

Maharashtra Safe Chemists And Distributors Alliance Limited



MSCDA

4th Annual Report

2009 - 2010

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. JAGANNATH S. SHINDE	CHAIRMAN
MR. ANIL H. NAVANDAR	VICE – CHAIRMAN
MR. VAIJANATH E. JAGUSHTE	MANAGING DIRECTOR
MR. VINAY S. SHROFF	DIRECTOR
MR. AMARJEET H. SOBTI	DIRECTOR
MR. PRAMOD H. LELE	DIRECTOR
MR. RAVINDRA M. SAVANT	DIRECTOR
MR. SUDHIR W. DESHPANDE	DIRECTOR
MR. HUKAMRAJ M. MEHTA	DIRECTOR
MR. MAHESH M. PAREKH	DIRECTOR

CORPORATE INFORMATION

AUDITORS

P.H. SANGHAVI & CO.

Chartered Accountants

4/95, Nityanand Nagar No. IV,
Swami Nityanand Marg,
Opp. Andheri Station (East),
Mumbai – 400 069.

SOLICITORS & ADVOCATES

YUSUFS & ASSOCIATES

PRINCIPAL BANKERS

BANK OF INDIA

HDFC BANK

REGISTERED & CORPORATE OFFICE

6th Floor, Corporate Park – II,
V. N. Purav Marg, Chembur,
Mumbai – 400 071.
Tel : +91 022 67730000
Fax : +91 022 25273473

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.

C-13, Pannalal Silks Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai – 400 078.
Tel. (022) – 2565 3838
Email : www.linkintime.co.in

COMPANY SECRETARY

Ms. Sangeeta Ajithan

NOTICE

NOTICE is hereby given that the Fourth Annual General Meeting of the Members of MAHARASHTRA SAFE CHEMISTS & DISTRIBUTORS ALLIANCE LIMITED will be held on Monday, 20th day of September, 2010 at 3.00 p.m. at Dr. M.S. Subbulakshmi Auditorium/ Essar Hall, Plot H. Bhaudaji Road, Behind Kings Circle (Railway Station/ SIES School), Sion (West), Mumbai – 400 022 to transact the following businesses:

I. ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31, 2010, the Profit and Loss Account for the year ended March 31, 2010 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. Ravindra M. Savant, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Sudhir W. Deshpande, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Mahesh M. Parekh, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Auditors and to fix their remuneration and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 224 of the Companies Act, 1956, M/s P.H. Sanghavi & Co., Chartered Accountants, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors of the Company.”

II. SPECIAL BUSINESS :

8. To consider and, if thought fit, to pass, with or without modification(s) if any, the following resolution as an Ordinary Resolution:
 “**RESOLVED THAT** Mr. Hukamraj M. Mehta who was appointed as Additional Director by the Board to hold office up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and being eligible offers himself for appointment and in respect of whom a Notice under section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose, Mr. Hukamraj M. Mehta as a candidate for the office of the Director be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation.”

For and on behalf of the Board

Registered Office:

6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Sd/-
(Jagannath S. Shinde)
CHAIRMAN

Place : Mumbai

Date : 29th July, 2010

NOTES:

1. The relative Explanatory statement as required under Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/proxies are requested to bring their Attendance Slip along with their copy of Annual Report to attend the Annual General Meeting.

5. 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.
6. Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company.
7. Members who hold shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificate to the Company at 6th Floor, Corporate Park – II, V.N. Purav Marg, Chembur, Mumbai – 400 071 for consolidation into a single folio.
8. The dividend on Preference Shares and Equity Shares, if declared at the Meeting, will be paid on or after 30th September, 2010 to those members whose names shall appear on the Company's Register of Members on 20th September, 2010.
9. In terms of Article 155 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Ravindra M. Savant, Mr. Sudhir W. Deshpande and Mr. Mahesh M. Parekh, Directors retire by rotation at the ensuing Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company recommends their respective re-appointments.
10. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days in advance of Annual General Meeting so as to enable the management to keep the information available at the Meeting.
11. Members are requested to immediately intimate the change, if any, to the registered office.
12. **Members are advised to refer to the Shareholders' Reference provided in the Annual Report.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 8

The Board of Directors of the Company (the 'Board'), at its meeting held on July 29, 2010 appointed Mr. Hukamraj Mehta as an additional director effective July 29, 2010 pursuant to the provisions of Section 260 of the Companies Act, 1956 (the 'Act').

In terms of the provisions of Section 260 of the Act, Mr. Hukamraj Mehta would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith deposit of Rs. 500/- for proposing the candidature of Mr. Hukamraj Mehta for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Hukamraj Mehta is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Act.

Mr. Hukamraj Mehta is interested in the Resolution as set out at Item No. 8. of the Notice which pertains to his appointment and remuneration payable to him. Save and except Mr. Hukamraj Mehta none of the other Directors of the Company is, in any way, concerned or interested in the Resolution.

The Board recommends the Resolution as set out at Item No. 8 of the Notice for your approval.

