

7th Annual Report : 2012 - 13 :



Maharashtra Safe Chemists And Distributors Alliance Limited

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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. RAVINDRA M. SAVANT	DIRECTOR
MR. HUKAMRAJ M. MEHTA	DIRECTOR
MR. MAHESH M. PAREKH	DIRECTOR

CORPORATE INFORMATION

COMPANY SECRETARY

MR. GANESH S. PARDESHI

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
YES 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 Seventh Annual General Meeting of the members of **MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED** will be held on Saturday, the 21st day of September, 2013 at 10.30 a.m. at Matunga Gujarathi 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 March 31, 2013, 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 declare Dividend on Preference Shares.
3. To declare Dividend on Equity Shares.
4. To appoint a Director in place of Mr. Jagannath S. Shinde, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Ravindra M. Sawant, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Mahesh M. Parekh, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Auditors and to fix their remuneration and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

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

II. SPECIAL BUSINESS :

8. 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 w.e.f. 5th February, 2013 till 31st March, 2014 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.”

For and on behalf of the Board

Registered Office:

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

Place : Mumbai

Date : 17th July, 2013

Sd/-
(Jagannath S. Shinde)
CHAIRMAN

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. Jagannath S. Shinde, Mr. Ravindra M. Sawant and Mr. Mahesh M. Parekh** Directors retire by rotation at the ensuing Annual General 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.mscca.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. 8

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 19th March, 2013 with effect from 5th February, 2013 till 31st March, 2014. The Board of Directors has taken on record with appreciation voluntary offer of Mr. Vaijanath E, Jagushte of rendering services without remuneration.

Your Directors seek your approval to the resolution as appearing in item No. 8 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.

For and on behalf of the Board

Registered. Office :

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

Place : Mumbai

Date : 17th July, 2013

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 by sending from their e-mail ID, their Full Name, Address, Contact No, Folio No. and No. of Shares on to the e-mail address as follows. annualreportmscca@aioed.com

Important Communication to Members

Shareholders who have not encashed the Unclaimed Dividend for the Financial Year 2007-08, 2008-09 and 2009-10 may please approach the Company for payment of such Dividend.

Shareholders who want to transfer such Dividend by NEFT directly in to Bank Account may please refer Circular on Unclaimed Amt of Dividend on Page No. 29.

Shareholder may please note that no claim of such Dividend will be entertained after the transfer to the Investor Education and Protection Fund.

Mr. Ganesh S. Pardeshi, Company Secretary – Tel. (o) 6773 0040. E-mail ID – ganesh.pardeshi@aioed.com.

DIRECTORS' REPORT

To,

Dear Shareholders,

Your Directors have pleasure to present the 7th Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2013.

Financial Results

The financial performance of the Company for the financial year ended 31st March, 2013 is summarized below:

	(Rs. In Lacs)	
	2012-2013	2011-2012
Total Income	1173.52	906.24
Profit/ (Loss) Before Tax	272.31	(687.84)
Add : Exceptional Items (Net)	486.95	(1.34)
Less : Provision for Taxation	13.01	(6.91)
Add : Deferred tax expense/ (Income)	1.80	1.29
Profit /(Loss) After Tax	748.05	(694.80)
Add: Amount b/f from previous year	(512.22)	182.58
Amount Available for Appropriation	235.83	(512.22)
General Reserve	5.90	-
Proposed Dividend on Equity Share	70.09	-
Proposed Dividend on Preference Share	121.36	-
Dividend Distribution Tax	31.06	-
Balance carried to Balance Sheet	7.42	(512.22)

Results of Operations:

During the year, the turn over of the Company increased from Rs. 906.24 Lacs. to Rs. 1173.52 Lacs. There is Net Profit of Rs. 748.05 Lacs against the Loss of Rs. 694.80 Lacs. in the previous year.

Your Company has been operating as Logistic Facilitator/ Distributor for Pharma Companies.

The Company has entered into a financial lease Agreement with Hewlett Packard Financial Service India Pvt. Ltd for a period of 36 Month, under which it has right to use Computer system (leasehold Asset) and after the completion of lease period Company has a right to purchase the Asset at Nil Value.

