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Maharashtra Safe Chemists And Distributors Alliance Limited

6th Annual Report : 2011-12

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COMPANY INFORMATION

BOARD OF DIRECTORS

MR. JAGANNATH S. SHINDE	CHAIRMAN
MR. ANIL H. NAVANDAR	VICE – CHAIRMAN
MR. VAIJANATH E. JAGUSHTE	MANAGING DIRECTOR
MR. RAVINDRA M. SAVANT	INDEPENDENT DIRECTOR
MR. SUDHIR W. DESHPANDE	INDEPENDENT DIRECTOR
MR. VINAY S. SHROFF	DIRECTOR
MR. AMARJEET H. SOBTI	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 F-9. Level 1, Sej Plaza, Marve Road, Near Nutan School, Malad (W), Mumbai - 400 064 Tel : 91-22-66751190 Email :- pankaj.sanghavi@yahoo.co.in
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) – 2596 3838 Email : www.linkintime.co.in

NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the members of **MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED** will be held on Friday, the **14th day of September, 2012 at 3.00 P.M.** at Matunga Gujarati Club Limited, 4 Nathalal Parekh Marg, Near Arora Cinema, Matunga Central Railway, Matunga(East), Mumbai – 400 019 to transact the following businesses:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012, 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. Amarjeet H. Sobti, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Hukamraj Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sudhir W. Deshpande, 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 determined by the Board of Directors of the Company.”

II. SPECIAL BUSINESS :

6. Reappointment of Managing Director

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

“RESOLVED THAT in accordance with the provisions of Sections 269, 309 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 reappointment of Mr. Vajjanath E. Jagushte as the Managing Director of the Company for a further period of 1 (one) year with effect from 5th February, 2012 without remuneration.”

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

7. Alteration of Clause III of Memorandum of Association.

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

“RESOLVED THAT approval, be and is, hereby accorded pursuant to Section 17 of the Companies Act, 1956 to the alteration of Clause III (Object Clause) of the Memorandum of Association of the Company by insertion of new sub clause 3 as follows:

3. To carry on in India or elsewhere the business as the dealers, distributors, importers, exporters, agents, lessors, developers, manufacturers, centralized purchaser and otherwise in all capacities and to deal in all respects in all kinds of information technology system including carrying out automated centralized purchase and providing computer system for organized retail including computers, printers, scanners, software on sale, lease or otherwise to any person.

For and on behalf of the Board

Registered Office:

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

**Sd/-
(Jagannath S. Shinde)
CHAIRMAN**

Place : Mumbai

Date : 3rd August, 2012

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 SHALL, 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. 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. In terms of Article 173 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, **Mr. Amarjeet H. Sobti, Mr. Hukamraj M. Mehta and Mr. Sudhir W. Deshpande**, 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.
9. 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.
10. 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.
11. Members may note that the Company's website is www.mscaidtd.com
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

Reappointment of Mr. Vaijanath E. Jagushte, as the Managing Director of the Company.

Mr. Vaijanath E. Jagushte is a dynamic entrepreneur and a visionary. He has vast experience in managing the Company's affairs. He is actively involved in expanding the business activities embarking upon new projects.

Your Directors reappointed Mr. Vaijanath E. Jagushte as the Managing Director of the Company on 22/12/2011 with effect from 5th February, 2012 for a period of one year i.e. from 5/2/2012 to 4/2/2013. The Board of Directors has taken on record with appreciation voluntary offer of Mr. Vaijanath E, Jagushte of rendering services without remuneration. No Director, except Mr. Vaijanath E. Jagushte, shall be deemed to be interested or concerned in the resolution.

Your Directors seek your approval to the resolution as appearing in item No. 6 of the accompanying notice by way of special resolution.

No Director except Mr. Vaijanath E. Jagushte shall be deemed to be interested or concerned in the resolution.

ITEM NO. 7

In order to facilitate dealers, franchisees etc., of the Company, it is proposed to carry out automated centralized purchase as also to provide comprehensive computer system including computers, printers, scanners, software on sale/lease to them for organized retail. This business can be conveniently and advantageously carried on with the existing business of the Company and the main purpose of the Company can be attained by improved means. Accordingly, it is proposed to insert new sub-clause 3 to the main objects of the Memorandum of Association of the Company.

Aforesaid alteration in the objects clause can be made with the approval of members by way of special resolution. Hence, your Directors seek your approval to the resolution as set out 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 Special Resolution.

Registered. Office:

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

Place : Mumbai

Date : 3rd August, 2012

For and on behalf of the Board

Sd/-

(Jagannath S. Shinde)
CHAIRMAN

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.

Important Communication to Members

Shareholders who have not encashed the Unclaimed/ Unpaid Dividend may please approach the Company for payment of such Dividend.
Shareholders may please note that no claim of such Dividend will be entertained after the transfer to the Investor Education & Protection Fund (IEPF).

- Ms. Sangeeta Ajithan, Company Secretary - Tel. (O) 6773 0040. E-mail ID - sangeeta.ajithan@aiocd.com,

DIRECTORS' REPORT

To,

Dear Shareholders,

Your Directors have pleasure to present the 6th Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2012.

Financial Results

The financial performance of the Company for the financial year ended 31st March, 2012 is summarized below:

	(Rs. In Lacs)	
	2011-2012	2010-2011
Total Income	906.24	967.03
Profit/ (Loss) Before Tax	(687.84)	217.75
Less: Exceptional Items	1.34	-
Less: Provision for Taxation	6.91	89.81
Less: Deferred tax expense/ (Income)	(1.29)	16.86
Profit /(Loss) After Tax	(694.80)	111.07
Add: Amount b/f from previous year	182.58	71.51
Balance carried to Balance Sheet	(512.22)	182.58

Results of Operations:

During the year, the turnover of the Company decreased from Rs. 967.03 Lacs to Rs. 906.24 Lacs. However there is Net Loss of Rs. 687.84 Lacs as against the Profit of Rs. 217.75 Lacs in the previous year. Net loss of Rs. 687.84 Lacs is substantially comprises of the provision for doubtful debts in line with prudent accounting policy amounting to Rs. 665 Lacs which should not be construed as business loss.

