Director of the Company w.e.f. 28th June, 2012 due to his untimely demise which has been taken on record by the Board in the Board Meeting held on 18th October, 2012. The reconstituted Audit Committee comprises of the following Members:

- | | | |
|----|----------------------|----------|
| 1. | Shri G. K. Joshi | Chairman |
| 2. | Shri Balkishan Lohia | Member |
| 3. | Shri N. K. Pareek | Member |

The Audit Committee met 5 times i.e. on 04/05/2012, 29/06/2012, 18/07/2012, 18/10/2012 and 14/01/2013. The attendances of members are as follows:

Name	Category	Meetings during the year 2012-13	
		Held	Attended
Shri G. K. Joshi	Chairman	5	5
Shri R. M. Khandelwal (Ceased w.e.f. 28th June, 2012)	Member	5	Nil
Shri N. K. Pareek	Member	5	5
Shri Balkishan Lohia (Appointed w.e.f. 18th October, 2012)	Member	5	1

iii. **Shareholders/ Investors Grievance Committee :**

i. **Terms of Reference :**

- a) To scrutinize and approve registration of transfer of shares/ debentures/ warrants issued / to be issued by the Company.

- b) To exercise all powers conferred on the Board of Directors under Article 43 of the Article of Association.
- c) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- d) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,
- e) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- f) To look into shareholders and investors complaints like transfer of shares, non- receipt of annual reports, non- receipt of declared dividends, etc., and
- g) To delegate all or any of its powers of Officers/ Authorized Signatories of the Company.

ii. Composition:

The Shareholder Grievance Committee was reconstituted by inducting Shri Balkishan Lohia as Member of the Shareholder Grievance Committee in place of Shri Ram Manohar Khandelwal, Member of the Shareholder Grievance Committee who has ceased as Director of the Company w.e.f. 28th June, 2012 due to his untimely demise which has been taken on record by the Board in the Board Meeting held on 18th October, 2012. The reconstituted Shareholder Grievance Committee comprises of the following Members:

- | | | |
|----|----------------------|----------|
| 1. | Shri G. K. Joshi | Chairman |
| 2. | Shri Balkishan Lohia | Member |
| 3. | Shri N. K. Pareek | Member |

The constitution and terms of reference of the Share Transfer & Shareholders'/Investors' Grievance Committee is in agreement with the guideline prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The committee (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate certificates by the Company; (ii) looks into various issues relating to shareholders, including the redressal of Shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc; and (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider

Trading adopted in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Committee met 5 times i.e. on, 04/05/2012, 29/06/2012, 18/07/2012, 18/10/2012 and 14/01/2013. The attendances of members are as follows:

Name	Category	Meetings during the year 2012-13	
		Held	Attended
Shri M. S. Vyas	Member	5	5
Shri R. M. Khandelwal (Ceased w.e.f. 28th June, 2012)	Member	5	Nil
Shri N. K. Pareek	Member	5	5
Shri Balkishan Lohia (Appointed w.e.f. 18th October, 2012)	Member	5	1

Name & designation of Compliance Officer:

Shri N. K. Pareek is Compliance Officer and also Authorized Signatory for share transfer on behalf of the Company.

Detail of Complaints:

No. of Shareholder's Complaints received during the year	:	5
No. of Complaints resolved to the satisfaction of shareholders	:	5
No. of pending share transfer	:	Nil

3. General Body Meetings:

(a) Location and time where last three Annual General Meetings were held :

Annual General Meetings

Financial Year	Date	Time	Location
2011-2012	30/08/2012	4.00 P.M.	At Regd. Office, Kumud Apt., Kalyan
2010-2011*	02/09/2011	4.00 P.M.	At Regd. Office, Kumud Apt., Kalyan
2009-2010	24/09/2010	11:00 A.M.	At Regd. Office, Saravali, Kalyan

(b) Whether Special Resolution were put through postal ballot last year : No

(c) Are votes proposed to be conducted through postal ballot this year : No

4. Other disclosures :**a. Subsidiary Companies**

The revised Clause 49 defines a "material non listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, who's Turnover or Net Worth (Paid up Capital & Free Reserves) exceeds 20% of the Consolidated Turnover or Net worth respectively, of the Listed Holding Company and its subsidiaries in the immediately preceding Accounting year.

The Company does not have any "material non listed Indian subsidiary" during the Year under review.

b. Related Party Transactions

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

c. Disclosure of 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.

d. Disclosure on Risk Management

The Company is not carrying any manufacturing operations. The Directors of the Company are exploring new avenues of business opportunities. The Company is at present deploying surplus funds in a judicious manner. There are no perceived risks in such investment.

e. Code of Conduct

The Board has not laid down a Code of Conduct for all the Board Members and Senior Management of the Company.

f. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : None

5. CEO/CFO Certification:

Shri Ashok Somani, Executive Director and CEO of the Company and Shri N. K. Pareek, Director & CFO of the Company have given Annual Certification on financial reporting and internal controls to the Board in terms of Clause 49 (V) of the Listing Agreement.