Dividend

Your Directors have recommended a dividend 8% on Preference Shares i.e. Rs. 121.36 Lacs and 2% on Equity Shares i.e. Rs.70.09 Lacs for the financial year ended 31st March,2013, total amounting to Rs. 191.45 Lacs (exclusive of dividend distribution tax of 31.06 Lacs). The dividend will be paid to members whose names appear in the Register of Member as on 21st September, 2013.

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

During the period, Mr. Sudhir W. Deshpande resigned from the Directorship of the Company w.e.f. March 19, 2013. The Board placed on record its gratitude for the valuable services rendered and guidance provided by Mr. Sudhir W. Deshpande 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) that in the preparation of the annual accounts for the year ended 31st March, 2013, 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) that 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, 2013 and of the Profit of the Company for the year ended on that date;
- c) that 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) that 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, Mr. Vinay S. Shroff, Director and Mr. Manoj Gajendragadkar, Group Chief Finance Officer.

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.

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 : 17th July, 2013

INDEPENDENT AUDITORS' REPORT

To the Shareholders of, Maharashtra Safe Chemists and Distributors Alliance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Maharashtra Safe Chemists and Distributors Alliance Limited, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;

Other Matter

We did not audit the financial statements of Guardian Remedies P.Ltd, whose financial statements reflect total assets (net) of Rs 23,67,315/- as at March 31, 2013, total revenues of Rs Nil and net Cash outflows amounting to Rs 38,940/- for the year then ended. These financial statements have been audited by the other auditor whose report has been furnished to us by the Management, and our opinion is based solely on the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003, issued by the company law board in terms of Section 227 4(A) of the Companies Act, 1956. We give in the Annexure a statement on the matters specified in paragraphs in 4 & 5 of the said order.
- 2. Further to our Comment referred to above, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet and the statement of profit and loss dealt with by this report are in compliance with Accounting Standards referred to in section 211(3C) of the companies Act, 1956 in so far as they apply to company.
 - e. Based on representations made by all the Directors of the Company and the information and explanations as made available, Directors of the Company do not prima facie have any disqualification as referred to in clause (g) of sub-section (1) of Section 274 of The Companies Act, 1956.

**For P.H.Sanghavi & Co.
Chartered Accountants**

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

**Place:- Mumbai
Date:- 17th July 2013**

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 regard 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 has not granted any secured or unsecured loan to any party covered in the register maintained under section 301 of the Companies Act, 1956 during the year under consideration. Therefore in our opinion, the clause 4 (iii) (a) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (b) In our opinion and according to the information and explanation given to us, the Company has not granted any secured or unsecured loan to any party covered in the register maintained under section 301 of the Companies Act, 1956 during the year under consideration. Therefore in our opinion, the clause 4 (iii) (b) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (c) In our opinion and according to the information and explanation given to us, the Company has not granted any secured or unsecured loan to any party covered in the register maintained under section 301 of the Companies Act, 1956 during the year under consideration. Therefore in our opinion, the clause 4 (iii) (c) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (d) In our opinion and according to the information and explanation given to us, the Company has not granted any secured or unsecured loan to any party covered in the register maintained under section 301 of the Companies Act, 1956 during the year under consideration. Therefore in our opinion, the clause 4 (iii) (d) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (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 was 37, 71,361/- and the closing balance as on 31.3.2013 is Rs.20,64,261/-
- (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 need 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 contracts 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, 2013 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; There are no accumulated losses as at the end of the current financial year. The company has not incurred cash loss during the current financial year. The company had 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
Firm Registration No.: 109111W

Place: - Mumbai

Date: - 17th July 2013

Balance Sheet As At 31st March, 2013

(Amount in Rs.)