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.

Your Company has launched a new TRIT Division during the year.

Dividend

In view of the losses, no dividend is being recommended.

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. Amarjeet Sobti, Mr. Hukamraj Mehta and Mr. Sudhir W. Deshpande, Directors, retire by rotation and being eligible; offer themselves for re-appointment at the ensuing Annual General Meeting.

During the period, Mr. Pramod H. Lele resigned from the Directorship of the Company w.e.f. 30th March, 2012. The Board placed on record its gratitude for the valuable services rendered and guidance provided by Mr. Pramod H. Lele during his tenure with the Company.

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, 2012, 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, 2012 & of the Loss 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. Vaijanath E. Jagushte, Managing Director and Mr. Vinay S. Shroff, 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..

Auditors Report

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. 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 (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 the 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/-

**Place : Mumbai
Date : 3rd August, 2012**

**(Jagannath S. Shinde)
CHAIRMAN**

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 2012, 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, 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 2012 and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 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 2012;
 - 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
FRN :- 109111W

Place : Mumbai
Date : 3rd August, 2012

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 are 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, discrepancies noticed on physical verification have 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 had granted an unsecured 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 same is recovered.
- (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 had granted unsecured loan to its subsidiary; terms of repayment of same are not stipulated. The Company has recovered the said loan during the financial year. The Company has not 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 recovered the entire 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 taken interest free unsecured loan from 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 and the closing balance as on 31.3.2012 was Rs. 37,71,361/-.
- (f) 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 has been taken by the Company from 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.

- (g) In our opinion and according to the information and explanation given to us, the Company has taken interest free unsecured loan from its subsidiary; terms of repayment of same are not stipulated. The Company has not repaid the said loan during the financial year.
- (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 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, 2012 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 more than five years; The accumulated losses as at the end of the current financial year are less than 50% of its net worth. The Company has incurred cash loss during the current financial year. The Company had not incurred cash loss in the immediately preceding financial year.
- (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 issue. 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

FRN :- 109111W

Place: - Mumbai

Date: - 3rd August, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

(Amount in Rs.)

Perticulars	Note No	As at 31st March, 2012	As at 31st March, 2011
(I) EQUITY AND LIABILITIES			
1) Shareholder's Fund			
a) Share Capital	1	502,161,900	502,161,900
b) Reserves and Surplus	2	(48,822,036)	20,658,087
2) Non-Current Liabilities			
a) Long Term Borrowings		-	-
b) Deferred Tax Liability (Net)		2,929,716	3,058,860
c) Other long Term Liabilities	3	700,000	700,000
d) Long Term Provisions	4	401,535	143,977
3) Current Liabilities			
a) Short Term Borrowings	5	3,771,361	(3,329,540)
b) Trade Payables		12,862,378	5,713,521
c) Other Current Liabilities	6	14,312,346	20,400,067
d) Short Term Provision	7	29,946,815	45,756,653
Total Equity and Liabilities		518,264,015	595,263,525
II) ASSETS			
1) Non-Current Assets			
a) Fixed Assets			
i) Tangible Assets	8	268,627,152	273,045,085
ii) Intangible Assets		-	-
iii) Capital Work-in-Progress		-	-
iv) Intangible Assets Under Development		-	-
b) Non-Current Investment	9	13,195,000	11,080,000
c) Deferred Tax Assets (Net)		-	-
d) Long Term Loans and Advances	10	696,305	347,269
e) Other Non-Current Assets		-	-
2) Current Assets			
a) Current Investment	11	1,550,127	1,550,127
b) Inventory	12	13,950,592	8,627,889
c) Trade Recievables	13	38,603,620	123,915,206
d) Cash and Cash-Equivalents	14	110,273,798	103,826,751
e) Short Term Loans and Advances		-	-
f) Other Current Assets	15	71,367,421	72,871,198
Total Assets		518,264,015	595,263,525

The Notes 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
Place : Mumbai
Date : 3rd August,2012

Jagannath S. Shinde
Chairman

Vaijanath E. Jagusthe
Managing Director

Sangeeta Ajithan
Company Secretary

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rs.)

Particulars	Note No	For the Year Ended 31st March,2012	For the Year Ended 31st March,2011
I) INCOME :			
Income From Operations	16	79,645,055	84,129,842
Other Income	17	10,979,731	12,573,569
Total Revenue		90,624,786	96,703,411
II) EXPENDITURE :			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade		56,287,957	29,483,036
Changes in Inventory of Stock-in-Trade	18	(5,448,145)	(6,175,762)
Employee Benefit expenses	19	14,680,770	8,068,053
Finance Cost	20	710,302	324,006
Depreciation and amortization Expenses	21	4,929,569	5,696,911
Other Expenditure	22	88,247,832	37,532,265
Total Expenditure		159,408,286	74,928,509
III) Profit / (Loss) Before exceptional and extraordinary items and tax (I - II)		(68,783,500)	21,774,902
IV) Exceptional Items			
i) Loss on Sale of Fixed Assets		8,874	-
ii) Reduction in value due to lower NRV		125,442	-
V) Profit / (Loss) before extraordinary items & tax(III-IV)		(68,917,816)	21,774,902
VI) Profit / (Loss) Before Tax		(68,917,816)	21,774,902
VII) Tax Expenses			
i) Current Tax		-	8,981,776
ii) Deferred Tax		(129,143)	1,686,078
iii) Short Provision of Previous Years		691,452	-
VIII) Profit (Loss) from Continuing Operations (VI-VII)		(69,480,125)	11,107,048
IX) Profit (Loss) for the period		(69,480,125)	11,107,048
X) Earnings per Share			
1) Basic		(1.98)	0.32
2) Diluted		(1.98)	0.32

The Notes 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

Sangeeta Ajithan
Company Secretary

Place : Mumbai
Date : 3rd August,2012

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012.

