

Maharashtra Safe Chemists And Distributors Alliance Limited



5th Annual Report
2010-2011

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COMPANY INFORMATION

BOARD OF DIRECTORS

MR. JAGANNATH S. SHINDE	Chairman
MR. ANIL H. NAVANDAR	Vice – Chairman
MR. VAIJANATH E. JAGUSHTI	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

COMPANY SECRETARY

Ms. SANGEETA AJITHAN

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
UNION 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, Bhadup (West), Mumbai – 400 078.
Tel. (022) – 2596 3838
Email : www.linkintime.co.in

NOTICE

NOTICE is hereby given that the Fifth Annual General Meeting of the members of **MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED** will be held on Wednesday, 19th day of October, 2011 at 11.00 a.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 consider and adopt the audited Balance Sheet as at March 31, 2011, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jagannath S. Shinde, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Anil H. Navandar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vinay S. Shroff, who retires by rotation and being eligible, offers himself for re-appointment.
5. 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 :

6. Revision of Remuneration to Managing Director

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

“RESOLVED THAT in accordance with the provisions of Sections 198, 309 and 311 read with Schedule XIII and other applicable provisions or any statutory modification(s) or re-enactment(s) thereof, if any, of the Companies Act, 1956 and subject to such other approvals / consents / sanctions / permissions as may be necessary, approval of the Company be and is hereby accorded to increase and variation in remuneration, commission and perquisites payable to Mr. Vajjanath E. Jagushte, Managing Director of the Company with effect 1st April, 2011 for his residual term expiring on 4th February, 2012 in accordance with the provisions of the Act, as indicated in the Explanatory Statement hereto annexed.

“RESOLVED FURTHER THAT in case of loss or inadequacy of profit, aforesaid remuneration shall be treated as minimum remuneration but not exceeding the limit as set out in Schedule XIII of the Act.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

7. Extension of Redemption of Preference Shares

To consider and if thought fit to pass with or without modification(s) following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 80, 106 and other provisions applicable, if any, of the Companies Act, 1956 and subject to the approval of requisite authority (ies), if any, consent be and is hereby accorded to the Board of Directors of the Company (“the Board”) to extend the time period for redemption of 1,51,69,995 8% Non-Cumulative, Non Convertible Preference Shares of Rs. 10/- each on such other terms and conditions including variation in existing terms and conditions as the Board may think fit provided that such variation in terms shall not be less advantageous to the aforesaid Preference Shareholders.”

For and on behalf of the Board

Sd/-

(Jagannath S. Shinde)
Chairman

Registered Office:

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

Place : Mumbai

Date : 13th September, 2011

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 are requested to bring their Attendance Slip along with their copy of Annual Report to the Annual General Meeting.
5. The Register of Members and Transfer Books of the Company will be closed from 26th September, 2011 to 19th October, 2011.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company.
8. 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.

9. In terms of Article 173 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, **Mr. Jagannath S. Shinde, Mr. Anil H. Navandar and Mr. Vinay S. Shroff**, 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 :
 - a) Intimate to the Company at the registered office address, changes, if any, at an early date.
 - b) Quote their folio number in all correspondence.
 - c) Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
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. 6

Mr. Vaijanath E. Jagushte was appointed as Managing Director of the Company for a period of 5 years with effect from 5th February, 2007 at the Extra Ordinary General Meeting of the Company held on 19th February, 2007. The said appointment was made pursuant to provisions of Section 198, 309 and 311 read with Schedule XIII, and other applicable provisions, if any, of the Companies Act, 1956. With effect from 1st April, 2010, Mr. Vaijanath E. Jagushte was appointed at a remuneration of Rs. 100,000 per month including perquisites and other terms and conditions as stated in the resolution passed at the Board Meeting of the Company held on 16th December, 2010.

The size of the Company has grown tremendously last year. Keeping in view of his enriched expertise and knowledge, commensurate with the increased time and efforts put in by Mr. Vaijanath E. Jagushte and also in view of the inflationary trend and considerable increase in the business activities of the Company the Board of Directors deemed fit to increase the remuneration of Mr. Vaijanath E. Jagushte, Managing Director from Rs.100,000/- to Rs. 200,000/- per month (including perquisites) as per the present terms of appointment for the remaining part of their period of office. The Board of Directors of the Company at its Meeting held on June 10, 2011 has, subject to the approval of the shareholders at the ensuing Annual General Meeting, increased the remuneration from April, 2011 till 04.02. 2011.

The Company is having the benefits of his valuable services since long. In view of this and also in view of his contribution to the progress and development of the Company, it is desirable that he be paid the remuneration as proposed.

This may be treated as an abstract of the terms of appointment and remuneration payable to the Managing Director required to be sent to every member pursuant to Section 302 of the Companies Act, 1956.

Approval of the shareholders is sought for payment of the aforesaid remuneration subject to the limits prescribed under the Companies Act, 1956.

The Board recommends the Resolution as set out at Item No. 6 of the Notice for your approval.

ITEM NO. 7

Redemption of 1,51,69,995 8% Non-cumulative Preference Shares of Rs. 10/- each falls due on 17th April, 2014. Having regard to the prospects and projections of the Company your Directors are optimistic of promising future of your Company. However the redemption of the aforesaid Preference shareholders would eat up Rs. 15,16,99,950 and may cause deficit of short term working capital requirements and thereby exert pressure on operations and margins of the Company. In order to avoid abundant precaution, eventualities, your Directors, recommend extension of redemption of aforesaid preference shares on such terms and conditions as they think fit provided they should not be less advantageous to the Preference shareholders.

Consent of Preference shareholders is being solicited separately.

Your Directors seek your approval to the resolution as appearing in item No. 7 of the accompanying notice by way of special resolution.

No Director shall be deemed to be interested or concerned in the resolution except to the extent of their shareholding, if any.

For and on behalf of the Board

Sd/-

(Jagannath S. Shinde)

Chairman

Registered Office:

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

Place : Mumbai

Date : 13th September, 2011

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses with the Company.

DIRECTORS' REPORT

To,

Dear Shareholders,

Your Directors are pleased to present the 5th Annual Report together with the audited accounts of the Company for the financial year ended 31st March, 2011.

Financial Results

The financial performance of the Company for the financial year ended 31st March, 2011 is summarized below:

(Rs. In Lacs)

	2010-2011	2009-2010
Total Income	967.03	1408.18
Total Expenditure	660.00	935.35
Profit/ (Loss) Before Tax	307.03	472.83
Less: Provision for Taxation	90.00	162.00
Less: Provision for FBT	-	-
Less: Deferred tax expense/ (Income)	16.86	(0.67)
Profit/(Loss) After Tax	201.00	311.50
Add: Prior period Expense/ (Income)	-	(5.04)
Add: Amount b/f from previous year	71.51	68.96
Amount available for appropriation	272.20	385.50
General Reserve	-	8.00
Dividend on Equity Shares	-	140.18
Dividend on Preference Shares	-	121.36
Dividend Distribution Tax	-	44.45
Balance carried to Balance Sheet	272.20	71.51

Results of Operations

During the year, the turnover of the Company decreased from Rs. 1408.18 Lacs to Rs. 967.03 Lacs. Profit before Tax also decreased from Rs. 472.83 Lacs to Rs. 307.03 Lacs.