For and on behalf of the Board

Registered Office:

6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Sd/-
(Jagannath S. Shinde)
CHAIRMAN

Place : Mumbai

Date : 29th July, 2010

DIRECTORS' REPORT

To,

Dear Shareholders,

Your Directors are pleased to present the 4th Annual Report together with the audited accounts of the Company for the financial year ended 31st March, 2010.

Financial Results

The financial performance of the Company for the financial year ended 31st March, 2010 is summarized below:

	(Rs. In Lacs)	
	2009-2010	2008-2009
Total Income	1408.18	734.52
Total Expenditure	935.35	353.47
Profit/ (Loss) Before Tax	472.83	381.05
Less: Provision for Taxation	162.00	125.00
Less: Provision for FBT	-	2.80
Less: Deferred tax expense/(Income)	(0.67)	5.28
Profit /(Loss) After Tax	311.50	247.97
Add: Prior period adjustment	5.04	-
Add: Amount b/f from previous year	68.96	51.98
Amount available for appropriation	385.50	299.95
General Reserve *	8.00	7.00
Dividend on Equity Shares	140.18	70.09
Dividend on Preference Shares	121.36	121.36
Dividend Distribution Tax	44.45	32.54
Balance carried to Balance Sheet	71.51	68.96

Results of Operations:

During the year, the turnover of the Company increased from Rs. 734.52 Lacs to Rs. 1408.18 Lacs. Profit before Tax also increased from Rs. 381.05 Lacs to Rs. 472.83 Lacs during the Current Year.

Your Company has been operating as logistic facilitator/ distributor for Pharma Companies and during the year added new Pharma Companies for providing the logistic services as consignee agent / C & F agents.

Your Company has continued systematic training to retailers at various levels in order to facilitate and start organized Pharma Retail Chain in the coming years.

Considering the market situation and various initiatives taken by the management, your Directors expect substantial improvement in the business and in profitability of the Company for the Current year. Your Directors are confident to explore better market in the years to come.

Your Company is planning to enter in Ethical Pharma Business for high value and Critical Care Products which should provide sustainable growth year after year.

Your Company has plans to restructure the 'Sangam Division' and spread its wings in other States to do a volume business.

Dividend

Your Directors have recommended a dividend of 8% on Preference Shares i.e. Rs. 140.18 Lacs and 4% on Equity shares i.e. Rs. 121.36 Lacs (last year 8% on Preference Shares and 2% on Equity Shares) for the financial year ended 31st March, 2010, total amounting to Rs.305.99 Lacs (inclusive of tax of Rs.44.45 Lacs). The dividend if declared will be paid to members whose names appear in the Register of Members as on 20th September, 2010.

Subsidiaries

The Company has one subsidiary Company – Guardian Remedies Pvt. Ltd.

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company is given in Annexure to the report.

Deposits

The Company has not accepted or renewed any deposits within the meaning of the Companies (Acceptance of Deposits) Rules, 1975 during the year under review.

Directors

Mr. Hukamraj Mehta was appointed as an additional Director effective from 29th July, 2010. In terms of Section 260 of the Companies Act, 1956 he shall hold office only upto the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing candidature for the office of Director liable to retire by rotation.

Mr. Ravindra Savant, Mr. Sudhir W. Deshpande and Mr. Mahesh Parekh, Directors, retire by rotation and being eligible; offer themselves for re-appointment at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2010, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied 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 as at 31st March, 2010 and of the profit of the Company for the year ended on that date;
- c) the Directors 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
- d) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Audit Committee

Audit Committee comprises of Mr. Ravindra M. Savant as a Chairman including other members viz. Mr. Pramod H. Lele and Mr. Vaijanath E. Jagushte, Managing Director.

Auditors

M/s. P.H. Sanghavi & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act, as also indicated their willingness to be re-appointed..

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Auditors' Report

Pursuant to the requirement under Section 217(3) of the Companies Act, 1956, the Directors state with reference to Auditors' Remarks as follows:

Refer Point no. 3 ix (a) to the Annexure to the Auditor's report:

There were some delay in depositing the tax due with the Govt. authorities in the initial period when CFO's position was vacant. In the subsequent period, the Company has been generally regular in paying the statutory dues.

Particulars of Employees

The Company does not have any employee where particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Company does not fall under any of the industries covered by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988. Hence the requirements of disclosure in relation to the Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo are not applicable to it. The Company has not imported any technology during the year. There were no foreign exchange earnings and outgo during the year.