Particulars	(Amount in Rs.)	
	As at 31st March,2012	As at 31st March,2011
1 SHARE CAPITAL		
Authorized Capital		
3,60,00,000 Equity Shares of Rs 10/- each	360,000,000	360,000,000
2,00,00,000 8% Preference Shares of Rs 10/- each	200,000,000	200,000,000
	560,000,000	560,000,000
Issued,Subscribed and Paid up Capital		
3,50,46,195 Equity share 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
Total	502,161,900	502,161,900
The other relevant disclosures are made in Note No 23.16		
2 Reserves and Surplus		
General Reserve		
Opening Balance	2,400,000	2,400,000
Add: Additions During the year	-	-
Less: Utilizations during the year	-	-
Closing Balance	2,400,000	2,400,000
Profit & Loss A/c		
Opening Balance	18,258,088	7,151,039
Add: Additions During the year	(69,480,124)	11,107,049
Less: Utilizations during the year	-	-
Closing Balance	(51,222,036)	18,258,088
Total	(48,822,036)	20,658,088
3 Other Long term Liabilities		
Security Deposit Received	700,000	700,000
Total	700,000	700,000
4 Long Term Provisions		
Provisions for Employee Benefits	401,535	143,977
Total	401,535	143,977
5 Short Term Borrowings		
Unsecured Short Term Loans and Advances from Related Parties	3,771,361	(3,329,540)
Total	3,771,361	(3,329,540)

The other relevant disclosures are made in Note No 23.17

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012.

(Amount in Rs.)

Particulars	As at	As at
	31st March, 2012	31st March, 2011
6 Other Current Liabilities		
Unpaid Dividends	5,490,560	6,889,955
<u>Others</u>		
Payable to Employees	35,052	27,354
Non Trade Creditors	4,707,848	6,713,951
Salary / Wages Payable	803,221	542,978
Director Remuneration Payable	112,697	-
Employees Contribution To Provident Fund Payable	72,371	175,124
ESIC Liability Payable	1,752	1,105
Duties & Taxes Payable	712,023	5,479,267
Advance from Customers	2,376,822	570,332
Total	14,312,346	20,400,067
7 Short Term Provisions		
Provisions for Employee Benefits	439,433	243,805
<u>Others</u>		
Provision For Taxation	28,725,000	44,925,000
Provision for FBT	105,000	105,000
Provison for Expenses	677,382	482,848
Total	29,946,815	45,756,653

8 FIXED ASSETS

(Amount in Rs.)

Particulars	Rate	Gross Block				Depreciation				Net Block	
		Value as on 1.4.2011	Addition During the year	Deletion During the Year	Value as on 31.03.2012	Dep. as on 1.4.2011	Addition During the year	Deletion During the Year	Dep. as on 31.03.2012	WDV as on 31-3-2012	WDV as on 31-3-2011
(A) Tangible Assets											
Land Plot		210,702,238			210,702,238	-				210,702,238	210,702,238
Building	5%	62,875,422			62,875,422	10,735,579	2,606,992		13,342,571	49,532,851	52,139,843
Plant & Machinery											
Electrical Installation	13.91%	1,673,305			1,673,305	598,555	149,498		748,053	925,252	1,074,750
Office Equipement	13.91%	3,766,851	30,509	4,500	3,792,860	1,328,469	342,572	1,685	1,669,356	2,123,505	2,438,382
Plant & Machinery	13.91%	182,333			182,333	3,544	24,870		28,414	153,919	178,789
Furniture & Fixture	18.10%	6,572,013			6,572,013	2,867,572	670,504		3,538,076	3,033,937	3,704,441
Vehicles (Cars)	25.89%	1,284,980			1,284,980	740,925	140,856		881,781	403,199	544,055
Computer	40%	4,415,489	219,200	91,034	4,543,655	3,240,998	499,579	76,774	3,663,803	879,852	1,174,491
Software	40%	1,776,877	279,000	-	2,055,877	688,781	494,698		1,183,479	872,399	1,088,096
Sub Total		293,249,508	528,709	95,534	293,682,683	20,204,423	4,929,568	78,459	25,055,533	268,627,152	273,045,085
(B) Intangible Assets											
Total		293,249,508	528,709	95,534	293,682,683	20,204,423	4,929,568	78,459	25,055,533	268,627,152	273,045,085
Previous year		291,428,507	1,821,001	-	293,249,508	14,882,220	5,322,202	-	20,204,423	273,045,085	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	(Amount in Rs.)	
	As at 31st March, 2012	As at 31st March, 2011
9 Non-Current Investment		
Investment in Unquoted Equity Shares	13,195,000	11,080,000
Total	13,195,000	11,080,000
The other relevant disclosures are made in Note No 23.18		
10 Long Term Loans and Advances		
Security Deposits (Unsecured, Considered Good)	696,305	347,269
Total	696,305	347,269
11 Current Investments		
Investment in Unquoted Equity Shares	1,550,127	1,550,127
Total	1,550,127	1,550,127
The other relevant disclosures are made in Note No 23.19		
12 Inventory (As taken, Valued & Certified by the Management)		
Finished Goods at Cost	14,076,034	8,627,889
Less : Reduction in value due to lower NRV	125,442	-
Closing Value of Finished Goods Total	13,950,592	8,627,889
13 Trade Receivables		
Trade Receivables (Less than Six Months)		
Secured, Considered Good		
Unsecured, Considered Good	23,852,045	93,482,245
Doubtful		
Due From Directors, Partners, etc		
Trade Receivables (More than Six Months)	81,251,575	40,632,961
Less : Provision for doubtful debts	66,500,000	10,200,000
Total	38,603,620	123,915,206
14 Cash and Cash Equivalent		
Balance With Bank	9,288,013	10,073,487
Cash on Hand	6,900	15,675
Bank Deposits with less than 12 months maturity(Unencumbered)	76,026,066	86,138,748
Bank Deposits with More than 12 Months maturity (Unencumbered)	24,952,820	7,598,841
Total	110,273,798	103,826,751

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012.

(Amount in Rs.)