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.

During the year, your Company has added new businesses of 'Critical Care/ High Value' Pharma Products & 'OTC' products to provide strength to the Company's over all business.

Dividend

Your Directors have deemed it prudent not to recommend any dividend for the year ended 31st March, 2011, in order to conserve the resources for the future years.

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. Jagannath S. Shinde, Mr. Anil H. Navandar and Mr. Vinay S. Shroff, 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, 2011, 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, 2011 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 re-appointment, 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 re-appointment 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.

Particulars of Employees

Since there was no employee drawing remuneration of Rs. 5,00,000 p.m. or part of the year or Rs. 60,00,000 p.a. or more, no particulars as specified in in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are furnished.

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, 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 : 13th September, 2011

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 2011, 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 (vii) 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 2011 and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 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 given 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 2011;
 - 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 : 13th September, 2011

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 Rs. 30,05,000/- and the closing balance as at the Balance Sheet date also is Rs. 30,05,000/-.
- (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 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 be strengthened to 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 generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, service tax, profession tax, cess, Property Tax applicable to it.
- (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, 2011 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 : 13th September, 2011

BALANCE SHEET AS AT 31st MARCH, 2011

Particulars	Schedule	(Amount in Rs.)	
		As at 31st March, 2011	As at 31st March, 2010
I SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	502,161,900	502,161,900
Reserves and Surplus	2	20,658,087	9,551,039
LOANS			
Secured Loans	3	-	-
Unsecured Loans			
DEFERRED TAX LIABILITIES		3,058,860	1,372,782
(Refer Item No.8 of Schedule 15)			
TOTAL		525,878,847	513,085,721
II APPLICATION OF FUNDS			
FIXED ASSETS	4		
Gross Block		293,249,508	291,428,507
Less: Depreciation		20,204,423	14,882,220
Net Block		273,045,085	276,546,287
INVESTMENTS	5	12,630,127	11,550,127
CURRENT ASSETS, LOANS AND ADVANCES			
Current Assets	6		
Inventories		8,627,889	2,452,127
Sundry debtors		123,915,206	90,962,422
Cash & Bank Balance		103,826,751	193,039,872
Other current assets		1,004,958	1,541,580
Loans and Advances	7	75,543,043	67,935,803
		312,917,847	355,931,804
Less: CURRENT LIABILITIES & PROVISIONS	8		
Current Liabilities		27,296,430	52,031,765
Provisions		45,417,782	79,285,441
		72,714,212	131,317,206
NET CURRENT ASSETS		240,203,635	224,614,598
MISCELLANEOUS EXPENDITURE	9	-	374,709
(to the extent not written off)			
TOTAL		525,878,847	513,085,721
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

For and on behalf of the Board

Pankaj Sanghavi
Proprietor
Membership No.: 41290
FRN: 109111W

Jagannath S. Shinde
Chairman

Vaijanath E. Jagushte
Managing Director

Date : 13th September, 2011
Place : Mumbai

Sangeeta Ajithan
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH 2011

Particulars	Schedule	(Amount in Rs.)	
		For the year Ended 31st March 2011	For the year Ended 31st March 2010
INCOME			
Sales		72,308,790	89,629,661
Income from Operations	10	11,821,052	24,635,171
Other Income	11	12,573,569	26,553,758
		<u>96,703,411</u>	<u>140,818,590</u>
EXPENDITURE			
Cost of Goods Sold	12	23,307,274	29,345,344
Personnel Expenses	13	8,068,053	7,180,370
Other Expenses	14	37,532,265	42,735,721
Interest Expenses		324,006	8,100,141
Depreciation	4	5,322,202	5,799,456
Preliminary Expenses written off	9	374,709	374,709
		<u>74,928,509</u>	<u>93,535,741</u>
PROFIT / (LOSS) BEFORE TAX AND PRIOR PERIOD ITEMS		21,774,902	47,282,849
Less:- Provisions			
Provision for Taxation		8,981,776	16,200,000
Deferred Tax Expense/ (Income) - Net		1,686,078	(67,391)
PROFIT/ (LOSS) AFTER TAX AND BEFORE PRIOR PERIOD EXPENSES		11,107,048	31,150,240
Less : Prior Period Expenses / (Income)		-	(504,449)
PROFIT/ (LOSS) AFTER TAX AND PRIOR PERIOD EXPENSES		11,107,048	31,654,689
Net Profit Brought forward from Earlier Years		7,151,039	6,895,778
Appropriation:-			
Transfer to General Reserve			800,000
Provision for Dividend Distribution Tax			4,444,953
Proposed Final Dividend:			
Preference Shares			12,135,996
Equity Shares			14,018,478
Profit / (Loss) Carried Forward to Balance Sheet		<u>18,258,087</u>	<u>7,151,039</u>
Basic Earning Per Share			
Before prior period and extra-ordinary item		0.32	0.48
After prior period and extra-ordinary item		0.32	0.50
Weighted Average No. of shares		35,046,195	35,046,195
(Refer Item No. 9 of Schedule 15)			
NOTES TO THE ACCOUNTS	15		

The Schedules referred to above are an integral part of the Profit & Loss Account
As per our attached report of even date

For P.H.Sanghavi & Co.
Chartered Accountants

For and on behalf of the Board

Pankaj Sanghavi
Proprietor
Membership No.: 41290
FRN: 109111W

Jagannath S. Shinde
Chairman

Vaijanath E. Jagushte
Managing Director

Date : 13th September, 2011
Place : Mumbai

Sangeeta Ajithan
Company Secretary

SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rs.)

Particulars	As at 31st March, 2011	As at 31st March, 2010
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
	<u>560,000,000</u>	<u>560,000,000</u>
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 Preference Shares)	151,699,950	151,699,950
	<u>502,161,900</u>	<u>502,161,900</u>
SCHEDULE - 2 RESERVES AND SURPLUS		
General Reserve		
Opening Balance	2,400,000	1,600,000
Add:- Transferred during the Year	-	800,000
Less:- Utilisation during the Year	-	-
Closing Balance	<u>2,400,000</u>	<u>2,400,000</u>
Profit & Loss Account	<u>18,258,087</u>	<u>7,151,039</u>
	<u>20,658,087</u>	<u>9,551,039</u>
SCHEDULE - 3 SECURED LOANS		
Loans and advances from Bank	-	-
(Secured against Fixed Deposits with Bank)	-	-
	<u>-</u>	<u>-</u>