Acknowledgments

Your Directors wish to place on record their sincere appreciation for assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

For and on behalf of the Board

Sd/-

(Jagannath S. Shinde)

CHAIRMAN

Place : Mumbai

Date : 29th July, 2010

AUDITOR'S REPORT

The Members of **Maharashtra Safe Chemists and Distributors Alliance Limited**

1. We have audited the attached balance sheet of **Maharashtra Safe Chemists and Distributors Alliance Limited**, as at 31st March 2010, the Profit and Loss Account for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above **and subject to clause ix(a) of the Annexure hereto**, we report that:
 - (i) 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;
 - (ii) In our opinion, proper books of accounts as required by the law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account dealt with by this report are in the agreement with the books of accounts;
 - (iv) In our opinion, Balance Sheet, Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representation received from the Directors, as on 31st March 2010 and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2010 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
 - (vi) In the absence of the notification in the official gazette of the Central Government, the Company has not made any provision for cess payable under section 441A of the Companies Act, 1956. As per the explanations given to us, the required provision for cess payable shall be made in accordance with the notification, as and when issued by the Central Government in its official gazette.
 - (vii) In Our Opinion and to the best of our information and according to the explanation give to us the said financial statements read together with the other notes thereon give the information required by the Companies Act, 1956, 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 31st March 2010;
 - b) In the case of the Profit and Loss Account, of the profit for the year ended on that date;

For P.H. Sanghavi & Co.
Chartered Accountants

Proprietor
Pankaj Sanghavi
Membership No. : - 41290
Firm Registration No.:109111W

Place : Mumbai
Date : 29th July, 2010

Annexure to Auditor's Report

Re: *Maharashtra Safe Chemists and Distributors Alliance Limited*

Referred to in paragraph 3 of our report of even date,

- (i) (a) In our opinion and according to the information and explanation given to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) In our opinion and according to the information and explanation given to us, all the assets have been physically verified by the management during the period as per regular programme of verification which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanation given to us, the Company has not disposed off any major part of the fixed assets during the period.
- (ii) (a) In our opinion and according to the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of Inventory. In our opinion and according to the information and explanation given to us, material discrepancy noticed on physical verification has been properly dealt with in the books of account.
- (iii) (a) In our opinion and according to the information and explanation given to us, the Company has granted loan to its subsidiary being a party covered in the register maintained under section 301 of the Companies Act, 1956. The Maximum amount involved during the accounting period was 32,88,619/- and the closing balance as at the balance sheet date also is Rs. 32,88,619/-
- (b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions on which the loan have been granted by the Companies to its subsidiary listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (c) In our opinion and according to the information and explanation given to us, the Company has granted loan to its subsidiary; terms of repayment of same are not stipulated. The Company has not repaid the said loan during the financial year. The Company has charged interest on loan to subsidiary during the financial year.
- (d) In our opinion and according to the information and explanation given to us, the Company has taken reasonable steps to recover overdue amount from its subsidiary being a party covered in the register maintained under section 301 of the Companies Act, 1956.
- (e) In our opinion and according to the information and explanation given to us, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore in our opinion, the clause 4 (iii)(e), 4(iii)(f) and 4 (iii)(g) of the Companies (Auditors Report) Order, 2003 are not applicable.
- (iv) In our opinion and according to the information and explanation given to us, internal controls procedures needs to be strengthened, to commensurate with the size of the Company and the nature of its business with regards to purchase of inventory, fixed assets and with regards to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) In our opinion and according to the information and explanation given to us, the transactions 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 explanation given to us, there are no transactions made in pursuance of contacts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year. Therefore in our opinion, the clause 4(v) (b) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (vi) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public. Therefore in our opinion, the clause 4 (vi) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (vii) In our opinion and according to the information and explanation given to us, the Company has an internal audit system that needs to strengthen, commensurate with its size and nature of its business.
- (viii) In our opinion and according to the information and explanation given to us, the Company is not engaged in production, processing, manufacturing or mining activities, hence Company is not required to maintain cost records under

section 209 (1) (d) of the Companies Act, 1956. Therefore in our opinion, the clause 4 (viii) of the Companies (Auditors Report) Order, 2003 is not applicable.

- (ix) (a) ***In our opinion and according to the information and explanation given to us, the Company is not regular in depositing with appropriate authorities undisputed statutory dues including income tax, service tax, profession tax, cess, property tax applicable to it. The penalty if any, under the relevant acts is not quantified and provided for.***
- (b) In our opinion and according to the information and explanation given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, custom duty, excise duty, cess, property tax were in arrears, as at 31st March, 2010 for the period of more than six months from the date they became payable.
- (c) In our opinion and according to the information and explanation given to us, there are no dues of income tax, sales tax, cess which have not been deposited on account of any dispute.
- (x) In our opinion and according to the information and explanation given to us, the Company is registered for the period of less than five years; Therefore in our opinion, the clause 4(x) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loan obtained from any financial institution or bank. The Company has not issued any debentures.
- (xii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore in our opinion, the clause 4(xii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanation given to us, the Company is not a chit fund or a *nidhi* / mutual benefit fund/ society. Therefore in our opinion, the clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanation given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore in our opinion, the clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanation given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions; Therefore in our opinion, the clause 4(xv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanation given to us, the Company has not taken any term loan. Therefore in our opinion, the clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xvii) In our opinion and according to the information and explanation given to us, and on overall examination of the balance sheet of the Company, we report that the no fund raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except permanent working capital.
- (xviii) In our opinion and according to the information and explanation given to us, 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. Therefore in our opinion, the clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xix) In our opinion and according to the information and explanation given to us, the Company has not issued any debenture. Therefore in our opinion, the clause 4(xix) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xx) In our opinion and according to the information and explanation given to us, the Company has not raised any money by way of public issues. Therefore in our opinion, the clause 4(xx) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xxi) In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For P.H. Sanghavi & Co.
Chartered Accountants

Proprietor
Pankaj Sanghavi
Membership No. : - 41290
Firm Registration No.:109111W

Place : Mumbai

Date : 29th July, 2010

BALANCE SHEET AS AT 31st MARCH, 2010

(Amount in Rs.)