Particulars	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
15 Other Current Assets		
Balance With Authorities	1,393,494	1,847,051
Advance to Suppliers (Unsecured, Considered Good)	37,539,136	24,371,957
Other Current Assets	1,174,601	1,004,964
Prepaid Expenses	174,782	148,144
Advance Tax & TDS	31,085,408	45,499,082
Total	71,367,421	72,871,198
16 Income From Operation		
- Sale of Products	66,024,265	72,308,790
- Sale of Services	13,620,791	11,821,052
Total	79,645,055	84,129,842
17 Other Income		
- Interest Income	7,796,931	9,679,493
- Other Non-Operating Income		
Rent	3,053,755	2,866,255
Others	129,045	27,821
Total	10,979,731	12,573,569
18 Changes in Inventory of Finished Goods, Work-In-Progress and Stock-in-Trade		
Closing Stock	14,076,034	8,627,889
Opening Stock	8,627,889	2,452,127
Total	5,448,145	6,175,762
19 Employee Benefit Expenses		
Salaries to Employees	11,051,158	6,027,469
Contribution to Provident and other funds	849,484	492,391
Staff Welfare Expenses	380,128	348,193
Directors Remuneration	2,400,000	1,200,000
Total	14,680,770	8,068,053

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012.

(Amount in Rs.)

Particulars	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
20 Finance Cost		
Interest Expenses	710,302	324,006
Total	710,302	324,006
21 Depreciation and Amortization Expenses		
Depreciation	4,929,569	5,322,202
Preliminary Expenses w/off	-	374,709
Total	4,929,569	5,696,911
22 Other Expenses		
i) Consumption of Stores and Spares	-	-
ii) Power and Fuel	1,353,515	1,594,941
iii) Rent	924,455	222,005
iv) Repairs to Building	-	-
v) Insurance	200,116	227,705
vi) Rates and Taxes	840,020	484,437
vii) Bad Debts	1,353,251	-
Add : Provision for doubtful debts	66,500,000	10,200,000
Less : Last year's provision for doubtful debts	(10,200,000)	-
	57,653,251	10,200,000
viii) Miscellaneous Expenditure		
C & F Expenses	6,342,769	6,265,229
Postage & Communication Expenses	1,216,668	1,042,414
Office Expenses	724,377	490,147
Stationery, Printing Expenses,	1,498,717	386,357
Information Technology Expenses	1,046,793	1,138,137
Professional And Legal Expenses	1,000,382	1,460,348
Repairs And Maintenance of Machinery	944,751	1,019,095
Travel & Conveyance Expenses	1,324,836	930,460
Selling & Distribution		
Freight	2,713,620	1,923,996
Discounts / Commission paid	1,744,784	2,562,734
Octroi	127,841	509,584
Sales Promotion	6,161,672	4,539,298
Business Development Expenses	520,700	985,241
Directors' Sitting Fees	170,000	130,000
Payment To Auditors	966,150	963,750
Donations	241,256	18,000
Advertisement Expenses	109,722	4,000
Other Miscellaneous Expenses	421,438	434,389
Total	88,247,832	37,532,265

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012.

23. Company was incorporated on 16th October, 2006 with Registration No. U24239MH2006PLC 126149 and obtained Certificate of Commencement of Business on 15th November, 2006.

23.1 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.).
- 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.

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

23.3 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.

23.4 Payment to Directors :-

- a) Directors' sitting Fees of Rs.1,70,000/- (P.Y. Rs. 1,30,000/-) paid to the Independent directors during the year.
- b) Managing Directors Remuneration of Rs.24,00,000/- (P.Y. Rs. 12,00,000) contribution to Provident Fund of Rs. 2,88,000/- is covered under the head personnel expenses.

23.5 Related Party Transactions:

(Amount in Rs.in Lakhs)

Particulars	Maharashtra Safe chemist & Druggists Association		Enterprises that have a member of key management in common		Subsidiary Company		Key Managerial Personnel		Total	
	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
Loans & Advances received	-	-	-	-	38.20	-	-	-	38.20	-
Loans & Advances repaid	-	-	-	-	30.05	-	-	-	30.05	-
Payment made on their behalf	-	-	0.22	-	0.49	-	-	-	0.71	-
Payment made on our behalf	-	-	0.01	-	-	-	-	-	0.01	-
Interest on Loan given	-	-	-	-	-	3.60	-	-	-	3.60
Rent Income	-	-	31.61	17.14	-	-	-	-	31.61	17.14
Service charges paid for utilization of IT environment	-	-	10.18	10.18	-	-	-	-	10.18	10.18
Reimbursement of expenses	-	0.34	-	-	-	-	-	-	-	0.34
Reimbursement of expenses incurred on their behalf	-	-	5.51	5.69	-	-	-	-	5.51	5.69
Commission Income	-	-	1.81	6.14	-	-	-	-	1.81	6.14
Consignment purchases	-	-	65.80	222.68	-	-	-	-	65.80	222.68
Remuneration paid	-	-	-	-	-	-	24.00	12.00	-	-
Purchase of material	-	-	89.24	192.99	-	-	-	-	89.24	192.99
Balance Outstanding as on year end Receivable/ (payable)	-	1.08	168.26	59.20	(37.71)	33.29	(1.13)	0.00	130.55	93.57

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 Ltd.
Enterprises that have a member of key management in common with the reporting enterprise.	AIOCD Pharmasofttech AWACS Pvt. Ltd.

23.6 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.

Particulars	Leasing of Portion of the Office Premises including Furniture and Fittings for the year	
	2011-2012	2010-2011
Proportionate Gross Carrying of Assets Amt.	13,622,357	13,622,357
Proportionate Accum. Depreciation	33,76,574	2,720,173
Proportionate Accum. Impairment	-	-
Proportionate Depreciation recognized in Profit & Loss Account	656,401	7,15,691
Proportionate Impairment Recognized in Profit & Loss Account	-	-
Proportionate Contingent Rent Recognized as Profit & Loss A/c	-	-

Operating Lease - Lessee

Lease payments of Rs.4,69,900/- (P.Y.Rs 2,22,000) 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.