Means of communication:**1. Quarterly Results:**

The Company has submitted Unaudited Quarterly Result to the Bombay Stock Exchange.

2. Newspapers wherein normally published: The Asian Age & Tarun Bharat, Mumbai

3. Whether Management Discussion & Analysis Report is a part of Annual Report: Yes

6. General Shareholder information:

(a) **AGM date, time and venue:** Annual General Meeting will be held on Friday, 30th August, 2013, at 5.00 P. M. at 5-Kumud Apartment, Co. Op. Hsg. Soc. Ltd., Karnik Road, Chikan Ghar, Kalyan, Dist. Thane-421301 (Maharashtra)

(b) Financial Calendar for 2013-2014**Tentative Schedule**

Unaudited Results for quarter ending June 30, 2013	upto 14th August, 2013
Unaudited Results for quarter ending September 30, 2013	upto 14th November, 2013
Unaudited Results for quarter ending December 31, 2013	upto 14th February, 2014
Unaudited Results for year ending March 31, 2014	upto 15th May, 2014
Audited Annual Accounts for the year ending March 31, 2014	upto 30th May, 2014

(c) **Date of Book Closure:** Share Transfer Register will be closed from 23rd August 2013 to 30th August 2013 (both days inclusive)

(d) **Dividend Payment Date:** Not Applicable

(e) Company's Shares are listed in Bombay Stock Exchange.

(f) **Stock Code:** 506365

(g) **Market Price Data:** High, Low during each month in last financial year

Month	BSE Price (Rs.)	
	High	Low
April, 12	29.00	20.80
May, 12	29.00	20.80
June, 12	27.60	24.95
July, 12	28.00	24.65
August, 12	28.00	26.15
September, 12	27.50	24.75
October, 12	25.95	23.45
November, 12	23.20	13.40
December, 12	23.20	13.40
January, 13	23.20	13.40
February, 13	19.45	13.90
March, 13	19.51	13.21

(h) **The Register and Share Transfer Agents:**

M/s Sharex Dynamic (India) Pvt. Ltd.
Unit - 1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (East), Mumbai - 400 072

(i) **Share transfer system with number of Shares Transferred:**

Shares transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt, in case documents are completed in all respects. The Share Transfer & Shareholders'/Investors' Grievance Committee meets periodically. The total numbers of shares transferred during the financial year under review were as below:

	No. of transfers	No. of Shares
Transfer	43	7048
Other cases		
Deletion	NIL	NIL
Transmission	NIL	NIL
Total	NIL	NIL

(j) **Dematerialization of shares and liquidity:** No

(k) Outstanding GDRs/Warrants, Convertible Bonds, conversion date and its impact on equity: Nil

(l) (i) **Distribution of Shares as on 31/03/2013:**

No. of Shares	No. Shareholders	% of Holding
Up to 500	5873	96.45
501-1000	147	2.41
1001-5000	57	0.94
5001-10000	7	0.11
10001-100000	4	0.07
Above 100001	1	0.02
Total	6089	100.00

(ii) **Category of Shareholders As on 31/03/2013:**

Category	No. of Shares	% of Holdings
Promoters, Relatives and Associates	418281	27.89
Financial Institutions / Banks	2496	0.17
Central/ State Government	--	--
Insurance Companies	5387	0.36
Mutual Funds	--	--
Foreign Institutional Investors	--	--
Non Resident Indian / Overseas Corporate Bodies	387	0.02
Body Corporate	77597	5.17
General Public	995852	66.39
Total	1500000	100.00

(m) **Address for Correspondence:**

The shareholders should be addressed either to Registered Office at above address or Registrar Share Transfer Agents or Administrative Office at following address:

Chemo Pharma Laboratories Ltd. 3rd Floor, Empire House, 214, Dr. D. N. Road, Mumbai – 400 001.

Non-Mandatory Requirement:1. **Office of the Chairman of the Board:**

The Company does not defray the secretarial expenses of the Chairman's office.

2. **Remuneration Committee:**

The Company has not constituted Remuneration Committee.

3. **Shareholder rights-furnishing of half yearly results:**

The Company's Quarterly results are published in newspapers and are not, therefore, sent to the shareholders.