Particulars	Schedules	As at 31st March, 2010	As at 31st March, 2009
I SOURCE OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	502,161,900	502,161,900
Reserves and Surplus	2	9,551,039	8,495,778
LOANS			
Secured Loans	3	-	150,000,000
Unsecured Loans		-	-
DEFERRED TAX LIABILITIES (Refer Item No. 8 of Schedule 15)		1,372,782	1,440,172
TOTAL		513,085,721	662,097,850
II APPLICATION OF FUNDS			
FIXED ASSETS	4		
Gross Block		291,428,507	288,787,538
Less: Depreciation		14,882,220	9,082,764
Net Block		276,546,287	279,704,774
Capital Work in Progress		-	465,407
		276,546,287	280,170,181
INVESTMENTS	5	11,550,127	11,550,127
CURRENT ASSETS, LOANS AND ADVANCES			
Current Assets	6		
Inventories		2,452,127	-
Sundry debtors		90,962,422	8,073,052
Cash & Bank Balance		193,039,872	356,191,078
Other Current Assets		1,541,580	9,866,448
Loans and Advances	7	71,160,666	64,172,353
		359,156,667	438,302,931
Less: CURRENT LIABILITIES & PROVISIONS	8		
Current Liabilities		55,256,628	13,793,159
Provisions		79,285,441	54,881,648
		134,542,069	68,674,807
NET CURRENT ASSETS		224,614,598	369,628,124
MISCELLANEOUS EXPENDITURE (to the extent not written off)	9	374,709	749,418
TOTAL		513,085,721	662,097,850
NOTES TO THE ACCOUNTS	15		

The Schedules referred to above are an integral part of the Balance Sheet

As per our attached report of even date

For P.H. Sanghavi & Co.
Chartered Accountants

Pankaj Sanghavi
Proprietor

Membership No.: 41290
FRN: 109111 W

Date : 29th July, 2010
Place : Mumbai

For and on behalf of the Board

Jagannath S. Shinde
Chairman

Vaijanath E. Jagushte
Managing Director

Sangeeta Ajithan
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2010

(Amount in Rs.)

Particulars	Schedule	For the year Ended 31st March, 2010	For the year Ended 31st March, 2009
INCOME			
Sales		89,629,661	-
Income from Operations	10	24,635,171	34,132,085
Other Income	11	26,553,758	39,320,048
		140,818,590	73,452,133
EXPENDITURE			
Cost of Goods Sold	12	29,345,344	-
Personnel Expenses	13	7,180,370	6,700,390
Other Expenses	14	42,735,721	21,628,912
Interest expenses		8,100,141	86,398
Depreciation	4	5,799,456	6,557,114
Preliminary Expenses written off	9	374,709	374,709
		93,535,741	35,347,524
PROFIT / (LOSS) BEFORE TAX AND PRIOR PERIOD ITEMS		47,282,849	38,104,610
Less:- Provisions			
Provision for Taxation		16,200,000	12,500,000
Provision for FBT			280,000
Deferred Tax Expense/ (Income) Net		(67,391)	527,394
PROFIT/ (LOSS) AFTER TAX AND BEFORE PRIOR PERIOD EXPENSES		31,150,240	24,797,216
Less : Prior Period Expenses / (Income)		(504,449)	-
PROFIT/ (LOSS) AFTER TAX AND PRIOR PERIOD EXPENSES		31,654,689	24,797,216
Net Profit Brought forward from Earlier Years		6,895,778	5,197,530
Appropriation:-			
Transfer to General Reserve		800,000	700,000
Proposed Final Dividend : Preference Shares		12,135,996	12,135,996
Equity Shares		14,018,478	7,009,239
Provision for Dividend Distribution Tax		4,444,953	3,253,733
Profit / (Loss) Carried Forward to Balance Sheet		7,151,039	6,895,778
Basic Earning Per Share			
Before prior period and extra-ordinary item		0.48	0.30
After prior period and extra-ordinary item		0.50	0.30
Weighted Average No. of shares (Refer Item No. 9 of Schedule 15)		35,046,195	35,046,195
NOTES TO THE ACCOUNTS	15		

The Schedules referred to above are an integral part of the Profit And Loss Account

For P.H. Sanghavi & Co.
Chartered Accountants

Pankaj Sanghavi
Proprietor

Membership No.: 41290
FRN: 109111 W

Date : 29th July, 2010
Place : Mumbai

For and on behalf of the Board

Jagannath S. Shinde
Chairman

Vaijanath E. Jagushte
Managing Director

Sangeeta Ajithan
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2010

(Amount in Rs.)