Particulars	Note No	As at 31st March, 2013	As at 31st March, 2012
(I) EQUITY & LIABILITIES			
1) Shareholder's Fund			
a) Share Capital	1	502,161,900	502,161,900
b) Reserves and Surplus	2	3,731,108	(48,822,036)
2) Non-Current Liabilities			
a) Long Term Borrowings		-	-
b) Deferred Tax Liability (Net)		2,749,814	2,929,716
c) Other Long Term Liabilities	3	1,400,000	700,000
d) Long Term Provisions	4	321,508	401,535
3) Current Liabilities			
a) Short Term Borrowings	5	2,064,261	3,771,361
b) Trade Payables		29,873,489	12,862,378
c) Other Current Liabilities	6	17,722,584	14,312,346
d) Short Term Provision	7	53,529,681	29,946,815
Total Equity and Liabilities		613,554,344	518,264,015
(II) ASSETS			
1) Non-Current Assets			
a) Fixed Assets			
i) Tangible Assets	8	68,049,858	268,627,152
ii) Intangible Assets		-	-
iii) Capital Work-in-Progress		-	-
iv) Intangible Assets Under Development		-	-
b) Non-Current Investment	9	18,157,120	13,195,000
c) Deferred Tax Assets (Net)		-	-
d) Long Term Loans and Advances	10	1,007,705	696,305
e) Other Non-Current Assets		549,833	-
2) Current Assets			
a) Current Investment	11	1,550,127	1,550,127
b) Inventory	12	42,401,275	13,950,592
c) Trade Receivables	13	61,273,425	38,603,620
d) Cash and Cash-Equivalents	14	180,895,614	110,273,798
e) Short Term Loans and Advances		-	-
f) Other Current Assets	15	239,669,387	71,367,421
Total Assets		613,554,344	518,264,015

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

Pankaj Sanghavi

Proprietor

Membership No.: 41290

FRN :- 109111W

Date : 17th July, 2013

Place : Mumbai

For and on behalf of the Board

sd/-
Jagannath S. Shinde
Chairman

sd/-
Vaijanath E. Jagushte
Managing Director

sd/-
Ganesh Pardeshi
Company Secretary

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

		(Amount in Rs.)	
Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
I) INCOME :			
Income from Operations	16	103,868,514	79,645,055
Other Income	17	13,483,900	10,979,731
Total Revenue		117,352,414	90,624,786
II) EXPENDITURE :			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade		120,223,963	56,287,957
Changes in Inventory of Stock-in-Trade	18	(29,051,627)	(5,448,145)
Employee benefit expenses	19	12,595,572	14,680,770
Finance Cost	20	715,577	710,302
Depreciation and amortization Expenses	21	5,363,622	4,929,569
Other Expenses	22	(19,725,585)	88,247,832
Total Expenditure		90,121,521	159,408,286
III) Profit/(Loss) before exceptional and extraordinary items and tax (I - II)		27,230,893	(68,783,500)
IV) Exceptional Items			
i) Loss on Sale of Fixed Assets		(1,532)	(8,874)
ii) Profit on Sale of Fixed Assets		49,297,762	-
iii) Reduction in value due to lower NRV		(600,944)	(125,442)
V) Profit/(Loss) before extraordinary items and tax (III - IV)		75,926,179	(68,917,816)
VI) Profit/(Loss) before Tax		75,926,179	(68,917,816)
VII) Tax Expenses			
i) Current Tax		1,278,827	-
ii) Deferred Tax		179,902	129,143
iii) Short Provision of Previous Years		22,560	691,452
VIII) Profit/(Loss) from Continuing Operations (VI-VII)		74,804,693	(69,480,124)
IX) Profit/(Loss) for the period		74,804,693	(69,480,124)
X) Earnings per Shares			
1) Basic		2.13	(1.98)
2) Diluted		2.13	(1.98)

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

Pankaj Sanghavi

Proprietor

Membership No.: 41290

FRN :- 109111W

Date : 17th July, 2013

Place : Mumbai

For and on behalf of the Board

sd/-

Jagannath S. Shinde

Chairman

sd/-

Vaijanath E. Jagushte

Managing Director

sd/-

Ganesh Pardeshi
Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013.

		(Amount in Rs.)	
Particulars	As at 31st March, 2013	As at 31st March, 2012	
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			
Openig Balance	2,400,000	2,400,000	
Add: Additions During the year			
Transfer from Profit & Loss Account	589,566	-	
Less: Utilizations during the year	-	-	
Closing Balance	2,989,566	2,400,000	
Profit & Loss A/c (Credit Balance)			
Opening Balance	(51,222,036)	18,258,088	
Add: Additions During the year	74,804,693	(69,480,124)	
Less: Utilizations during the year			
Transfer to General Reserve	589,566	-	
Proposed Dividend	19,145,235	-	
Dividend Distribution Tax	3,106,314	-	
Closing Balance	741,541	(51,222,036)	
Total	3,731,108	(48,822,036)	
3 Other Long term Liabilities			
Security Deposit Received	1,400,000	700,000	
Total	1,400,000	700,000	
4 Long Term Provisions			
Provisions for Employee Benefits	321,508	401,535	
Total	321,508	401,535	
5 Short Term Borrowings			
Unsecured Short Term Loans and Advances from Related Parties	2,064,261	3,771,361	
Total	2,064,261	3,771,361	
The other relevant disclosures are made in Note No 23.21			

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(Amount in Rs.)