SCHEDULES FORMING PART OF BALANCE SHEET

SCHEDULE - 4 FIXED ASSETS

(Amount in Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	Opening Balance as on 01.04.2010	Additions during the Year	Sale / Transfer	Closing Balance as on 31.03.2011	Opening Balance as on 01.04.2010	Depreciation during the year	Dep on Sale of Assets	Closing Balance as on 31.03.2011	Closing as on 31.03.2011	Closing as on 31.03.2010
Agricultural Land	210,702,238	-	-	210,702,238	-	-	-	-	210,702,238	210,702,238
Office Premises	62,875,422	-	-	62,875,422	7,991,377	27,44,202	-	10,735,579	52,139,843	54,884,045
Electrical Installation	1,673,305	-	-	1,673,305	424,902	173,653	-	598,555	1,074,750	1,248,403
Furniture & Fixtures	6,572,013	-	-	6,572,013	2,048,886	818,686	-	2,867,572	3,704,441	4,523,127
Plant and Machinery (Office Equipment)	3,675,741	91,110	-	3,766,851	945,878	382,591	-	1,328,469	2,438,382	2,729,863
Plant and Machinery (Computers)	4,084,348	331,141	-	4,415,489	2,572,570	668,428	-	3,240,998	1,174,491	1,511,778
Software	560,460	1,216,417	-	1,776,877	347,747	341,035	-	688,782	1,088,096	212,713
Vehicles	1,284,980	-	-	1,284,980	550,861	190,063	-	740,925	544,055	734,119
Plant and Machinery	-	182,333	-	182,333	-	3,544	-	3,544	178,789	-
TOTAL	291,428,507	1,821,001	-	293,249,508	14,882,221	5,322,202	-	20,204,423	273,045,085	276,546,286
Previous year	288,787,538	2,640,969	-	291,428,507	9,082,764	5,799,456	-	14,882,220	276,546,286	279,704,773
Capital Work in Progress										

(Amount in Rs.)

Particulars

As at 31st March, 2011 **As at 31st March, 2010**

SCHEDULE - 5 INVESTMENTS

Unquoted

Long Term Investment -At Cost

Investment in Subsidiary

37,500 Equity Shares in Guardian Remedies P.Ltd of Rs.10/- each fully paid (Previous year 37,500 Equity Shares of Rs.10/- each fully paid)

1,550,127 1,550,127

Other Investment in Securities

11,08,000 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)

11,080,000 10,000,000

12,630,127 11,550,127

SCHEDULE - 6 CURRENT ASSETS

Inventories (Verified, Valued and Certified by the Management)

8,627,889 2,452,127

Sundry debtors

(All considered good)

Debtors exceeding 6 months

40,632,961 1,146,333

Debtors others

93,482,245 89,816,088

134,115,206 90,962,422

Less:- Provision for Doubtful Debts

10,200,000 -

123,915,206 90,962,422

Cash & Bank Balance

Cash on Hand

15,675 4,103

Balance with Scheduled Bank

— On Current accounts

10,073,487 12,563,275

— On Deposit accounts

93,737,589 180,472,494

103,826,751 193,039,872

Other Current Assets

1,004,958 1,541,580

Total Current Assets

237,374,804 287,996,001

SCHEDULES FORMING PART OF BALANCE SHEET

Particulars	(Amount in Rs.)	
	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE 7 - LOANS AND ADVANCES		
(Considered good)		
Advance recoverable in cash or kind or for value to be received	472,684	228,728
Balance With Authorities	1,847,051	1,757,177
Deposits	347,269	124,289
Loan to Subsidiary	3,005,000	3,288,619
Advance to Suppliers	24,371,957	20,232,468
Advance Tax & TDS	45,499,082	42,304,521
Total Loans and Advances	75,543,043	67,935,803
SCHEDULE - 8 CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors	13,080,720	41,733,598
Advance from Customer	570,332	1,298,411
Duties & Taxes	6,055,423	3,275,051
Other Current Liabilities	700,000	300,000
Interest Accrued but not due on secured Loan	-	-
Unpaid Dividend	6,889,955	5,424,705
Total Current Liabilities	27,296,430	52,031,765
Provisions		
Proposed Final Dividend		
Preference Shares	-	12,135,996
Equity Shares	-	14,018,478
Provision For Dividend Distribution Tax	-	4,444,953
Provision For Employees Benefits	387,782	176,014
Provision For Taxation	44,925,000	48,125,000
Provision for FBT	105,000	385,000
Total Provisions	45,417,782	79,285,441
TOTAL	72,714,212	131,317,206
SCHEDULE - 9 MISCELLANEOUS EXPENDITURE		
Preliminary Expenses	374,709	749,418
Less : 1/5 written off During Year	374,709	374,709
	-	374,709

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

Particulars	For the year Ended 31st March, 2011	For the year Ended 31st March, 2010
SCHEDULE - 10 INCOME FROM OPERATIONS		
Income from Services	11,821,052	24,635,171
	11,821,052	24,635,171
SCHEDULE - 11 OTHER INCOME		
Interest Income (TDS Rs.9,41,488/- (P.Y. Rs.42,70,166/-))	9,679,493	24,760,041
Office Rent Received	2,866,255	1,553,758
Misc. Income	27,821	239,959
	12,573,569	26,553,758
SCHEDULE - 12 COST OF GOODS SOLD		
VARIATION IN INVENTORIES		
Closing Stock in Trade	8,627,889	2,452,127
Less: - Opening Stock in Trade	2,452,127	-
Increase/(Decrease) in Inventories	6,175,762	2,452,127
PURCHASES		
Purchases of traded goods for sale	29,483,036	31,797,472
Cost of Goods Sold	23,307,274	29,345,344
SCHEDULE - 13 PERSONNEL EXPENSES		
Salaries & Wages	7,227,469	6,523,308
Contribution to Provident & Other funds	492,391	359,759
Staff Welfare	348,193	297,303
	8,068,053	7,180,370
SCHEDULE - 14 OTHER EXPENSES		
Clearing and Forwarding Charges	6,265,229	5,330,113
Rent Rates and Taxes	706,442	850,735
Power & Fuel Expenses	1,594,941	1,502,639
Postage and Communication Charges	1,042,414	1,566,327
Office Expenses	492,507	279,239
Printing and Stationery	386,357	922,741
Insurance Expenses	227,705	62,421
Training Expenses	234,480	2,516,307
Information Technology Expenses	1,138,137	11,819,650
Professional Charges	1,460,348	2,858,647
Repair & Maintenance Expenses	1,019,095	1,133,852
Travelling & Conveyance Expenses	930,460	2,136,023
Selling & Distribution Expenses	9,535,612	10,166,946
Provision For Doubtful Debts	10,200,000	-
Business Development Expenses	985,241	460,135
Directors' sitting fees	130,000	150,000
Payment to Auditor	963,750	880,000
Bank Charges	41,116	24,364
Donation	18,000	-
Miscellaneous Expenses	160,432	75,581
	37,532,265	42,735,721

SCHEDULE 15: NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2011.

Company was incorporated on 16th October, 2006 with Registration No. U24239MH2006PLC 126149 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 provided Gratuity liability as on the date of the Balance sheet which is calculated on the basis of last salary drawn (and not on actuarial valuation,).