Particulars	Schedule	For the year Ended 31st March, 2010	For the year Ended 31st March, 2009
INCOME			
Sales		89,629,661	-
Income from Operations	10	24,635,171	34,132,085
Other Income	11	26,553,758	39,320,048
		140,818,590	73,452,133
EXPENDITURE			
Cost of Goods Sold	12	29,345,344	-
Personnel Expenses	13	7,180,370	6,700,390
Other Expenses	14	42,735,721	21,628,912
Interest expenses		8,100,141	86,398
Depreciation	4	5,799,456	6,557,114
Preliminary Expenses written off	9	374,709	374,709
		93,535,741	35,347,524
PROFIT / (LOSS) BEFORE TAX AND PRIOR PERIOD ITEMS		47,282,849	38,104,610
Less:- Provisions			
Provision for Taxation		16,200,000	12,500,000
Provision for FBT			280,000
Deferred Tax Expense/ (Income) Net		(67,391)	527,394
PROFIT/ (LOSS) AFTER TAX AND BEFORE PRIOR PERIOD EXPENSES		31,150,240	24,797,216
Less : Prior Period Expenses / (Income)		(504,449)	-
PROFIT/ (LOSS) AFTER TAX AND PRIOR PERIOD EXPENSES		31,654,689	24,797,216
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For P.H. Sanghavi & Co.
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Membership No.: 41290
FRN: 109111 W

Date : 29th July, 2010
Place : Mumbai

For and on behalf of the Board

Jagannath S. Shinde
Chairman

Vaijanath E. Jagushte
Managing Director

Sangeeta Ajithan
Company Secretary

PROFIT AND LOSS ACCOUNT AND BALANCE SHEET FOR THE YEAR ENDED 31st MARCH 2010
SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rs.)

Particulars	As at 31st March, 2010	As at 31st March, 2009
SCHEDULE - 1 SHARE CAPITAL		
Authorised		
3,60,00,000 Equity Shares of Rs 10/- each	360,000,000	360,000,000
2,00,00,000 Preference Shares of Rs 10/- each	200,000,000	200,000,000
	560,000,000	560,000,000
Issued, Subscribed, Called up & Paid up		
3,50,46,195 Equity shares of Rs. 10/- each Fully Paid in Cash (P.Y 3,50,46,195 of Rs 10 each Fully Paid in Cash)	350,461,950	350,461,950
1,51,69,995, 8% Non-Cumulative Non-Convertible Preference Shares of Rs. 10/- each Fully Paid in cash, redeemable after 7 years from the date of allotment (P.Y. 1,51,69,995 , 8% Non-Cumulative Non-Convertible Pref. shares)	151,699,950	151,699,950
	502,161,900	502,161,900
SCHEDULE - 2 RESERVES AND SURPLUS		
General Reserve		
Opening Balance	1,600,000	900,000
Add:- Transferred during the Year	800,000	700,000
Less:- Utilisation during the Year	-	-
Closing Balance	2,400,000	1,600,000
Profit & Loss Account		
	7,151,039	6,895,778
	9,5551,039	8,495,778
SCHEDULE - 3 SECURED LOANS		
Loans and advances from Bank (Secured against Fixed Deposits with Bank)	-	150,000,000
	-	150,000,000

SCHEDULES FORMING PART OF BALANCE SHEET

SCHEDULE - 4 FIXED ASSETS

(Amount in Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	Opening Balance as on 01.04.2009	Additions during the Year	Sale / Transfer	Closing Balance as on 31.03.2010	Opening Balance as on 01.04.2009	Depreciation during the year	Dep on Sale of Assets	Closing Balance as on 31.03.2010	Closing as on 31.03.2010	Closing as on 31.03.2009
Agricultural Land	208,887,369	1,814,869	-	210,702,238	-	-	-	-	210,702,238	208,887,369
Office Premises	62,875,422	-	-	62,875,422	5,102,743	2,888,634	-	7,991,377	54,884,046	57,772,680
Electrical Installation	1,673,305	-	-	1,673,305	223,191	201,711	-	424,902	1,248,403	1,450,114
Furniture & Fixtures	6,063,275	508,738	-	6,572,013	1,052,352	996,534	-	2,048,886	4,523,126	5,010,923
Plant and Machinery (Office Equipment)	3,617,198	58,543	-	3,675,741	506,484	439,394	-	945,878	2,729,863	3,110,714
Plant and Machinery (Computers)	3,906,650	177,699	-	4,084,348	1,660,319	912,250	-	2,572,569	1,511,779	2,246,330
Software	479,340	81,120	-	560,460	243,275	104,472	-	347,747	212,713	236,065
Vehicles	1,284,980	-	-	1,284,980	294,400	256,461	-	550,861	734,119	990,580
TOTAL	288,787,538	2,640,969	-	291,428,507	9,082,764	5,799,456	-	14,882,220	276,546,287	279,704,773
Previous year	62,159,120	226,628,418	-	288,787,538	2,525,650	6,557,114	-	9,082,764	279,704,773	-
Capital Work in Progress	-	-	-	-	-	-	-	-	-	465,407

Note :-

Borrowing Cost amounting to Rs.16,17,449 (P.Y. Rs. 16,439) is capitalised during the year as per Accounting Standard 16.