23.7 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 31/03/2012 which are as under :-

Particulars	Balance as at 01.04.2011	For the period recognized in the Profit & Loss Account / Reversed during the year	Balance as at 31-03-2012
	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.	35,85,835	10,661	35,96,496
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.	5,26,976	(1,39,805)	6,66,781
Net Deferred Tax Liabilities / (Assets)	30,58,859	(1,29,143)	29,29,716

23.8 EARNING PER SHARE :-

No.	Particulars	2011-2012	2010-2011
1.	Profit/ (Loss) before Prior Period Item for the Year attributable to Equity Shareholders	Rs. (69,480,125)	Rs. 1,11,07,048
2.	Profit/ (Loss) after Prior Period Item for the Year attributable to Equity Shareholders	Rs. (69,480,125)	Rs. 1,11,07,048
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 (1.98)	Rs.0.32
5.	Basic Earnings Per Share After Prior Period Item	Rs.(1.98)	Rs.0.32

Determination of Net Profit Attributable to Equity Shareholders:

Particulars	2011-2012 Amt (Rs.)	2010-2011 Amt (Rs.)
Net Profit After Tax as per Profit and Loss Accounts	(69,480,125)	1,11,07,048
Less:- Prior Period Item	-	-
Net Profit After Tax and Prior Period Item as per Profit and Loss Accounts	(69,480,125)	1,11,07,048
Less :- Profit Attributable to Preference Dividend	-	-
Less :- Tax on Dividend	-	-
Net Profit Attributable to Equity Shareholders (After Prior Period Item)	(69,480,125)	1,11,07,048

Determination of Capital for Computation of Basic EPS:

Particulars	2011-2012	2010-2011
Total No. of Equity Shares as at 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
Weight age Avg. No. of Equity Shares =		
$\{(3,50,46,195 \times 365)\} / 365$	3,50,46,195	3,50,46,195

23.9 Claims against the Company not acknowledged as Debts : Rs. Nil (P. Y. Rs.Nil)

23.10 The balances with parties are subject to confirmation.

23.11 Estimated amount of Contracts remaining to be executed on Capital Account and not Provided for (net of advances)
Rs. Nil (P.Y. Rs. Nil)

23.12 Previous Year Comparatives

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

23.13 Expenditure and Earnings in Foreign Currency :- Rs. Nil (P.Y. Rs. Nil)

23.14 Purchase and Sales

Sr. No.	Class of Products	Purchases In Rs.(In Lakhs)		Sales In Rs. (In Lakhs)	
		2011-2012	2010-2011	2011-2012	2010-2011
1	Capsules	25.48	18.17	27.66	57.23
2	Drops	0.43	-	0.29	-
3	Injection	247.65	66.57	274.62	40.12
4	Liquid	56.83	31.99	68.71	79.30
5	Lotion	0.28	-	0.23	-
6	Ointment	31.39	67.02	53.24	144.73
7	Powder	6.17	-	3.85	-
8	Surgical	1.77	0.34	2.27	0.02
9	Tablets	192.84	110.72	229.36	401.70
		562.88	294.83	660.24	723.09

23.15 PAYMENTS TO AUDITOR :-

	Particulars	2011-2012 Amt (Rs.)	2010-2011 Amt (Rs.)
a)	As Auditor	6,97,648	6,97,648
b)	As Adviser, or other capacity, in respect of :-	-	-
i)	Taxation matters	3,48,823	3,48,823
ii)	Company law matters	-	-
iii)	Management services	-	-
c)	Reimbursement of Expenses	15,000	15,000

Note :- Above amount is inclusive of Service Tax.

23.16 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :

Type of shares	As at 31st March 2012		As at 31st March 2011	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
No. of shares at the beginning of the year	35,046,195	350,461,950	35,046,195	350,461,950
Changes during the year	-	-	-	-
No. of shares at the end of the year	35,046,195	350,461,950	35,046,195	350,461,950
Preference Shares				
No. of shares at the beginning of the year	15,169,995	151,699,950	15,169,995	151,699,950
Changes during the year	-	-	-	-
No. of shares at the end of the year	15,169,995	151,699,950	15,169,995	151,699,950

None of the shareholders are holding more than 5% shares in the Company

23.17 The amount of 37,71,361 is the amount of loan received from Guardian Remedies Pvt Ltd (Subsidiary of the Company) .

23.18 13,19,500 Equity Shares in All Indian Origin Chemists and Distributors Ltd. of Rs. 10/- each fully paid. (P.Y. 11,08,000 Equity Shares of Rs. 10/- each fully paid). All the above shares are unquoted and are valued at cost.

23.19 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). All the above shares are unquoted and are valued at cost.

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

Sangeeta Ajithan
Company Secretary

Place: Mumbai.
Date: 3rd August, 2012

Maharashtra Safe Chemists and Distributors Alliance Limited

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	31st March 2012
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 31st March 2012	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 31st March 2012	Rs. 52,02,772
b) For previous Financial Year of the subsidiaries since these became subsidiaries	Rs. (3,55,758)

For and on behalf of the Board

Jagannath S. Shinde
Chairman

Vaijanath Jagushte
Managing Director

Sangeeta Ajithan
Company Secretary

Place : Mumbai

Date : 3rd August, 2012

GUARDIAN REMIDIES PRIVATE LIMITED

DIRECTORS' REPORT

To,
The Members of **GUARDIAN REMIDIES PRIVATE LIMITED**
Dear Members,

Your Directors have pleasure in presenting the Twelfth Annual Report together with Audited Financial Statements for the year ended on 31st March 2012.

FINANCIAL RESULTS

The Company was incorporated on 15th February, 2001. During the year ended 31st March 2012 your company's operations have not been profitable.