The Company has changed its policy of not providing for the Gratuity till completion of 5 years service of its employees to the current policy of providing for the same. The impact of change of policy on retrospective basis would be increase in loss by Rs.50,967/- till 31.3.2010 and by Rs. 93,141/- for the accounting year 2010-2011. The Provision for Gratuity for the years ended till 31.3.2011 totalling to Rs.1,44,107/- is debited to Profit & Loss Account of the year under consideration.

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 :**

a) Directors' sitting Fees of Rs.1,30,000/- (P.Y. Rs. 1,50,000/-) paid to the independent directors during the year.

b) Managing Directors Remuneration of Rs.14,05,016/- (P.Y. Rs. Nil) including contribution to Provident Fund of Rs. 2,05,016/- is covered under the head personnel expenses.

5. **Related Party Transactions :**

(Amount Rs. in Lakhs)

	Maharashtra State Chemist & Druggist 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 Paid	-	-	-	6.16	-	-	-	6.16
Loan Given	-	-	-	-	-	1.05	-	1.05
Interest on Loan Given	-	-	-	-	3.60	3.55	3.60	3.55
Reimbursement of Expenses	0.34	1.00	-	-	-	-	0.34	1.00
Rent Income	-	-	17.14	17.14	-	-	17.14	17.14
Service Charges for utilization of IT environment of the Company	-	-	10.18	128.58	-	-	10.18	128.58
Reimbursement of Expenses incurred on their behalf	-	-	5.69	4.80	-	-	5.69	4.80
Commission Expense	-	-	-	50.20	-	-	-	50.20
Commission Income	-	-	6.14	-	-	-	6.14	-
Consignment Purchase	-	-	222.68	-	-	-	222.68	-
Purchase of Material	-	-	192.99	-	-	-	192.99	-
Balance Outstanding as on year end Receivable/(Payable)	1.08	0.75	59.20	(89.37)	33.29	32.89	93.57	(55.73)

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.

6. Lease

Operating Lease – Lessor

The Company has entered into a Leave 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.

Particulars	Leasing of Portion of the Office Premises including Furniture and Fittings for the year	
	2010-2011	2009-2010
Proportionate Gross Carrying of Assets Amt.	13,622,357	13,622,357
Proportionate Accum. Depreciation	2,720,173	20,04,433
Proportionate Accum. Impairment	-	-
Proportionate Depreciation Recognized in Profit & Loss Account	7,15,691	7,82,795
Proportionate Impairment Recognized in Profit & Loss Account	-	-
Proportionate Contingent Rent Recognized as Profit & Loss A/c	-	-

Operating Lease - Lessee

Lease payments of Rs.2,22,000/- (P.Y.Rs Nil) 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.

7. 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 31/03/2011 which are as under :-

Particulars	Balance as at 01.04.2010	For the period recognized in the Profit & Loss Account / Reversed during the year	Balance as at 31-03-2011
	Amt. (Rs.)	Amt. (Rs.)	Amt. (Rs.)
Deferred Tax Liabilities: -			
Effect of difference in amount of depreciation as per the Companies Act, 1956 and the Income Tax Act, 1961.	2,945,559	6,40,276	35,85,835
Deferred Tax Assets: -			
Effect of expenditure debited to Profit and Loss Account having reasonable certainty of being allowed in subsequent year as per Income Tax Act, 1961.	15,72,778	10,45,802	5,26,976
Net Deferred Tax Liabilities / (Assets)	13,72,782	16,86,078	30,58,859

8. EARNING PER SHARE :-

Sl. No.	Particulars	2010-2011	2009-2010
1.	Profit/ (Loss) before Prior Period Item for the Year attributable to Equity Shareholders	Rs. 1,11,07,047	Rs. 1,69,51,731
2.	Profit/ (Loss) after Prior Period Item for the Year attributable to Equity Shareholders	Rs. 1,11,07,047	Rs. 1,74,56,180
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.0.32	Rs.0.48
5.	Basic Earnings Per Share After Prior Period Item	Rs.0.32	Rs.0.50

Determination of Net Profit Attributable to Equity Shareholders:

Particulars	2010-2011 Amt. (Rs.)	2009-2010 Amt. (Rs.)
Net Profit After Tax as per Profit and Loss Account	1,11,07,047	3,11,50,240
Less: Prior Period Item	-	(5,04,449)
Net Profit After Tax and Prior Period Item as per Profit and Loss Account	1,11,07,047	3,16,54,689
Less : Profit Attributable to Preference Dividend	-	1,21,35,996
Less : Tax on Dividend	-	20,62,513
Net Profit Attributable to Equity Shareholders (After Prior Period Item)	1,11,07,047	1,74,56,180

Determination of Capital for Computation of Basic EPS:

Particulars	2010-2011	2009-2010
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

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

12. Previous Year Comparatives

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

13. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3 OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956: -

A. EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY:- Rs.Nil (P.Y. Rs. Nil)

B. SALES

Sr. No.	Class of Products	Unit	2010-2011		2009-2010	
			Quantity (in 000's)	Rs. (in Lakhs)	Quantity (in 000's)	Rs. (in Lakhs)
1	Injection	Ampoules	4.13	0.64	-	-
2	Liquids	Bottle	760.25	79.30	874.02	184.16
3	Injection	Bottle	5.08	2.64	-	-
4	Capsules	Bottle	-	0.02	-	-
5	Capsules	Strips	421.09	57.21	86.85	46.18
6	Surgical	Needle	0.22	0.02	-	-
7	Injection	Flexipen	0.06	0.30	-	-
8	Injection	Prefilled Syringe	1.28	10.72	-	-
9	Surgical	Set	-	-	-	-
10	Tablets	Strips	4,353.99	400.08	3,792.77	480.87
11	Tablets	Bottle	0.04	1.62	-	-
12	Ointments	Tubes	1,324.10	144.73	638.31	121.75
13	Injection	Vial	4.06	25.82	-	-
14	Powder	Bottle	-	-	60.00	63.34
				723.09		896.30

Note: - Sales Quantity includes the quantity scrapped during the year.

A. PURCHASES

Sr. No.	Class of Products	Unit	2010-2011		2009-2010	
			Quantity (in 000's)	Rs. (in Lakhs)	Quantity (in 000's)	Rs. (in Lakhs)
1	Injection	Ampoules	6.20	2.88	-	-
2	Liquids	Bottle	872.30	31.99	979.51	71.47
3	Injection	Bottle	5.27	2.60	-	-
4	Capsules	Bottle	0.01	0.35	-	-
5	Capsules	Strips	483.71	17.82	93.23	12.25
6	Surgical	Needle	3.00	0.22	-	-
7	Injection	Flexipen	2.05	7.06	-	-
8	Injection	Prefilled Syringe	2.57	18.23	-	-
9	Surgical	Set	0.03	0.12	-	-
10	Tablets	Strips	4,975.21	108.84	3,945.38	134.73
11	Tablets	Bottle	0.06	1.88	-	-
12	Ointments	Tubes	1,340.95	67.02	781.49	63.09
13	Injection	Vial	11.46	35.80	-	-
14	Powder	Bottle	-	-	60.00	36.43
				294.83		317.97