(Amount in Rs.)

Particulars	As at 31st March, 2010	As at 31st March, 2009
SCHEDULE - 5 INVESTMENTS		
Unquoted		
Long Term Investment -At Cost		
Investment in Subsidiary		
37500 Equity Shares in Guardian Remedies Pvt. Ltd of Rs.10/- each fully paid (Previous year 37500 Equity Shares of Rs.10/- each fully paid)	1,550,127	1,550,127
Other Investment in Securities		
10,00,000 Equity Shares in All Indian Origin Chemists and Distributors Ltd. of Rs.10/- each fully paid. (P.Y. 10,00,000 Equity Shares of Rs.10/- each fully paid)	10,000,000	10,000,000
	11,550,127	11,550,127
SCHEDULE - 6 CURRENT ASSETS		
Inventories	2,452,127	-
Sundry debtors		
(All considered good)		
Debtors exceeding 6 months	1,146,333	-
Debtors others	89,816,088	8,073,052
	90,962,422	8,073,052

(Amount in Rs.)

Particulars		As at 31st March, 2010	As at 31st March, 2009
Cash & Bank Balance			
Cash on Hand	4,103		16,723
Balance with Scheduled Bank			
— On Current accounts	12,563,275		9,827,611
— On Deposit accounts	180,472,494		346,346,744
		193,039,872	356,191,078
Other Current Assets		1,541,580	9,866,448
Total Current Assets		287,996,001	374,130,578
SCHEDULE - 7 LOANS AND ADVANCES			
(Considered good)			
Advance recoverable in cash or kind or for value to be received		5,210,768	2,419,608
Deposits		124,289	14,899
Loan to Subsidiary		3,288,619	2,900,000
Advance to Suppliers		20,232,468	25,386,625
Advance Tax & TDS		42,304,521	33,451,221
Total Loans and Advances		71,160,666	64,172,353

(Amount in Rs.)

Particulars		As at 31st March, 2010	As at 31st March, 2009
SCHEDULE - 8 CURRENT LIABILITIES & PROVISIONS			
Current Liabilities			
Sundry Creditors		41,733,598	5,952,714
Advance from Customer		1,298,411	-
Duties & Taxes		6,499,914	3,528,872
Other Current Liabilities		300,000	460,743
Interest Accrued but not due on secured Loan		-	102,740
Unpaid Dividend		5,424,705	3,748,090
Total Current Liabilities		55,256,628	13,793,159
Provisions			
Proposed Final Dividend			
Preference Shares		12,135,996	12,135,996
Equity Shares		14,018,478	7,009,239
Provision For Dividend Distribution Tax		4,444,953	3,253,733
Provision For Leave encashment		176,014	172,680
Provision For Taxation		48,125,000	31,925,000
Provision for FBT		385,000	385,000
Total Provisions		79,285,441	54,881,648
TOTAL		134,542,069	68,674,807
SCHEDULE - 9 MISCELLANEOUS EXPENDITURE			
Preliminary Expenses		749,418	1,124,127
Less : 1/5 written off During Year		374,709	374,709
		374,709	749,418

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

Particulars	For the year Ended 31st March, 2010	For the year Ended 31st March, 2009
SCHEDULE - 10 INCOME FROM OPERATIONS		
Income from Services	24,635,171	34,132,085
	24,635,171	34,132,085
SCHEDULE - 11 OTHER INCOME		
Interest Income	24,760,041	37,886,926
(TDS Rs.4270166/- (P.Y. Rs.8375626/-))		
Office Rent Received	1,553,758	1,424,280
Misc. Income	239,959	8,842
	26,553,758	39,320,048
SCHEDULE - 12 COST OF GOODS SOLD		
VARIATION IN INVENTORIES		
Closing Stock in Trade	2,452,127	-
Less: - Opening Stock in Trade	-	-
Increase/(Decrease) in Inventories	2,452,127	-
PURCHASES		
Purchases of traded goods for sale	31,797,472	-
Cost of Goods Sold	29,345,344	-
SCHEDULE - 13 PERSONNEL EXPENSES		
Salaries & Wages	6,523,308	6,091,278
Contribution to Provident & Other funds	359,759	300,016
Staff Welfare	297,303	309,096
	7,180,370	6,700,390
SCHEDULE - 14 OTHER EXPENSES		
Clearing and Forwarding Charges	5,330,113	2,861,764
Rent Rates and Taxes	850,735	1,086,322
Power & Fuel Expenses	1,502,639	1,407,039
Postage and Communication Charges	1,566,327	1,383,354
Office Expenses	279,239	914,867
Printing and Stationery	922,741	881,404
Insurance Expenses	62,421	18,868
Training Expenses	2,516,307	1,857,637
Information Technology Expenses	11,819,650	3,951,624
Professional Charges	2,858,647	2,710,757
Repair & Maintenance Expenses	1,133,852	1,485
Travelling & Coveyance Expenses	2,136,023	1,143,947
Selling & Distribution Expenses	10,166,946	768,505
Business Development Expenses	460,135	1,075,064
Directors' sitting fees	150,000	90,000
Payment to Auditor	880,000	750,000
Bank Charges	24,364	9,141
Recruitment Expenses	-	579,610
Miscellaneous Expenses	75,581	137,526
	42,735,721	21,628,912