DIVIDEND

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

**Place : Thane
Date: 1st August, 2012**

**Sd/-
(Prashant D. Pradhan)
Managing Director**

GUARDIAN REMIDIES PRIVATE LIMITED

AUDITORS' REPORT

**TO THE MEMBERS,
GUARDIAN REMIDIES PRIVATE LIMITED
KULGAON – BADLAPUR.**

1. I have audited the attached Balance Sheet of **Guardian Remedies Private Limited** as at 31st March 2012 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.
2. I conducted my audit in accordance with the Auditing Standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.
3. The provisions of Companies (Auditor's Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956 are not applicable to the Company.
4. I report as follows: -
 - a. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - b. In my opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from my examination of those books.
 - c. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d. In my opinion, the Balance Sheet and Profit & 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.
 - e. On the basis of information and explanations given to me & written representations received from the Directors, as on 31-03-2012 and taken on record by the Board of Directors, I report that none of the directors are disqualified as on 31-03-2012, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f. In my opinion and to the best of my information and according to the explanations given to me, 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 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, 2012 &
 - b) In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date

For Nandakishor Patil & Co.
Chartered Accountants

(Nandakishor Patil)
Proprietor
M.No. 040575

Place : - Thane
Date : 1st August, 2012

**GUARDIAN REMIDIES PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2012**

(Amount in F

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
A. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	450,000.00	450,000.00
(b) Reserves and Surplus	2	1,896,368.92	(1,820,113.27)
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	-	3,640,061.00
(b) Deferred tax liabilities (Net)	4	-	183,870.00
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(3) Current Liabilities			
(a) Short-term borrowings	5	27,886.09	-
(b) Trade payables	6	-	196,002.00
(c) Other current liabilities		-	-
(d) Short-term provisions	7	1,708,160.00	132,836.00
Total		4,082,415.01	2,782,655.76
B.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	-	1,542,536.31
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	9	3,771,360.00	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments	10	52,500.00	52,500.00
(b) Inventories	11	-	498,765.00
(c) Trade receivables		-	-
(d) Cash and cash equivalents	12	258,555.01	688,854.45
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
Total		4,082,415.01	2,782,655.76

As per our report of even date attached

FOR NANDAKISHOR PATIL & CO.
Chartered Accountants.

(Nandakishor Patil)
M.No: 040575

Place : Thane
Dated : 1st August, 2012

For and on behalf of the Board

For GUARDIAN REMIDIES PVT. LTD.

(Prashant D.Pradhan)
Managing Director

(Jagannath S. Shinde)
Director

GUARDIAN REMIDIES PRIVATE LIMITED

PROFIT AND LOSS ACCOUNT STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rs.)

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
A Continuing Operations			
I. Revenue from operations		-	3,833,081.00
II. Other Income	13	8,492.00	25,918.00
III. Total Revenue (I +II)		8,492.00	3,858,999.00
IV. Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	2,882,529.00
Changes in inventories of finished goods, WIP & Stock-in-Trade	14	85,900.00	324,852.00
Employee benefit expense	15	84,000.00	285,327.00
Financial costs	16	1,783.50	407,944.00
Depreciation and amortization expense		-	107,162.00
Other expenses	17	255,916.60	206,943.00
Total Expenses		427,600.10	4,214,757.00
V. Profit / (Loss) before exceptional & extraordinary items and tax (III - IV)		(419,108.10)	(355,758.00)
VI. Exceptional Items	18	5,621,880.29	-
VII. Profit / (Loss) before extraordinary items and tax (V - VI)		5,202,772.19	(355,758.00)
VIII. Extraordinary Items		-	-
IX. Profit / (Loss) before tax (VII - VIII)		5,202,772.19	(355,758.00)
X. Tax expense :			
(1) Current tax		1,670,160.00	-
(2) Deferred tax		(183,870.00)	-
XI. Profit(Loss) from the period from continuing operations (IX - X)		3,716,482.19	
B DISCONTINUING OPERATIONS			
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
C. TOTAL OPERATIONS			
XV. Profit/(Loss) for the period (XI + XIV)		3,716,482.19	(355,758.00)
XVI. Earning per Equity share:			
(1) Basic		82.59	(7.91)
(2) Diluted		82.59	(7.91)

As per our report of even date attached

For and on behalf of the Board

FOR NANDAKISHOR PATIL & CO.
Chartered Accountants.

For GUARDIAN REMIDIES PVT. LTD.

(Nandakishor Patil)
M.No: 040575

(Prashant D. Pradhan)
Managing Director

(Jagannath S. Shinde)
Director

Place : Thane
Dated : 1st August, 2012

GUARDIAN REMIDIES PRIVATE LIMITED

NOTES TO ACCOUNTS AS AT 31ST MARCH, 2012

(Amount in Rs.)

	As At 31st March, 2012 Rs.	As At 31st March, 2011 Rs.
1. SHARE CAPITAL		
Authorised 50,000 Equity share of Rs. 10/- each	500,000.00	500,000.00
Issued, Subscribed and Paid Up 45,000 Equity share of Rs. 10/- each fully paid up share Application money	450,000.00	450,000.00
Total	450,000.00	450,000.00
a) Equity Shares held by Holding Company		
Name of Shareholder Relationship Maharashtra Safe Chemists & Distributors Alliance Ltd Holding Company	375,000.00	375,000.00

b) Rights, preferences and restrictions attached to the shares

The Company has one class of equity shares having a par value of Rs 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Equity shares in the Company held by each shareholder holding more than 5% shares

Name of Shareholder	Relationship	31.03.2012 No /Percentage	31.03.2011 No /Percentage
Maharashtra Safe Chemists & Distributors Alliance Ltd Mr Prashant Digambar Pradhan Mrs Nutan Prashant Pradhan	- Holding Company	37500/ 83.33 4000/ 8.89 3500/ 7.78	37500/ 83.33 4000/ 8.89 3500/ 7.78

d) Reconciliation of number of equity shares outstanding at the beginning and the end of reporting period

Particulars	31.03.2012 Number/ Rupees	31.03.2011 Number/ Rupees
Shares outstanding at the beginning of the year	45000/450000	45000/450000
Shares outstanding at the end of the year	45000/450000	45000/450000

- e) Information on equity shares allotted without receipt of cash or allotted as bonus share or shares bought back
Company has not allotted equity shares without receipt cash or allotted as bonus shares or bought back

(Amount in Rs.)