B. OPENING / CLOSING STOCK

Sr. No.	Class of Products	Unit	Opening		Closing	
			Quantity (in 000's)	(Rs. in Lakhs)	Quantity (in 000's)	(Rs. in Lakhs)
1	Injection	Ampoules	-	-	2.07	2.51
2	Liquids	Bottle	105.48	7.18	217.53	15.58
					(105.48)	(7.18)
3	Injection	Bottle	-	-	0.20	0.36
4	Capsules	Bottle	-	-	0.01	0.33
5	Capsules	Strips	6.38	0.77	69.00	4.48
					(6.38)	(0.77)
6	Surgical	Needle	-	-	2.79	0.21
7	Injection	Flexipen	-	-	1.99	6.81
8	Injection	Prefilled Syringe	-	-	1.29	8.41
9	Surgical	Set	-	-	0.03	0.11
10	Tablets	Strips	152.61	4.17	773.83	21.12
					(152.61)	(4.17)
11	Tablets	Bottle	-	-	0.02	0.85
12	Ointments	Tubes	143.19	12.40	160.04	9.50
					(143.19)	(12.40)
13	Injection	Vial	-	-	7.40	16.03
14	Powder	Bottle	-	-	-	-
					-	-
			407.67	24.52	1,236.19	86.28

Note: Figure mentioned in brackets are previous year.

C. PAYMENTS TO AUDITOR :-

Particulars	2010-2011 Amt (Rs.)	2009-2010 Amt (Rs.)
a) As Auditor	6,97,648	6,34,225
b) As Adviser, or other capacity, in respect of :-		
i) Taxation matters	3,48,823	3,17,112
ii) Company law matters		
iii) Management services		
c) Reimbursement of Expenses	15,000	17,500

Note: Above amount is inclusive of Service Tax.

For P.H.Sanghavi & Co.
Chartered Accountants

Pankaj Sanghavi
Proprietor
Membership No.: 41290
FRN: 109111W

For and on behalf of the Board

Jagannath S. Shinde
Chairman

Vaijanath E. Jagushte
Managing Director

Sangeeta Ajithan
Company Secretary

Date : 13th September, 2011
Place : Mumbai

PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :		
Registration No.		167149
State Code		11
Balance Sheet Date		31-Mar-11
II. Capital raised during the Year at Face Value: (Amount in Rs. Thousand)		
Public Issue		Nil
Right Issue		Nil
Bonus Issue		Nil
Private Placement		Nil
III. Position of Mobilisation and Deployment of Funds : (Amount in Rs. Thousand)		
Total Liabilities		59,859.31
Total Assets		59,859.31
Sources of Funds :		
Paid up Capital		50,216.19
Reserves & Surplus		2,065.81
Secured Loans		-
Unsecured Loans		-
Deferred Tax Liability		305.89
Application of Funds :		
Net Fixed Assets		27,304.51
Investments		1,263.01
Net Current Assets		24,020.36
Miscellaneous Expenditure		-
Accumulated Losses		-
IV. Performance of Company :(Amount in Rs. Thousand)		
Turnover		8,412.98
Other Income		1,257.36
Total Expenditure		7,492.85
Profit / (Loss) Before Tax		21,774.90
Profit / (Loss) after Tax		1,110.70
Earning per Share		0.32
Dividend Rate		
Preference Shares		
Equity Shares		
V. Generic Names of Three Principle Products / Services of Company :		
(as per monetary terms)		
Item Code No. *:		
Product Description :		

For and on behalf of the Board

Jagannath S. Shinde
Chairman

Vaijanath E. Jagushte
Managing Director

Sangeeta Ajithan
Company Secretary

Date : 13th September, 2011
Place : Mumbai

Statement Pursuant to Section 212 of The Companies Act, 1956, Relating to Subsidiary Companies:

Name of the Subsidiary Company	Guardian Remedies Pvt. Ltd.
The financial year of the Subsidiary Company	March 31, 2011
Number of shares in the Subsidiary Company held by MSCDA Ltd.	37,500 Equity Shares of Rs. 10 each Fully paid
Holding Company's interest in percentage	83.33%
The net aggregate of profits/(loss) of the Subsidiary Companies so far as these concern the member	
(i) Dealt with in the accounts	
a) For subsidiaries' financial year ended on March 31, 2011	Nil
b) For previous financial years of the subsidiary since these became subsidiaries	Nil
(ii) Not dealt with in the accounts	
a) For subsidiaries' financial year ended on March 31, 2011	Rs. (3,55,758)
b) For previous financial years of the subsidiaries since these became subsidiaries	Rs. (3,75,667)

For and on behalf of the Board

Jagannath S. Shinde
Chairman

Vaijanath Jagushte
Managing Director

Sangeeta Ajithan
Company Secretary

Date : 13th September, 2011
Place : Mumbai

GUARDIAN REMIDIES PVT. LTD.

DIRECTORS' REPORT

To,
The Members of **GUARDIAN REMIDIES PRIVATE LIMITED**
Dear Members,
Your Directors have pleasure in presenting the **Eleventh** Annual Report together with Audited Financial Statements for the year ended on 31st March, 2011.

FINANCIAL RESULTS

The Company was incorporated on 15th February, 2001. During the year ended 31st March 2011 your Company's operations have not been profitable.

DIVIDEND

In view of the losses, your Directors are unable to recommend any dividend.

DEPOSITS

Your Company has neither accepted nor renewed any fixed deposits for public during the year under review.

STATUTORY INFORMATION

Particulars of Employees

Since there was no employee drawing remuneration of Rs. 5,00,000 p.m. or for part of the year or Rs. 60,00,000 p.a. or more, no particulars as specified in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are furnished.

Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo

The Company does not fall under any of the industries covered by the Companies (Disclosures 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.

DIRECTORS RESPONSIBILITY STATEMENT U/S 217(2AA)

The Board of Directors Report:

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

AUDITORS

The Company's Auditor's Nandakishor Patil & Co. hold office upto the conclusion of the ensuing Annual General Meeting. The Company has received a requisite certificate pursuant to Section 224 (1B) of the Companies Act, 1956, regarding their eligibility for appointment as Auditors of the Company. Members are requested to consider their appointment to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

For and on behalf of the Board
GUARDIAN REMIDIES PRIVATE LIMITED

Sd/-

(P. D. Pradhan)
Managing Director

Place : Mumbai
Date : 10th September, 2011

GUARDIAN REMIDIES PVT. LTD.

AUDITOR'S REPORT

To,

The Members,

GUARDIAN REMIDIES PVT. LTD.

KULGAON – BADLAPUR

1. We have audited the attached Balance sheet of **Guardian Remedies Pvt. Ltd.** as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto. 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 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 materials misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. 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 the audit.
 - ii) In our opinion, proper book of accounts as required by the law has been kept by the Company so far as it appears from our examination of those books.
 - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, the Profit & Loss Account and Balance Sheet dealt with by this report have been prepared in compliance with the accounting standard referred to in Sub-section (3 –C) of Section 211 of the Companies Act, 1956, to the extent they are applicable to the Company
 - v) Based on confirmations received from the Directors of the Company as at 31.03.2011 and the information and explanations given to us, no Director of the Company is disqualified from being appointed as Directors in term of Section 274(1)(g) of the Companies Act, 1956.
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in the conformity with the accounting principles generally accepted in India.
 - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011, and
 - b) In the case of Profit and Loss Account, of the loss of the Company for the year ended on that date.