Postal Ballot:

The Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the shareholders by such process in terms of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Adoption of other non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

ON BEHALF OF THE BOARD

**PLACE: MUMBAI
DATE: 23rd MAY, 2013**

**Sd/-
ASHOK SOMANI
DIRECTOR**

CEO/ CFO CERTIFICATE

We, Ashok Somani, CEO and N. K. Pareek, CFO of Chemo Pharma Laboratories Ltd. appointed in terms of the Companies Act, 1956 certify to the Board that:

1. We have reviewed the Balance Sheet and Statement of Profit & Loss account for the year ended 31st March, 2013 and all its schedules and notes to accounts, as well as the cash flow statement:
2. Based on our knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made:
3. Based on our knowledge, information and belief, the financial statements and other financial information included in this report present a true and fair view of the company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations:
4. To the best of our knowledge, information and belief, no transactions entered into by the company during the year are fraudulent, illegal or volatile of the Company's Code Of Conduct:
5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
6. We have disclosed, based on their most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies;

We have indicated to the Auditors and the Audit Committee:

- a) Significant changes in the Company's internal control over financial reporting during the year;
 - b) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
- Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

Place : Mumbai,
Date : 23rd May, 2013

Sd/-
ASHOK SOMANI
CEO

Sd/-
N. K. PAREEK
CFO

CERTIFICATE OF CORPORATE GOVERNANCE REPORT

To The Members of **Chemo Pharma Laboratories Ltd.**
Empire House, 3rd Floor, 214 Dr. D. N. Road,
Fort, Mumbai – 400 001

We have examined the compliance of conditions of Corporate Governance by CHEMO PHARMA LABORATORIES LIMITED for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Shri Ram Manohar Khandelwal, an Independent Director expired on 28.06.2012. The Board of Director of the Company filled up casual vacancy caused by death of Shri Ram Manohar Khandelwal by appointing Shri Balkishan Lohia in its Board Meeting held on 18-10-2012. The Board also reconstituted Audit Committee and Shareholder Grievance Committee by inducting Shri Balkishan Lohia as a Member of the said Committee in place of Late Shri Ram Manohar Khandelwal.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

FOR S. K. JAIN & CO.
PRACTICING COMPANY SECRETARY

PLACE: MUMBAI
DATE: 23rd MAY, 2013

Sd/-
(S. K. JAIN)
Partner
C. P. NO. 3076

COMPLIANCE CERTIFICATE

Registration No: 11-003556
Authorised Capital: Rs. 100,000,000/-
Paid Up Capital: Rs. 15,000,000/-

To
The Members
CHEMO PHARMA LABORATORIES LIMITED
5, Kumud Apartment CHS Limited,
Karnik Road, Chikan Ghar, Kalyan- 421301

We have examined the registers, records, books and papers of Messrs. CHEMO PHARMA LABORATORIES LTD as required to be maintained under the Companies Act, 1956 and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid Financial Year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the Rules made there under and all entries therein have been duly recorded.
2. The Company has filed forms and returns as stated in Annexure 'B' to this Certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities prescribed under the Act and the Rules made there under.
3. The Company, being a Public Limited Company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met 5 (Five) times respectively on 04/05/2012, 29/06/2012, 18/07/2012, 18/10/2012 and 14/01/2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 23rd August, 2012 to 30th August, 2012 (both days included) during the financial year.
6. The Annual General Meeting for the Financial Year ended on 31.03.2012 was held on 30.08.2012 after giving due notice to the Members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced loans covered under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries whenever required in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government as the case may be.
12. The Company has not issued any duplicate certificates during the Financial Year.

13. The Company has
- i. not made any allotment, transfer and transmission of any shares during the Financial Year.
 - ii. not deposited any amount in a separate Bank Account as no dividend was declared during the Financial Year.
 - iii. not posted warrants to any member of the Company as no dividend was declared during the Financial Year.
 - iv. no amount outstanding in respect of unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remain unclaimed or unpaid for the period of seven years and liable to be transferred to Investor Education and Protection Fund.
 - v. duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. Mr. Balkishan D. Lohia was appointed as Additional Director of the Company in the Board Meeting held on 18th October, 2012 and Mr. Ashok Govindlal Somani was appointed as Additional Director of the Company in the Board Meeting held on 14th January, 2013. However there was no appointment of Alternate Directors and Directors to fill casual vacancy during the Financial Year. Mr. Ram Manohar Khandelwal has been ceased as Director w.e.f. 28th June, 2012 due to untimely demise which has been taken on record by the Board of Directors in the Board Meeting held on 18th October, 2012.
15. The Company has not appointed any Managing / Whole Time during the Financial Year.
16. The Company has not appointed any sole selling agents during the Financial Year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and / or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the Rules made there under.
19. The Company has not issued any Preference Shares and Equity Shares during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. There was no redemption of preference shares or debentures during the Financial Year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the Financial Year.
24. The Company has not made any borrowings during the year, which would attract provisions of Section 293 (1) (d) of the Act.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the Register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association pursuant to the provisions of the Act during the Financial Year.
31. There was no prosecution initiated against or show cause notices received by the Company during the Financial Year, for offences under the Act.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has not deducted contribution towards Provident Fund under Provident Fund Scheme u/s 418 of the Act as the Company has not constituted any Provident Fund for its Employees.