		As at 31.03.2012	As at 31.03.2011
2. Reserves and surplus			
Balance at the beginning of the year (Dr. Balance)		1,820,113.27	1,464,355.20
Add: Loss during the year			355,758.07
Less: Profit during the year		3,716,482.19	-
Balance at the end of the year (Cr. Balance) (Previous Year - Dr. Bal.)	Total	1,896,368.92	1,820,113.27
3. Long Term borrowings			
Maharashtra Safe Chemists & Distributors Alliance Ltd		-	3,329,541.00
Mr Prashant Digambar Pradhan		-	84,392.03
Mrs Nutan Prashant Pradhan		-	226,128.00
	Total		3,640,061.03
4. Deferred Tax liabilities			
Timing difference on account of Fixed Assets		-	183,870.00
	Total		183,870.00
5. Short Term borrowings			
Mr Prashant Digambar Pradhan (Unsecured)		27,886.09	-
	Total	27,886.09	

GUARDIAN REMIDIES PRIVATE LIMITED

NOTES TO ACCOUNTS AS AT 31ST MARCH 2012

(Amount in Rs.)

	As at 31.03.2012	As at 31.03.2011
6 Trade Payable		
Hac Remedies	-	3,236.00
Metro Medical Agency	-	7,756.00
Suresh Distributors	-	2,625.00
D.Jayantilal & Co	-	7,577.00
R.K.Distributors	-	4,270.00
Haresh Pharma	-	4,121.00
Hardayal	-	1,047.00
Kisna Pharma distributors	-	853.00
Jay Trading Co	-	1,554.00
Karachi Medical Agency	-	9,658.00
Raja Medical Stores	-	31,607.00
Sangram Enterprises	-	309.00
Royal Corporation	-	7,359.00
Paras Medical Agency	-	10,697.00
Pooja Agencies	-	4,262.00
Mahesh Enterprises	-	1,029.00
Mahadev Medical Agency	-	4,326.00
Shri Satyanarayan Pharma	-	4,923.00
Dharam Pharma	-	1,784.00
Suvidha Pharma	-	6,867.00
Pasbaan Medical	-	9,756.00
Laxmi Enterprises	-	7,832.00
K Dass & Sons	-	3,943.00
Care Pharma	-	2,667.00
Deepali Drug Distributor	-	9,104.00
K.dass Pharma	-	2,891.00
Ramdas Pharma	-	5,603.00
Chander Agency	-	709.00
Pankaj Agencies	-	4,983.00
Friends Medical	-	5,361.00
Trimurti Agency	-	450.00
Dharam Agencies	-	353.00
Green Cross Pharma	-	428.00
Vinay Enterprises	-	401.00
Sunil Medical Agency	-	(145.00)
Siddhi Enterprises	-	21,929.00
Sai Enterprises	-	2,071.00
Satyam Agencies	-	183.00
Thane Medical Agency	-	1,154.00
Lata Pharma Distributors	-	469.00
Total	-	196,002.00
7. Short Term Provisions		
Audit Fees Payable	25,000.00	25,000.00
Electricity Charges Payable	-	1,720.00
Telephone Charges Payable	-	1,002.00
Professional Fee Payable	13,000.00	12,000.00
Directors Remuneration Payable	-	12,500.00
Salary Payable	-	10,630.00
VAT Payable	-	29,650.00
TDS on Interest	-	40,259.00
TDS on professional fees	-	75.00
Income Tax Provision	1,670,160.00	-
Total	1,708,160.00	132,836.00

GUARDIAN REMIDIES PRIVATE LIMITED
NOTES TO ACCOUNTS AS AT 31ST MARCH, 2012

8. TANGIBLE ASSETS										
		GROSS BLOCK			DEPRECIATION			NET BLOCK		
Sr.	Particulars	Rate of Dep.	Balance as at 1.4.2011 Rs.	Additions/ Deletions Rs.	Balance as at 31.3.2012 Rs.	Provided Up to 31.3.2011 Rs.	Provided for the year Rs.	Provided Up to 31.3.2012 Rs.	Balance as at 31.3.2012 Rs.	Balance as at 31.3.2011 Rs.
1	Shop Premises	5.00	2,301,711.00	(1,378,119.71)	923,591.29	923,591.29	-	-	-	1,378,119.71
2	Electrical Fitting	13.91	171,380.00	(48,209.68)	123,170.32	123,170.32	-	-	-	48,209.68
3	Furniture & Fixture	18.10	195,870.00	(27,448.19)	168,421.81	168,421.81	-	-	-	27,448.19
4	Computer	13.91	251,840.30	(85,122.75)	166,717.55	166,717.55	-	-	-	85,122.75
5	Fridge	13.91	14,000.00	(3,635.98)	10,364.02	10,364.02	-	-	-	3,635.98
	Total		2,934,801.30	(1,542,536.31)	1,392,264.99	1,392,264.99	-	-	-	1,542,536.31

(Amount in Rs.)

	As at 31.03.2012	As at 31.03.2011
9. Long Term loans and advances		
Maharashtra Safe Chemists & Distributors Alliance Ltd (unsecured) (Holding Company)	3,771,360.00	-
Total	3,771,360.00	-
10. Current Investments		
2100 Shares of Thane Bharat Sahakari Bank Ltd, Thane	52,500.00	52,500.00
Total	52,500.00	52,500.00
11. Inventories		
Traded goods	-	498,765.00
Total	-	498,765.00
12. Cash and Bank Balances		
Cash On Hand	-	428,722.94
Balance in Current A/C with Scheduled Bank		
- Thane Bharat Sahakari Bank Ltd.	33,659.50	25,464.50
- AXIS Bank	6.51	38,058.01
- Bank Of Baroda	224,889.00	196,609.00
Total	258,555.01	688,854.45
13. Other income		
Dividend	7875.00	4200.00
Miscellaneous Receipts	617.00	-
Franchisee Fee	-	9000.00
Professional Fee excess provision	-	12718.00
Total	8492.00	25918.00
14. Changes in inventories		
Stock at beginning	498765.00	823617.00
Less: Stock Returned	412865.00	-
Stock at Close	-	498765.00
Total	85900.00	324852.00

GUARDIAN REMIDIES PRIVATE LIMITED

NOTES TO ACCOUNTS AS AT 31ST MARCH,2012

(Amount in Rs.)