Particulars	As at	As at
	31st March, 2013	31st March, 2012
6 Other Current Liabilities		
Unpaid Dividends	5,424,820	5,490,560
Others		
Payable to Employees	78,092	35,052
Non Trade Creditors	5,482,685	4,707,848
Salary / Wages Payable	784,911	803,221
Director Remuneration Payable	-	112,697
Employees Contribution To Provident Fund Payable	45,547	72,371
Esic Liability Payable	2,323	1,752
Duties & Taxes Payable	913,729	712,023
Advance From Customers	4,990,476	2,376,822
Total	17,722,584	14,312,346
7 Short Term Provisions		
Provisions for Employee Benefits	449,393	439,433
Others		
Proposed Dividend	19,145,235	-
Provision For Taxation	30,003,827	28,725,000
Provision for FBT	-	105,000
Dividend Distribution Tax	3,106,314	-
Provison for Expenses	824,911	677,382
Total	53,529,681	29,946,815

8 FIXED ASSETS

(Amount in Rs.)

Particulars	Rate	Gross Block				Depreciation				Net Block	
		Value as on 1.4.2012	Addition During the year	Deletion During the Year	Value as on 31.03.2013	Dep. as on 1.4.2012	Addition During the year	Deletion During the Year	Dep. as on 31.03.2013	WDV as on 31-3-2013	WDV as on 31-3-2012
(A) Tangible Assets											
Land/Plot		210,702,238		210,702,238	-	-	-	-	-	-	210,702,238
Building	5%	62,875,422			62,875,422	13,342,571	2,476,643	-	15,819,214	47,056,208	49,532,851
Plant and Machinery											
Electrical Installation	13.91%	1,673,305			1,673,305	748,053	128,703		876,756	796,549	925,252
Office Equipement	13.91%	3,792,860	44,483	17,440	3,819,903	1,669,356	298,671	4,619	1,963,408	1,856,496	2,123,505
Plant and Machinery	13.91%	182,333	-		182,333	28,414	21,410		49,824	132,509	153,919
Furniture & Fixtures	18.10%	6,572,013			6,572,013	3,538,076	549,143		4,087,219	2,484,794	3,033,937
Vehicles (Cars)	25.89%	1,284,980			1,284,980	881,781	104,388		986,169	298,811	403,199
Computer	40%	4,543,655	-	-	4,543,655	3,663,803	351,941	-	4,015,744	527,911	879,852
Software	40%	2,055,877	-	-	2,055,877	1,183,479	348,960		1,532,439	523,439	872,399
LeaseHold Asset (Computer System)		-	15,456,904	-	15,456,904	-	1,083,763		1,083,763	14,373,141	-
Sub Total		293,682,684	15,501,387	210,719,678	98,464,393	25,055,532	5,363,622	4,619	30,414,535	68,049,858	268,627,152
(B) Intangible Assets											
Total		293,682,684	15,501,387	210,719,678	98,464,393	25,055,532	5,363,622	4,619	30,414,535	68,049,858	268,627,152
Previous year		293,249,508	528,709	95,534	293,682,683	20,204,423	4,929,568	78,459	25,055,533	268,627,152	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(Amount in Rs.)