Place : Mumbai
Date: 23/05/2013

S. K. Jain & Co.
Practicing Company Secretaries

Sd/-
Anoop Kumar Jain
Partner
C. P. No. : 10955

Annexure 'A'**Registers as maintained by the Company**

- | | |
|--|----------|
| 1. Register of Investments | u/s 49 |
| 2. Register of Members | u/s. 150 |
| 3. Register of Share Transfers | |
| 4. Register of Directors, Managing Directors etc., | u/s 303 |
| 5. Register of Director's Share Holding | u/s 307 |
| 6. Applications and Allotment Register | |
| 7. Minutes Book of the Meeting of Board of Directors and Members | u/s 193 |
| 8. Books of Accounts | u/s 209 |
| 9. Register of Directors Attendance | |

Place : Mumbai
Date: 23/05/2013

Signature :
S.K. JAIN & CO.
Practicing Company Secretaries

Sd/-
Anup Kumar Jain
Partner
C. P. No. : 10955

Annexure 'B'

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year ended 31st March, 2013.

SN.	Nature of Document	Date of Document	Date of Filing	Whether filed within time	If No, whether additional fees paid
1.	Form 23AC & ACA	31/03/2012	03/11/2012	Yes	N.A.
2.	Form - 66	2011-2012	26/10/2012	No	Yes
3.	Form - 20B	31/03/2012	24/09/2012	Yes	N.A.
4.	Form-32	14/01/2013	30-01-2013	Yes	N.A.

Place : Mumbai
Date: 23/05/2013

Signature :
S.K. JAIN & CO.
Practicing Company Secretaries

Sd/-
Anup Kumar Jain
Partner
C. P. No. : 10955

AUDITOR'S REPORT

TO,
THE MEMBERS,
CHEMOPHARMA LABORATORIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Chemo Pharma Laboratories Ltd ("the Company"), which comprise the Balance Sheet as at 31 March 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 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 2) As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- (e) on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**Place : MUMBAI
Date : 23/05/2013**

**For Batliboi & Purohit,
Chartered Accountants
Firm Reg.No. 101048W**

**Sd/-
Paresh Chokshi
Partner
Membership No. 33597**

ANNEXURE TO THE AUDITOR'S REPORT.**Annexure referred to in paragraph 4 of our report of even date**

1. The Company has maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets. The management during the year has not carried out the physical verification of fixed assets. As per the explanations given to us a substantial portion of fixed assets were not disposed of during the year.
2. In our opinion and as per the explanation given to us there is no inventory at close of the year so sub-clause (a), (b) and (c) of clause ii is not applicable.
- 3.(a) The company has granted interest free loan to one party covered in the register maintained under section 301 of the Companies Act, 1956. The yearend balance of loans granted was Rs nil and the maximum amount involved during the year was Rs. 1,01,60,000 /-
 - (b) *The loan granted are repayable on demand. As informed, the Company has not demanded repayment of any such loan during the year, thus there has been no default on the part of the party to whom money has been lent.*
 - © In our opinion and according to the information and explanation given to us the other terms & conditions for such loan are not prime facie prejudicial to the interest of the Company.
 - (d) The company had taken loan from one company covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. 10,00,000/- and the year end balance of loan taken from such party was Rs. Nil.
 - (e) In our opinion and according to information and explanation given to us the terms & conditions of the loan taken is not prime facie prejudicial to the interest of the Company.
4. As the company has discontinued its operations so the clause in respect of Internal Control System for the purchase of inventory, fixed assets and for the sale of goods and services is not applicable.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 exceeding Rs. 5,00,000/- have been made at prices which are reasonable having regard to prevailing market prices at the relevant time. As explained to us, the Company has not entered in to any transactions for sale of goods, materials and services in pursuance to contracts or arrangements as aforesaid.
6. In our opinion and according to the information and explanations given to us, no fixed deposits were accepted during the period to which the provisions of Sections 58A and 58AA or any other relevant provisions of the Act apply.
7. As company's operations are suspended the internal audit is not required.
8. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
9. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
 - (b) According to the information & explanations given to us, the dues in respect of sales tax, income tax, custom duties, wealth tax, excise duty, and cess that have been deposited with the appropriate authorities on account of dispute and the forum whether the disputes are pending are given below:

Name of the statute	Nature of the dues	Amount (Rs.)	Forum where dispute is pending
Central Sales Tax Maharashtra Sales Tax	Central sales tax	18,05,093	Appeal before sales tax authority ITAT
Income Tax Act	Penalty Tax	60,47,659	Appeal before ITAT