For **Nandkishor Patil & Co.**
Chartered Accountants

(N.M. Patil)
Proprietor

Place : Thane
Date : 18th June, 2011

GUARDIAN REMIDIES PVT. LTD.

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31st March, 2011		As at 31st March, 2010	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
Share Capital	A		450,000.00		450,000.00
LOAN FUNDS					
Secured Loans			-		-
Unsecured Loans	B		3,640,061.03		3,646,888.00
CURRENT LIABILITIES AND PROVISIONS					
Sundry Creditors for goods		196,002.00		108,231.00	
Creditors for Expenses		132,836.00		213,578.00	
Provision for Deferred Tax		183,870.00	512,708.00	183,870.00	505,679.00
Total			<u>4,602,769.03</u>		<u>4,602,567.00</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
(At cost Less Depreciation)	C		1,542,536.31		1,643,265.74
INVESTMENTS (AT COST)					
2100 Shares of Thane Bharat Sahakari Bank Ltd. Thane			52,500.00		52,500.00
CURRENT ASSETS, LOANS AND ADVANCES					
Inventories	D	498,765.00		823,617.00	
Sundry Debtors		-		30,616.67	
Cash & Bank Balances		688,854.45		579,307.39	
Loans & Advances		-		2,472.00	
			<u>1,187,619.45</u>		1,436,013.06
MISCELLANEOUS EXPENDITURES AND LOSSES (to the extent not written off or adjusted)					
Preliminary Expenses		6,433.00		9,208.00	
Less: Written off		6,433.00	-	2,775.00	6,433.00
Profit & Loss Account			1,820,113.27		1,464,355.20
Total			<u>4,602,769.03</u>		<u>4,602,567.00</u>
Notes on Accounts & Accounting Policy	E				

As per our report of even date

FOR NANDAKISHOR PATIL & CO.
Chartered Accountants

(N.M.Patil)
Proprietor

Place : Thane
Dated : 18th June, 2011

For GUARDIAN REMIDIES PVT. LTD.

(P.D. PRADHAN)
Managing Director

(J.S. SHINDE)
Director

GUARDIAN REMIDIES PVT. LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

(Amount in Rupees)

PARTICULARS	Schedule	For the year ended 31-03-11	For the year ended 31-03-10
1 INCOME :			
Sales		3,833,081.08	4,416,319.09
Dividend on Bank Shares		4,200.00	6,825.00
Franchisee & Professional Fee payable reversed		21,718.00	-
Closing Stock		498,765.00	823,617.00
Total		4,357,764.08	5,246,761.09
2 EXPENDITURE			
Opening Stock		823,617.00	811,711.11
Purchases		2,882,529.00	3,772,469.00
Electricity Expenses		19,411.00	33,970.00
Repairs & Maintenance - Building		20,000.00	-
Repairs & Maintenance - Machinery		14,780.00	3,975.00
Directors Remuneration		120,000.00	120,000.00
Staff Salaries & Bonus		160,833.00	137,061.00
Staff Welfare Expenses		4,494.00	8,700.00
Insurance		2,848.00	2,893.00
Telephone Expenses		9,739.00	11,595.00
Conveyance		1,642.00	1,275.00
Donation		1,366.00	608.00
Profession Tax		2,500.00	2,500.00
VAT Expenses		57,033.00	52,654.00
Municipal Tax		4,803.00	4,803.00
Courier Charges		135.00	-
Debtors Not Recoverable		8,963.02	-
Discount Allowed		382.70	-
Payment To Auditors			
Audit Fee		25,000.00	25,087.00
Sales Tax Audit fees		10,000.00	5,000.00
Professional Fees		12,000.00	33,250.00
Accounting Charges		5,000.00	8,000.00
Computer Expenses		-	3,000.00
Printing & Stationery		-	11,503.00
Bank Charges		4,609.00	8,575.83
Office Expenses		4,082.00	13,333.00
Miscellaneous Expenses		-	6,340.00
Shop Cleaning Expenses		4,966.00	4,285.00
Barcode Expenses		1,692.00	-
Preliminary Expenses W / Off		6,433.00	2,775.00
ROC Filing Fees		600.00	-
		4,209,457.72	5,085,362.94
Profit before Interest, Depreciation & Tax		148,306.36	161,398.15
Interest		403,335.00	393,326.00
Depreciation		100,729.43	109,124.00
Profit (Loss) before taxes		(355,758.07)	(341,051.85)
Provision for Current Tax		-	-
Provision for Deferred Tax		-	-
FBT Provision for earlier year		-	(145.00)
Tax Provision for earlier year		-	(34,760.00)
Profit (Loss) after Tax		(355,758.07)	(375,666.85)
Balance Carried Over from last year		(1,464,355.20)	(1,088,688.35)
Balance Carried over to Balance Sheet		(1,820,113.27)	(1,464,355.20)
Notes on Account & Accounting Policy			

E

As per our report of even date

FOR NANDAKISHOR PATIL & CO.

Chartered Accountants

(N.M.Patil)

Proprietor

Place : Thane

Dated : 18th June, 2011

For GUARDIAN REMIDIES PVT. LTD.

(P.D. PRADHAN)

Managing Director

(J.S. SHINDE)

Director

GUARDIAN REMIDIES PVT. LTD.

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

(Amount in Rupees)

	As At 31st March, 2011	As At 31st March, 2010
SCHEDULE - 'A' SHARE CAPITAL		
Authorised		
50,000 Equity Shares of Rs.10/- each	500,000.00	500,000.00
Issued, Subscribed and Paid Up		
45,000 Equity Shares of Rs.10/- each fully paid up	450,000.00	450,000.00
Total Rs.	450,000.00	450,000.00
SCHEDULE - 'B' UNSECURED LOANS		
Maharashtra Safe Chemists And Distributors Alliance Ltd.	3,329,541.00	3,288,620.00
Directors & Members	310,520.03	358,268.00
(Mr P.D.Pradhan Rs. 84392.03+ Mrs Nutan Pradhan Rs. 226128)		
Total Rs.	3,640,061.03	3,646,888.00

SCHEDULE 'C' FIXED ASSETS

(Amount in Rupees)

Sr. No.	Particulars	Rate of Dep.	GROSS BLOCK			DEPRECIATION			NET BLOCK	
			Balance as at 01.04.2010	Additions/ Deletions	Balance as at 31.3.2011	Provided Up to 31.3.2010	Provided for the year	Provided Up to 31.3.2011	Balance as at 31.3.2011	Balance as at 31.3.2010
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Shop Premises	5.00	2,301,711.00	-	2,301,711.00	851,058.67	72,532.62	923,591.29	1,378,119.71	1,450,652.33
2	Electrical Fitting	13.91	171,380.00	-	171,380.00	115,380.84	7,789.48	123,170.32	48,209.68	55,999.16
3	Furniture and Fixture	18.10	195,870.00	-	195,870.00	162,355.73	6,066.08	168,421.81	27,448.19	33,514.27
4	Computer	13.91	251,840.30	-	251,840.30	152,963.83	13,753.72	166,717.55	85,122.75	98,876.47
5	Fridge	13.91	14,000.00	-	14,000.00	9,776.19	587.53	10,363.72	3,635.98	4,223.51
	Total		2,934,801.30	-	2,934,801.30	1,291,535.26	100,729.43	1,392,264.69	1,542,536.31	1,643,265.74

(Amount in Rs.)