	For the year ended 31.03.2012	For the year ended 31.03.2011
15. Employee benefit cost		
Directors Remuneration	60000.00	120000.00
Staff salaries	24000.00	160833.00
Staff Welfare Expenses	-	4494.00
Total	84000.00	285327.00
16. Finance Cost		
Interest Expenses	-	403335.00
Bank Charges	1783.50	4609.00
Total	1783.50	407944.00
17. Other Expenses		
Electricity Expenses	1,830.00	19,411.00
Repairs & Maintenance-Building	-	20,000.00
Repairs & Maintenance-Machinery	-	14,780.00
Insurance	-	2,848.00
Telephone Expenses	616.00	9,739.00
Conveyance	2,078.00	1,642.00
Donation	-	1,366.00
Profession Tax	-	2,500.00
VAT Expenses	-	57,033.00
Municipal Tax	-	4,803.00
Courier Charges	-	135.00
Debtors Not Recoverable	-	8,963.02
Discount Allowed	-	382.70
<u>Payment To Auditors</u>		
Audit Fee	25,000.00	25,000.00
Sales Tax Audit fees	-	10,000.00
Professional Fees	25,099.00	12,000.00
Accounting Charges	2,500.00	5,000.00
Office Expenses	-	4,082.00
Shop Cleaning Expenses	1,500.00	4,966.00
Barcode Expenses	-	1,692.00
ROC Filling Fees	-	600.00
Courier Charges	70.00	-
Creditors Debit Balances	6,164.00	-
Fixed Assets not usable	164,416.60	-
Miscellaneous Expenses	26,643.00	-
Total	255,916.60	206,942.72
18. Exceptional Items		
Profit on Sale of Office Premises		
Sale proceeds	7,000,000.00	-
Less: WDV as at the beginning of the year	1,378,119.71	-
Total	5,621,880.29	-

As per our report of even date attached

For and on behalf of the Board

FOR NANDAKISHOR PATIL & CO.
Chartered Accountants.

For GUARDIAN REMIDIES PVT. LTD.

(Nandakishor Patil)
M.No: 040575

(Prashant D. Pradhan)
Managing Director

(Jagannath S. Shinde)
Director

Place : Thane
Dated : 1st August, 2012

GUARDIAN REMIDIES PRIVATE LIMITED

NOTES ON ACCOUNT TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

1. 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. 24,00,000/- per year i employed for full year or who are in receipt of remuneration in aggregate of not less than Rs.2,00,000/- per month i 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. Previous year's figures are re – grouped / re – arranged wherever necessary.
5. 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 extend 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 .

1. 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 managements evaluation of relevant facts and circumstances, which may differ from the actual results at a subsequent date .
2. **FIXED ASSETS** : During the year, the Company has disposed off all its fixed assets, and made necessary entries in the books of accounts.
3. **DEPRECIATION** : There being no fixed assets, the depreciation is not provided.

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. **RETIRMENT 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. Expenditure & Income in Foreign Currency is NIL.
10. Previous years figures have been regrouped and rearranged wherever considered necessary.
11. Claims against the Company not acknowledged as debts – Nil
12. Estimated amount of contracts remaining to be executed on capital account and not provided for – Nil

As per our report of even date attached

For and on behalf of the Board

FOR NANDAKISHOR PATIL & CO.

For GUARDIAN REMIDIES PVT. LTD.

Chartered Accountants.

(Nandakishor Patil)

(Prashant D. Pradhan)

(Jagannath S. Shinde)

M.No: 040575

Managing Director

Director

Place : Thane

Dated : 1st August, 2012

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.

UNCLAIMED/ UNPAID DIVIDEND

What are the Statutory provisions governing unclaimed dividend:

With effect from October 31, 1998, any money transferred to the 'unpaid dividend account' of the Company and remaining unpaid or unclaimed for a period of 7 years from the date it becomes due, shall be transferred to the Investor Education and Protection Fund (IEPF). Investors are requested to note that no claims shall lie against the Company or IEPF for any moneys transferred to IEPF in accordance with the provisions of Section 205C of the Companies Act, 1956.

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 (PAN) for transfer/ transmission/ transposition of shares mandatory?

SEBI has made it mandatory to furnish a copy of the PAN to the Company in the following cases, viz: a) Deletion of name of the deceased holder(s), where the shares are held in the name of two or more shareholder(s) b) Transmission of shares to legal heir(s), where deceased shareholder was the sole holder of the shares and c) Transposition of shares – where there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

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 sent 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 Will probated by the Court, 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 sent 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 sent to the Registrar.

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 thereby 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.

MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED
Registered office: - 6th Floor, Corporate Park - II , V.N. Purav Marg, Chembur, Mumbai 400 071

ATTENDANCE SLIP
6th Annual General Meeting – 14th September, 2012 on Friday, at 3.00 P.M.

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

Regd. Folio No:- _____

No. of Equity Shares held :- _____

Name and Address of the Shareholder:-

I hereby record my presence at the SIXTH ANNUAL GENERAL MEETING of the Company being held at Matunga Gujarati Club Limited, 4 Nathalal Parekh Marg, Near Arora Cinema, Matunga Central Railway, Matunga(East), Mumbai – 400 019.

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

6th Annual General Meeting – 14th September, 2012 on Friday, at 3.00 P.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 Sixth Annual General
Meeting of the Company to be held on Friday the 14th September, 2012 at 3.00 P.M. and at any adjournment thereof.

Signed this _____ day of _____ 2012

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.