10. There are accumulated losses at the end of the financial year which are not more than 50% of its net worth. The Company has not incurred cash loss during the year and in the immediately preceding financial year.
11. Based on our audit procedure and as per information and explanations given to us by the management, we are the opinion that the company has not defaulted in repayment of dues to financial institution or bank.
12. 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 provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions during the period.
16. In our opinion and according to the information and explanations given to us, the Company has not raised any term loans.
17. Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, the Company has not raised funds on short-term basis.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the period
21. Based on the audit procedures performed and information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Place : MUMBAI
Date : 23/05/2013

For Batliboi & Purohit,
Chartered Accountants
Firm Reg.No. 101048W
Sd/-
Paresh Chokshi
Partner
Membership No. 33597

BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	31 st March, 2013 Rupees	31 st March, 2012 Rupees
1 EQUITY AND LIABILITIES			
a. Share Holders' Fund			
Share Capital	2	15,000,000	15,000,000
Reserves & Surplus	3	31,093,153	29,660,799
Sub Total		46,093,153	44,660,799
b. Non-Current Liabilities	4	1,196,976	1,196,976
c. Current Liabilities	5		
Short-Term Borrowings	5(i)	-	-
Other Current Liabilities	5(ii)	299,440	1,395,067
Short-Term Provisions	5(iii)	1,200,751	845,751
Sub Total		1,500,191	2,240,818
GRAND TOTAL		48,790,320	48,098,593
2 ASSETS			
a. Non-Current Assets			
i. Fixed Assets			
Tangible Assets	6	177,184	239,082
ii. Non-Current Investment	7	16,843,701	16,843,701
iii. Long Term Loans and Advances	8	16,214,700	15,734,255
b. Current Assets	9		
Cash & Cash Equivalents		2,049,736	3,726,555
Short -Term Loans & Advances		13,505,000	11,555,000
Sub Total		15,554,736	15,281,555
GRAND TOTAL		48,790,320	48,098,593
		-	-

As per our Report Annexed

For Batliboi & Purohit
Chartered Accountants
Firm Reg. No. 101048W

Sd/-

Paresh Chokshi

Partner (Membership No.33597)

Place : Mumbai

Date : 23RD May,2013

On behalf of Board of Directors

Sd/-
ASHOK SOMANI
Director

Sd/-
N. K. PAREEK
Director

Statement of Profit and Loss for the year ended 31st March 2013

	Notes	31 st March, 2013 Rupees	31 st March, 2012 Rupees
Continuing Operations			
I. INCOME			
Other Income	10	2,698,408	10,698,113
Total Revenue (I)		2,698,408	10,698,113
II. EXPENSES			
1 Employee Benefit Expenses	11	28,000	195,155
2 Other Expenses	12	821,156	1,063,509
Total (II)		859,156	1,259,463
Gross Profit / (Loss)		1,849,252	9,409,650
<u>Less</u> : Depreciation for the Year		61,898	83,521
Profit /(Loss) Before Taxation		1,787,354	9,326,129
<u>Less</u> : Tax Expenses (Current Year)		355,000	-
Tax adjusted for previous year		-	845,751
Profit /(Loss) After Taxation		1,432,354	8,480,378
Earnings per Equity Share (Nominal Value of Share Rs.10/-) (31st March, 2013 : Rs.10/-) Basic and Dilluted		0.95	5.65
The accompanying notes are intergal part of financial statement.			
<u>Summary of significant accounting policies</u>	1		

As per our Report Annexed

On behalf of Board of Directors

For Batliboi & Purohit
Chartered Accountants
Firm Reg. No. 101048W

Sd/-

Paresh Chokshi

Partner (Membership No.33597)

Place : Mumbai

Date : 23rd MAY 2013

Sd/-
ASHOK SOMANI
 Director

Sd/-
N. K. PAREEK
 Director

**ANNEXURE TO CLAUSE 32 OF THE LISTING AGREEMENT
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013**

<u>PARTICULARS</u>	31-Mar-13	31-Mar-12
A Cash Flow from Operating Activities		
Profit Before Tax	1,787,354	9,326,129
Adjustment For :		
Depreciation Provided	61,898	83,521
Interest Paid	-	800
Profit on Sale of Shares	-	(10,432,750)
Liabilities Written Back	(421,953)	(46,165)
Dividend Received	(2,846)	(2,352)
Interest Received	(2,273,595)	(857,500)
Operating Profit before Working Capital Changes :	(849,142)	(1,928,317)
Adjustment For :		
Decrease in other Current liabilities	(673,674)	(241,547)
Increase in Current Assets	(1,950,000)	(11,555,000)
Cash Generated From Operations :	(3,472,816)	(13,724,864)
Direct Taxes Paid	(480,445)	(1,095,750)
Net Cash from Operating Activities	(3,953,261)	(14,820,614)
B Cash Flow from Investing Activities		
Purchase of Investments	-	-
Dividend Received	2,846	2,352
Interest Received	2,273,595	857,500
Sales of Investments	-	21,900,500
Net Cash Received from Investing Activities	2,276,441	22,760,352
C Cash Flow from Financing Activities :		
Proceeds from Short Term Borrowings	-	-
Repayment of Short Term Borrowings	-	(4,290,000)
Interest paid	-	800
(C)	-	(4,289,200)
Net Increase/(Decrease) in Cash/Cash Equivalents (A+B+C)	(1,676,820)	3,650,538
Cash & Cash Equivalents as at 1st April, 2012	3,726,555	76,092
Cash & Cash Equivalents as at 31st March, 2013	2,049,736	3,726,555
Actual Balance as per Balance Sheet	2,049,736	3,726,555