SCHEDULE - 'D' CURRENT ASSETS

As At
31st March, 2011 As At
31st March, 2010

a) Inventories		
Closing Stock - (At Cost or Market Value Whichever is Lower)	498,765.00	823,617.00
Traded Goods (Medicines, Drugs, Cosmetics, etc.)		
(As taken valued & Certified by the Management)		
Total Rs.	498,765.00	823,617.00
b) Sundry Debtors (Unsecured, Considered good)		
Due for Less than Six Months	-	19,623.66
Due for More than Six Months	-	10,993.01
Total Rs.	-	30,616.67
c) Cash and Bank Balances		
Cash on Hand	428,722.94	544,700.82
Balance in Current A/C with Scheduled Bank		
Thane Bharat Sahakari Bank Ltd. - Maximum Balance outstanding at any time during the year Rs. 25464.50	25,464.50	21,264.50
Axis Bank, Dombivli Branch	38,058.01	13,342.07
Bank of Baroda	196,609.00	-
Total Rs.	688,854.45	579,307.39

GUARDIAN REMIDIES PVT. LTD.

SCHEDULE E: NOTES ON ACCOUNT TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2011

NOTES ON ACCOUNTS: -

1. The balance confirmation from Banks, Sundry Debtors, Sundry Creditors and from the parties to whom Loan and Advances given / taken have not been called for.
2. The number of employees who are in receipt of remuneration in aggregate of not less than Rs. 60,00,000/- per year if employed for full year or who are in receipt of remuneration in aggregate of not less than Rs.5,00,000/- per month if employed for part of the year is -- **None (Previous year- None)**.
3. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business. The provisions for all known liabilities are provided for in the Books of accounts and are adequate. No personal expenses of the Directors or employees are debited to profit and loss account and there are no contingent liabilities to our knowledge.
4. In view of existing provision for deferred tax, which is sufficient to cover the liability, hence no provision for deferred tax has been made for current year. Excess FBT provision of Rs. 145/- has been credited as income.
5. Interest on unsecured loan Rs. 403335/- has been provided @ 12% p.a.
6. Previous year's figures are re-grouped / re-arranged wherever necessary.
7. Other Information pursuant to paragraph 3 and 4(C) & (D) of the part II of Schedule VI of the Companies Act, 1956 is given as under to the extent applicable to the Company.
 - i. **Quantity details as regards goods traded :**
The Company is engaged in the business of retailers in pharmaceutical products & General items, Quantities details of purchase & sales, opening & closing stock are not stated as they are not capable of segregation. There are no common units in respect of Turnover, purchase & sales.
 - ii. **Other details are not applicable to the Company.**

SIGNIFICANT ACCOUNTING POLICIES: -

1. **SYSTEM OF ACCOUNTING:** The accounts are prepared under historical cost convention on an accrual concept in accordance with generally accepted accounting policies. The Company generally follows mercantile system of accounting and recognize income & expenditure on accrual basis except with significant uncertainties if any. Estimates and assumptions used in the preparation of financial statements are based on management evaluation of relevant facts and circumstances, which may differ from the actual results at a subsequent date.
2. **FIXED ASSETS:** Fixed assets are stated at cost less depreciation
3. **DEPRECIATION:** Depreciation on Fixed Assets is being provided on written down value method in the manner and at the rate specified in schedule XIV to the Companies Act, 1956.
4. **INVESTMENTS:** Shares of Co-Op. Banks are stated at cost.
5. **INVENTORIES:** Inventories are valued at cost or net realizable value whichever is less.
6. **RETIREMENT BENEFITS:** No employee has put in the required number of years for entitlement of gratuity.
7. **TAXES ON INCOME:** Provision for current Tax is made on the basis of estimated income of the year, in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax resulting from the timing difference between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date.
8. **CONTINGENT LIABILITIES:** Contingent liabilities are not provided for and are disclosed by way of notes on accounts if any.
9. **PRELIMINARY EXPENSES:** Balance of Preliminary expenses are written off during the year, being it is tenth year.

As per our report of even date

FOR NANDAKISHOR PATIL & CO

Chartered Accountants

(N. M. Patil)

Proprietor

Place : Thane

Dated : 18th June, 2011

FOR GUARDIAN REMIDIES PVT. LTD.

(P. D. Pradhan)

Managing Director

(J. S. Shinde)

Director

GUARDIAN REMIDIES PVT. LTD.

PART IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1 Registration Details		
Registration No.		11 - 130879
State Code		11
Balance Sheet Date		31.03.2011
2 Public Issue		N.A.
Rights Issue		N.A.
Bonus Issue		N.A.
Private Placement		N.A.
3 Position of Mobilisation and Deployment of Funds		
Total Liability		4,602,769
Total Assets		4,602,769
Sources of Funds		
Share Capital		450,000
Reserves & Surplus		NIL
Secured Loans		NIL
Unsecured Loans		3,640,061
Current Liabilities		512,708
Application of Funds		
Net Fixed Assets		1,542,536
Investments		52,500
Net Current Assets		1,187,619
Misc. Expenditure		-
Profit & Loss Account		1,820,113
4 Performance of Company		
Turnover		3,833,081
Total Expenditure (including depreciation)		4,188,839
Profit / Loss Before Tax		(355,758)
Earning Per Share in Rs.		NIL
Dividend Rate %		NIL
5 Generatic Name of Principal Services of Company		
Item Code No. (ITC Code)		Not Applicable
Product Description		Deals in Medicines, Drugs, Cosmetics, etc. Pharmaceutical Product

For and on Behalf of the Board
FOR GURDIAN REMIDIES PVT. LTD.

(P. D. PRADHAN)
Managing Director

(J. S. SHINDE)
Director

SHAREHOLDERS' REFERENCE

Company's Recommendations to the shareholders

The following are the Company's recommendations to shareholders / investors:

Consolidate Multiple Folios

Investors should consolidate their shareholding held in multiple folios. This would facilitate one-stop tracking of all corporate benefits on the shares and would reduce the time and efforts required to monitor multiple folios.

Submit Nomination Form

Investors should register the nominations. Nomination would help the nominees to get the shares transmitted in their favour without any hassles. Investors must ensure that nomination made is in the prescribed Form and must be witnessed by two witnesses in order to be effective.