SCHEDULE 15: NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2010

Company was incorporated on 16th October, 2006 under the Companies Act' 1956 with Registration No. U24239MH2006PLC165149 and obtained Certificate of Commencement of Business on 15th November, 2006.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY**A. System of Accounting:**

- I. The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.
- II. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- III. The Company, generally, follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- IV. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

B. Fixed Assets :

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable cost of bringing the asset into existence and working condition at the locations for its intended use.

C. Depreciation:

Depreciation is provided on "Written Down Value Basis" as per the rates specified in Schedule XIV of the Companies Act, 1956. Proportionate depreciation is charged for additions/deletions during the year. Individual asset costing less than Rs.5000 are depreciated in full in the year of purchase.

D. Investment:

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is recognized if it is other than temporary.

E. Taxes on Income:

Tax expense comprises both current and deferred taxes. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

F. Revenue Recognition:

Revenue from Sales is recognized when all significant risks and rewards of the ownership have been transferred to buyer.

Interest income is recognized on time proportion basis.

Revenue from services rendered is recognized on accrual basis as per agreement with the parties.

Lease rentals are recognised on accrual basis as per terms of relevant agreement.

G. Inventories :

The Inventories are valued at lower of Cost or Net Realizable value.

H. Preliminary Expenses:

Preliminary Expenses is written off over a period of 5 (Five) years commencing from the year in which it is incurred.

I. Provisions:

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability is not recognized in the financial statements but is disclosed.

J. Retirement Benefits:

- a. **Gratuity:** The Company has not provided any Gratuity liability as on the date of the Balance sheet as none of the employee is in the service with the Company for the period of 5 years or more.
- b. **Leave Encashment:** Leave encashment benefit is provided on the basis of actual liability (i.e. Leave entitled) as on Balance sheet date, (and not on actuarial valuation,) which is calculated on the basis of last salary drawn.
- c. **Provident Fund and Other Funds:** The Company's contribution to Provident Fund is charged to Profit and Loss Account.

K. Borrowing Cost:

Net Borrowing cost directly attributable to the qualifying asset for the period of time required to put the same to its intended use or sale is capitalized.

2. CONTINGENT LIABILITY : Rs.NIL (P.Y.Rs.Nil)

3. There is no Micro, Small, and Medium Enterprises, to whom the Company owes, which are outstanding for more than 45 days at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

4. Payment to Directors :--

Director Sitting Fees of Rs.1, 50,000/- (P.Y. Rs.90, 000/-) paid to the independent directors during the year.

5. Acquisition of Freehold Agricultural Land:

- a. The Company had executed 23 deeds of conveyance (based on the survey numbers) on 30/3/2009 and got the same registered in the name of the Company as per Index II issued by the Sub Registrar of Assurances at Karjat.
- b. The Company had paid advance of Rs. 1.87 Lacs for acquiring 0.08 acres (3 Guntha) during the previous year for which the Deed of Conveyance was executed and registered in the name of the Company as per the Index II issued by the Sub Registrar of Assurances Karjat on 26/5/2009.
- c. The Company has obtained 7/12 Extracts in its name for the land.
- d. A fresh opinion on the title of the Company is obtained from an Advocate stating that the title of the Company for the above referred 24 deeds of conveyance is clear and marketable.
- e. The Company has taken possession of the property on 31/3/2009.
- f. Net Borrowing cost Rs. 16,17,449/- (P.Y. Rs. 16,439/) is capitalised according to Accounting standard 16 for Borrowing cost

6. Related Party Transactions:

(Amount in Rs. in Lakhs)