Note:

- The above Cash Flow Statement has been prepared under the indirect method as set out in the AS-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India
- Previous Year's figures have been re-arranged / re-grouped wherever necessary
This Cash Flow Statement referred in our report of even date

As per our Report Annexed

On behalf of Board of Directors

For Batliboi & Purohit
Chartered Accountants
Firm Reg. No. 101048W

Sd/-

Paresh Chokshi
Partner (Membership No.33597)
Place : Mumbai
Date : 23RD MAY 2013

Sd/-
ASHOK SOMANI
Director

Sd/-
N. K. PAREEK
Director

Notes to the financial Statements for the year ended 31st March 2013**1. Significant Accounting policies****a) General**

The Financial Statement have been prepared on their historical cost convention and in accordance with the normally accepted accounting principles on accrual basis.

b) Fixed Assets

Fixed Assets are valued at cost of acquisition less depreciation.

c) Depreciation

- 1) Depreciation on Fixed Assets is provided on Written Down Value Method at the rate specified in the Schedule XIV of the Companies Act, 1956.
- 2) Depreciation on additions / deletions during the year is provided on a pro-rata basis from the month of addition / deletion.

d) Investment

Long Term Investments are valued at cost of acquisition.

e) Employees Retirement Benefits

- 1 Company's Contribution to Provident Fund are Charged to Profit & Loss Account.
- 2 Gratuity payable to Employees is calculated as per provisions of the Gratuity Act. The Company provides for Gratuity Liability in the account as and when paid.
- 3 Leave encashment benefit at the time of retirement is considered on cash basis as and when paid.

Notes to Financial statements for the year ended 31st March 2013

	31.03.2013	31.03.2012
	Rupees	Rupees
2 Share Capital		
Authorised shares:		
97,50,000 Equity Shares of Rs.10/- each	97,50,000	97,50,000
25,000 Preference Shares of Rs.100/- each	2,50,000	2,50,000
TOTAL	100,00,000	100,00,000
Issued ,Subscribed and fully paid-up Shares		
15,00,000 Equity Shares of Rs.10/- each	15,00,000	15,00,000
Nil Preference Shares of Rs.100/- each	Nil	Nil
TOTAL	15,00,000	15,00,000
A) Reconciliation of the Shares outstanding at the beginning and at the end of reporting period		
Equity Shares	Nos.	Nos.
At the beginning of the period	15,00,000	1,50,000
Issued during the period (Bonus Issue)	Nil	Nil
Issued during the period	Nil	Nil
Outstanding at the end of the period	15,00,000	1,50,000
Preference Shares	Nos.	Nos.
At the beginning of the period	Nil	Nil
Issued during the period	Nil	Nil
Outstanding at the end of the period	Nil	Nil

B) Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value Rs.10/- per Share. Each Holder of Equity Shares is entitled to one vote per Share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2013, the amount of per Share Dividend recognized as distribution to Equity Shareholders was Rs. Nil (31 March 2012 : Rs. Nil)

C) List of Shareholding 5% & Above

Sr. No.	Name of the Shareholders	Number of Shares held	Percentage of Holding
1.	M/s Citric India Limited	369,450	25.00%

Notes to Financial statements for the year ended 31st March 2013

	31.03.2013	31.03.2012
	Rupees	Rupees
3 Reserves and Surplus		
- Capital Reserve	48,446,784	48,446,784
- Investment Allowance Reserve	2,967,954	2,967,954
	51,414,738	51,414,738
- Profit & loss account :		
Balance as per Last Balance sheet (21,753,939)		
Add/(Less): (Loss)/Profit during the year 1,432,354	(20,321,585)	(21,753,939)
TOTAL	31,093,153	29,660,799
4 Non Current Liability		
SICOM - Deferred Sales Tax payable	1,196,976	1,196,976
TOTAL	1,196,976	1,196,976
5 Current Liabilities		
i) Short Term Borrowings		
S. H. Khatod & Sons	-	-
Shreeniwas Somani	-	-
TOTAL	-	-
ii) Other Current Liabilities :		
Trade payables	-	421,953
Other liabilities	299,440	303,460
Interest received in advance	-	669,654
	299,440	1,395,067
iii) Short term provisions		
Provision For Income Tax (F.Y. 2011-12)	845,751	845,751
Provision For Income Tax (F.Y. 2012-13)	355,000	-
TOTAL	1,200,751	845,751