Exercise caution

Information of death of shareholders or change of address should be communicated.

Intimate mobile number and e-mail address

Intimate your mobile and e-mail address and changes therein if any to the Company.

Mode of Postage

Share certificates and high value dividend/ demand drafts should not be sent by ordinary post. It is recommended that investors should send such instruments by registered post or courier.

Nomination Facility:

What is nomination facility and to whom it is more useful?

Section 109A of the Companies Act, 1956 provides the facility of nomination to shareholders. This facility is mainly useful for individuals holding shares in sole name. In the case of joint holding of shares by individuals, nomination will be effective only in the event of the death of all joint holders.

Who can appoint a nominee and who can be appointed as a nominee?

Individual shareholders holding the shares in single name or joint names can appoint a nominee. In case of joint holding, joint holders together have to appoint the nominee. Minors can, however be appointed as a nominee.

Can a nomination once made be revoked/ varied?

It is possible to revoke/vary a nomination once made. If nomination is made by joint holders, and one of the joint holders dies, the remaining joint holder(s) can make a fresh nomination by revoking the existing nomination.

Are the joint holders deemed to be nominees to the shares?

Joint holders are not nominees; they are joint holders of the relevant shares having joint rights on the same. In the event of death of any one of the joint holders, the surviving joint holder(s) of the shares is/ are the only person(s) recognized under law as holder(s) of the shares. Joint holders may together appoint a nominee.

Is nomination form required to be witnessed?

A nomination form must be witnessed by the two witnesses.

What rights are conferred on the nominee and how can he exercise the same?

The nominee is entitled to all the rights of the deceased shareholder to the exclusion of all other persons. In the event of death of the shareholder, all the rights of the shareholder shall vest in the nominee. In case of joint holding, all the rights shall vest in the nominee only in the event of death of all the joint holders. The nominee is required to apply to the Company by reporting death of the nominator along with the attested copy of the death certificate.

TRANSFER / TRANSMISSION / TRANSPOSITION / DUPLICATE CERTIFICATES ETC.

What is the procedure for transfer of shares in favour of transferee(s)?

Transferee(s) need to send share certificate(s) along with the share transfer deed in the prescribed form 7B, duly filled in, executed and affixed with share transfer stamps to the Company.

Is Permanent Account Number for transfer of shares mandatory?

SEBI vide its Circular dated May 20, 2009 has stated that for transfer of shares in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company for registration of such transfer of shares.

What is the procedure for getting shares in the name of surviving shareholder(s) in case of joint holding, in the event of death of one shareholder?

The surviving shareholder(s) will have to submit a request letter supported by an attested copy of the death certificate of the deceased shareholder and accompanied by the relevant share certificate(s). The Company on receipt of the said documents and after due scrutiny, will delete the name of the deceased shareholder from its records and return the share certificate(s) to the surviving shareholder(s) with necessary endorsement.

If a shareholder who holds shares in his sole name dies without leaving a Will, how can his legal heir(s) claim the shares?

The legal heir(s) should obtain a Succession Certificate or Letter of Administration with respect to the shares and send a true copy of the same, duly attested, along with a request letter, transmission form, and share certificate(s) in original, to the Company's R & TA for transmission of the shares in his/ their name(s) and the Company will send to the Registrar.

In case of a deceased shareholder who held shares in his/ her own name (single) and had left a Will, how do the legal heir(s) get the shares transmitted in their name(s)?

The legal heir(s) will have to get the Will probated by the Court of competent jurisdiction and then send to the Company a copy of the probated copy of the Will, along with relevant details of the shares, the relevant share certificate(s) in original and transmission form for transmission of the shares in his/ their name(s) and the Company will send to the Registrar.

What is the procedure for obtaining duplicate share certificate(s) in case of loss / misplacement of original share certificate (s)?

Shareholders who have lost/ misplaced share certificate(s) should inform the Company, immediately about loss of share certificate(s), quoting their folio number and details of share certificate(s), if available.

The Company shall immediately mark a 'stop transfer' on the folio to prevent any further transfer of shares covered by the lost share certificate(s). It is recommended that the shareholders should lodge a FIR with the police regarding loss of share certificate(s).

They should send their request for duplicate share certificate(s) to the Company and submit documents as required by the Company and the Company will send to the Registrar.

What is the procedure for splitting of a share certificate into smaller lots?

Shareholders may write to the Company enclosing the relevant share certificate for splitting into smaller lots. The share certificates will be sent by the Company to the Registrar and sent to the shareholders after splitting at their registered address.

Miscellaneous:

Change of Address

What is the procedure to get change of address registered in the Company's records?

Shareholders holding shares in physical form may send a request letter duly signed by all the holders giving the new address along with the Pin Code. Shareholders are also requested to quote their folio number and furnish proof such as attested copies of Ration Card / PAN Card / Passport / Latest Electricity or Telephone Bill / Lease Agreement etc.

Change of Name

What is the procedure for registering change of name of shareholders?

Shareholders may request the Company for effecting change of name in the share certificate(s) and records of the Company. Original share certificate(s) along with the supporting documents like marriage certificate, court order etc. should be enclosed. The Company and the Registrar after verification will effect the change of name and send the share certificate(s) in the new name of the shareholders.

NOTE:

The contents of this Reference are for the purpose of general information. The readers are advised to refer to the relevant Acts / Rules / Regulations / Guidelines/ Clarifications.

MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED

Registered office: 6th Floor, Corporate Park-II, V.N. Purav Marg, Chembur, Mumbai 400 071.

ATTENDANCE SLIP

5th Annual General Meeting – 19th October, 2011 on Wednesday, at 11.00 A.M.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Regd. Folio No: _____

No. of Shares held : _____

Name and Address of the Shareholder:

I hereby record my presence at the **FIFTH ANNUAL GENERAL MEETING** of the Company being held at DR. M.S. SUBBULAKSHMI AUDITORIUM / ESSAR HALL, PLOT H. BHAUDAJI ROAD, BEHIND KINGS CIRCLE (RAILWAY STATION / SIES SCHOOL), SION (WEST), MUMBAI – 400 022.

Signature of Shareholder / Proxy

- NOTE:**
1. Member / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting.
 2. Member / Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

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PROXY FORM

5th Annual General Meeting – 19th October, 2011 on Wednesday, at 11.00 A.M.

Regd. Folio No. _____

I/We _____ in the District of _____ being a Member/Members of MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED hereby appoint _____ of _____ in the District of _____ or failing him _____ of _____ in the District of _____ as my/our Proxy to attend and vote for me/us and my/our behalf at the **Fifth Annual General Meeting** of the Company to be held on Wednesday the 19th October, 2011 at 11.00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2011

Affix a
Revenue
Stamp of
Re 1/-

- NOTES:**
1. The form should be signed across the stamp as per specimen signature(s) registered with the Company.
 2. The Proxy Form must be deposited at the Registered office of the Company not less than 48 (Forty Eight) Hours before the time fixed for holding the Meeting or adjourned meeting.
 3. A Proxy need not be a Member of the Company.