	Maharashtra State Chemists & Druggists Association		Enterprises that have a member of Key Management in common		Subsidiary Company		Total	
	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
Advance repaid	-	-	-	0.38	-	-	-	0.38
Advance received	-	-	-	0.38	-	-	-	0.38
Advance Paid	-	-	6.16	-	-	-	6.16	-
Loan given	-	-	-	-	1.05	-	1.05	-
Interest on Loan given	-	-	-	-	3.55	3.48	3.55	3.48
Reimbursement of Expense	1.00	-	-	-	-	0.07	1.00	0.07
Misc. Income	-	0.05	-	-	-	-	-	0.05
Rent Income	-	-	17.14	15.98	-	-	17.14	15.98
Service Charges for Utilisation of IT environment of the Company	-	-	128.58	42.02	-	-	128.58	42.02
Reimbursement of Expenses incurred on their behalf.	-	-	4.80	7.02	-	-	4.80	7.02
Commission Expenses	-	-	50.20	-	-	-	50.20	-
Deposit Taken	-	-	-	3.00	-	-	-	3.00
Commission Income	-	-	-	70.69	-	-	-	70.69
Balance Outstanding as on year end Receivable / (Payable)	0.75	-	(89.37)	32.02	32.89	29.00	(55.74)	61.02

Names of related parties and description of relationship:

Relationship	Name of the Related Party
Some of the Directors of the Company are the Office Bearers of the Related Party.	Maharashtra State Chemists & Druggists Association.
Subsidiary Company	Guardian Remedies Pvt. Ltd.
Enterprises that have a member of key management in common with the reporting enterprise.	All Indian Origin Chemists & Distributors Limited.

7. Lease:

Operating Lease – Lessor

The Company has entered into a Lease and License Agreement, under which it leased the right to use a specified area out of the area of office owned by the Company. The Initial direct cost has been charged to Profit & Loss Account. There is no contingent rent income recognized in Profit and Loss accounts.

Proportionate Gross Carrying of Assets Amt.	Proportionate Accum. Depreciation	Proportionate Accum. Impairment Loss	Proportionate Depreciation recognised in Profit & Loss Account	Proportionate Impairment Loss / (Reversal of Loss) Recognised in Profit & Loss Account	Proportionate Contingent Rent Recognised as Profit & Loss A/c
13,622,357	2,004,433	-	782,795	-	-

Operating Lease - Lessee

Lease payments of Rs.NIL /- (P.Y.Rs 99,000/-) has been recognized in the Profit & Loss account for the year. There is no sub lease payment received or recognized in Profit and Loss account during the Year.

8. **Deferred Tax :**

The Company has recognized Deferred Taxes which result from the timing difference between the Book Profit/ (Loss) and Taxable Profit / (Loss) for the accounting year ended on 31/03/2010 which are as under :-

Particulars	Balance as at 01-04-2009	For the period recognized in the Profit & Loss Account / Reversed during the year	Balance as at 31-03-2010
	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)
Deferred Tax Liabilities: -	-	-	-
Related to Fixed Assets	23,50,663	5,94,896	2,945,559
Deferred Tax Assets : -			
Disallowances under Income Tax Act, 1961	9,10,491	6,62,287	15,72,778
Net Deferred Tax Liabilities / (Assets)	14,40,172	(67,391)	13,72,782

9. **EARNING PER SHARE :**

Sl. No.	Particulars	2009-2010	2008-2009
1.	Profit/ (Loss) before Prior Period Item for the Year attributable to Equity Shareholders	Rs.1,69,51,731	Rs.1,05,98,708
2.	Profit/ (Loss) after Prior Period Item for the Year attributable to Equity Shareholders	Rs.1,74,56,180	Rs.1,05,98,708
3.	Weighted Average No. of Equity Shares of Rs. 10/- each	3,50,46,195	3,50,46,195
4.	Basic Earnings Per Share Before Prior Period Item	Rs.0.48	Rs.0.30
5.	Basic Earnings Per Share After Prior Period Item	Rs.0.50	Rs.0.30

Determination of Net Profit Attributable to Equity Shareholders:

Particulars	2009-2010 Amt (Rs.)	2008-2009 Amt (Rs.)
Net Profit After Tax as per Profit and Loss Accounts	3,11,50,240	2,47,97,217
Less:- Prior Period Item	(5,04,449)	NIL
Net Profit After Tax and Prior Period Item as per Profit and Loss Accounts	3,16,54,689	2,47,97,217
Less :- Profit Attributable to Preference Dividend	1,21,35,996	1,21,35,996
Less :- Tax on Dividend	20,62,513	20,62,513
Net Profit Attributable to Equity Shareholders (After Prior Period Item)	1,74,56,180	1,05,98,708

Determination of Capital for Computation of Basic EPS:

Particulars	2009-2010	2008-2009
Total No. of Equity Shares as on the beginning of the period	3,50,46,195	3,50,46,195
Total No. of Equity shares issued & allotted during the year	NIL	NIL
Weightage Avg. No. of Equity Shares = $\{(3,50,46,195 \times 365)\} / 365$	3,50,46,195	3,50,46,195

10. Claims against the Company not acknowledged as Debts : Rs. Nil (P.Y.Rs.Nil)
11. The balances with parties are subject to confirmation.
12. Estimated amount of Contracts remaining to be executed on Capital Account and not Provided for (net of advances) Rs. NIL Lacs (P.Y. Rs. 0.11 Lacs)
13. **Previous Year Comparatives**

Previous year's figures have been regrouped or rearranged where ever necessary to conform to the current year's classification.