6. TANGIBLE ASSETS

Particulars	AT COST				Depreciation (On Written Down Value Basis)				Net Block as on 31.3.2013 (Rs.)
	As on 31.03.2012 (Rs.)	Additions during the year (Rs.)	Deductions during the year (Rs.)	Total as on 31.03.2013 (Rs.)	Upto 31.03.2012 (Rs.)	For the year (Rs.)	On disposals & adjustment (Rs.)	Total as on 31.03.2013 (Rs.)	
Vehicle	878,890	-	-	878,890	639,808	61,898	-	701,706	177,184
Total (A)	878,890	-	-	878,890	639,808	61,898	-	701,706	177,184
Previous Year	909,390	-	30,500	878,890	585,262	83,521	28,975	639,808	239,082

Notes to Financial statements for the year ended 31st March 2013

	31.03.2013	31.03.2012
	Rupees	Rupees
7 Non-Current Investments (at Cost) - Non-trade		
a. In Government Security (Unquoted)		
12 Years National Defence Certificates	-	-
7 Years National Defence Certificates	500	500
	5,000	5,000
	5,500	5,500
b. Shares in Joint Stock Companies- Quoted Non-Trade		
Equity Shares of - <u>No. of Shares</u>		
Emami Limited of Rs.10 each fully paid 112 (Market Value Rs. 600.90)	100	100
Reliance Chemotex Inds. Ltd of Rs.16 fully paid 1900 (Market value Rs.31)	66,500	66,500
Reliance Power Limited of Rs.10 fully paid 88 (Market value Rs.61.55)	24,750	24,750
	91,350	91,350
(Aggregate Market Value of Quoted Shares Rs.1,80,364/-)		
c. Shares in Joint Stock Companies- Trade		
Equity Shares of Tecil Chemicals & HP Ltd of Rs.10 each 5236930	16,656,076	16,656,076
Equity Shares of Citric India Ltd. of Rs.10/- each 27000	60,750	60,750
	16,716,826	16,716,826
d. Unquoted Equity shares of: Non- Trade		
Shamrao Vithal Co.Op Bank Ltd of Rs 25 fully paid 1	25	25
Capexil (Agencies) Ltd of Rs 1000 each fully paid 5	5,000	5,000
City Co.Op. Bank Ltd. Of Rs. 10 each fully paid 1000	25,000	25,000
	30,025	65,025
TOTAL	30,025	65,025
8 Long term loans and advances		
Intercompany Deposits- unsecured	14,200,000	14,200,000
Deposit against Sales Tax	419,000	419,000
Advance tax for the A. Y. 2003-04	320,050	-
Advance tax for the A. Y. 2010-11	19,505	19,505
Advance tax for the A. Y. 2012-13	1,095,750	1,095,750
Advance tax for the A. Y. 2013-14	160,395	-
	16,214,700	15,734,255
9 Current Assets		
i. Cash & Cash Equivalent		
Cash in Hand	38,804	42,695
With Scheduled Bank Current Account	2,010,932	3,683,860
	2,049,736	3,726,555
ii. Short term loans and advances		
Advance to Staff	-	10,000
Security Deposits	5,000	5,000
inter Corporate Loan Given -others unsecured	13,500,000	8,400,000
iii. Loan to related parties (Note 22 B):		
Unsecured, considered good		3,140,000
TOTAL	13,505,000	11,555,000

Notes to Financial statements for the year ended 31st March 2013

	31.03.2013	31.03.2012
	Rupees	Rupees
10 Other Income		
Dividend Received	2,846	2,352
Interest Received	2,273,595	187,846
Profit on Sale of Long Term Investments	-	10,432,750
Miscellaneous Receipt	14	-
Sundry Balances written off	421,953	46,165
TOTAL	2,698,408	10,669,113
11 Employee Benefit Expenses		
Gratuity Payment	-	195,955
Ex - Gratia	11,200	-
Leave Encashment	16,800	-
TOTAL	28,000	195,955
12 Other Expenses		
Advertisement & Publicity	24,910	22,858
Annual Listing Fees	12,930	530,543
Audit Fees	11,648	11,030
Bank Charges	5,097	1,089
Director Remuneration	136,800	100,800
Filing Fees	624	-
General Expenses	1,100	7,831
Income Tax Paid (for A/Y 2004-05)	-	11,836
Interest Paid	-	800
Loss on Disposal of Assets	-	1,525
Rent paid	24,000	22,000
Postal Charges	25,109	24,409
Printing & Stationery	27,993	19,530
Professional Fees	87,996	137,024
Rates & Taxes	260	35,884
Share Registry Expenses	49,739	115,412
Travelling Expenses	400,000	929
Vehicle Expenses	-	14,009
Website Registration Charges	12,950	-
TOTAL	821,156	1,063,509

Notes Forming Parts of Account

- 13 Company has discontinued manufacturing operations inspite of that accounts have been prepared on Going Concern Basis.
- 14 No provision for diminution in value of investments has been made in respect of investments in equity shares of TECIL of Rs.167,65,076 eventhough the losses of TECIL has exceeded its net worth, as TECIL has substantial investment in immovable properties.
- 15 No provision is made for Corporate deposit given to Ellora Mercantile Pvt Ltd of Rs. 1,42,00,000/- for the repayment of deposit.
- 16 For the Assessment year 2003-04 the Income - Tax Department has raised a demand of Rs.31,77,291/- on completion of assessment for the said year. The Company has since filed an Appeal against the above before I.T.A.T. Also an appeal has been filed by the company for penalty of Rs. 60,47,659/- imposed by the Department for the same year which is pending before the said Authority, for which no provision has been provided in the account.
- 17 Assessments Under the Bombay Sales Tax Act, 1959 and Central Sales Tax Act, 1956 have been completed up to 2001-02 and additional demand and penalty amounting to Rs.18,05,093/- has been raised by the Department, against which the Company has filed appeals, and the necessary stay has been obtained by the Company.
- 18 Non-current Liabilities include deferred interest free Sales Tax from SICOM Rs. 11,96,976/- and have since become overdue. The Company has not provided any interest on this amount due to continuous losses.
- 19 Earning Per Shares (EPS) computed in accordance with Accounting Standard 20:

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
A (Loss)/Profit After Tax as per Accounts	1,432,354	8,480,378
B Number of Shares	1,500,000	1,500,000
C Basic & Diluted EPS	0.95	5.65
D Nominal Value of Equity Shares	Rs.10/-	Rs.10/-

20 RELATED PARTY DISCLOSURE :**A) List of Related Parties.****a. Associates**

M/s Citric India Ltd.

b. Enterprise owned or significantly influenced by key management personnel or their relatives.

1 M/s Citric India Ltd.

2 M/s Tecil Chemicals & Hydro Power Ltd.

3 M/s Joshi Thermal (Partnership Firm)

Note: Related Party relationships have been identified by the management and relied upon by the auditors.

B. Loan given and repayment thereof :

Group Companies	Opening Bal (Rs.)	Loan Given	Loan Taken	Repayment	Closing Balance
Tecil Chemicals & HP Ltd.	3,140,000	7,020,000		10,160,000	-
Citric India Ltd.	-	-	1,000,000	1,000,000	-
Total	3,140,000	7,020,000	1,000,000	11,160,000	-

21 In view of discontinuance of manufacturing operations and uncertainty in set off of carried forward losses against future profits, the Company has not recognised the deferred tax assets and liabilities as per Accounting Standard AS-22 issued by the Institute of Chartered Accountants of India.

22 Previous year's figures have been regrouped wherever necessary.

For Batliboi & Purohit
Chartered Accountants
Firm Reg. No. 101048W

Sd/-

Paresh Chokshi
Partner (Membership No.33597)

Place : Mumbai

Date : 23RD MAY 2013

On behalf of Board of Directors

Sd/-
ASHOK SOMANI
Director

Sd/-
N. K. PAREEK
Director

CHEMO PHARMA LABORATORIES LTD.

Regd. Office : 5, Kumud Apartment CHS Ltd., Karnik Road, Chikan Ghar, Kalyan, Dist. Thane – 421 301.

PROXY FORM

I/We of in the district of being member/members of above named Company hereby appoint..... of..... in the district of..... or failing him..... of..... him..... in the district of as my/our Proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 30th August 2013 at 5.00 p.m. and at any adjournment thereof.

Signed this..... day of2013

Folio No.

Affix Re.1 Revenue Stamp

NOTE: THE PROXY DULY COMPLETED MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

-----TEAR HERE-----

CHEMO PHARMA LABORATORIES LTD.

Regd. Office : 5, Kumud Apartment CHS Ltd., Karnik Road, Chikan Ghar, Kalyan, Dist. Thane – 421 301.

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full name of the Share Holder _____

Full name of the First Joint Holder _____

(To be filled in if first named joint holder does not attend the meeting)

Name of Proxy _____

(To be filled in if Proxy Form has been duly deposited with the Company)

I, hereby record my presence at the Meeting of the Share Holders of the Company held at the Registered Office of the Company on Friday, 30th August 2013 at 5.00 p.m.

Registered Folio No.-----

Share Holders/Proxy's Signature
 (To be signed at the time of handing over the slip)

No. of Shares held -----

If Undelivered, please return to :
CHEMO PHARMA LABORATORIES LTD.
Empire House, 214, Dr. D. N. Road,
Fort, Mumbai – 400 001.