Particulars	As at 31st March,2013	As at 31st March,2012
9 Non-Current Investments		
Investment in Unquoted Equity Shares	18,157,120	13,195,000
Total	18,157,120	13,195,000
The other relevant disclosures are made in Note No 23.17, 23.19		
10 Long Term Loans and Advances		
Security Deposits (Unsecured, Considered Good)	1,007,705	696,305
Total	1,007,705	696,305
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 23.18		
12 Inventory (As taken, Valued and Certified by the Management)		
Finished Goods at Cost	43,002,219	14,076,034
Less : Reduction in value due to lower NRV	600,944	125,442
Closing Value of Finished Goods	42,401,275	13,950,592
Total	42,401,275	13,950,592
13 Trade Receivables		
Trade Receivables (Less than Six Months)		
i) Secured, Considered Good	-	-
ii) Unsecured, Considered Good	20,531,428	23,852,045
iii) Doubtful	-	-
iv) Due By Directors, Partners, etc	-	-
Trade Receivables (More than Six Months)	42,956,631	81,251,575
Less : Provision for doubtful debts	2,214,634	66,500,000
Total	61,273,425	38,603,620
14 Cash and Cash Equivalent		
Balance With Bank	28,332,548	3,797,390
Earmarked Balance with Bank (Unpaid Dividend)	5,424,883	5,490,623
Cash on Hand	62,484	6,900
Bank Deposits with less than 12 months maturity (Unencumbered)	108,758,015	76,026,066
Bank Deposits with less than 12 months maturity (Encumbered)	8,853,128	-
Bank Deposits with More than 12 Months maturity (Unencumbered)	22,134,556	24,952,820
Bank Deposits with More than 12 Months maturity (Encumbered)	7,329,999	-
Total	180,895,614	110,273,798
15 Other Current Assets		
Balance With Authorities	1,843,909	1,393,494
Advance to Suppliers (Unsecured, Considered Good)	21,985,960	37,539,136
Other Current Assets	1,827,149	1,174,601
Prepaid Expenses	112,308	174,782
Sale Consideration of Land Receivable	180,000,000	-
Advance Tax & TDS	33,900,061	31,085,408
Total	239,669,387	71,367,421

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013.

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
16 Income From Operation		
Sale of Products	87,738,276	66,024,265
Sale of Services	16,130,238	13,620,791
	<u>103,868,514</u>	<u>79,645,055</u>
Less : Excise Duty	-	-
Total	<u>103,868,514</u>	<u>79,645,055</u>
17 Other Income		
Interest Income	9,421,084	7,796,931
Other Non-Operating Income	-	-
Rent on Immovable Property	2,791,263	3,053,755
Rent on Lease Hold Asset	987,286	-
Others	284,267	129,045
Total	<u>13,483,900</u>	<u>10,979,731</u>
18 Changes in Inventory of Finished Goods, Work-In-Progress and Stock-in-Trade		
Closing Stock	43,002,219	14,076,034
Opening Stock	13,950,592	8,627,889
Total	<u>29,051,627</u>	<u>5,448,145</u>
19 Employee Benefit Expenses		
Salaries to Employees	11,008,447	11,051,158
Contribution to Provident and other funds	670,229	849,484
Staff Welfare Expenses	487,323	380,128
Recruitment and Training Exps	429,572	266,495
Directors Remuneration	-	2,400,000
Total	<u>12,595,572</u>	<u>14,947,266</u>
20 Finance Cost		
Interest Expenses	715,577	710,302
Total	<u>715,577</u>	<u>710,302</u>
21 Depreciation and Amortization Expenses		
Depreciation	5,363,622	4,929,569
Total	<u>5,363,622</u>	<u>4,929,569</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013.

(Amount in Rs.)

Particulars	For the Year Ended 31st March,2013	For the Year Ended 31st March,2012
22 Other Expenses		
Power and Fuel	1,427,376	1,353,515
Rent	475,511	924,455
Insurance	380,322	200,116
Rates and Taxes	1,230,126	840,020
Management Fees	3,763,200	-
Bad Debts		
Bad Debts	-	1,353,251
Add : Provision for doubtful debts	2,214,634	66,500,000
Less : Last year's provision for doubtful debts	(66,500,000)	(10,200,000)
	(64,285,366)	57,653,251
Miscellaneous Expenditure		
C & F Expenses	6,742,254	6,342,769
Postage & Communication Expenses	1,110,544	1,216,668
Office Expenses	449,933	724,377
Stationery, Printing Expenses,	803,914	1,498,717
Information Technology Expenses	1,871,191	1,046,793
Professional And Legal Expenses	1,755,446	1,000,382
Repairs And Maintenance of Machinery	398,972	944,751
Travel & Conveyance Expenses	2,021,056	1,324,836
Selling & Distribution		
Freight	3,585,619	2,713,620
Discounts / Commission paid	3,200,502	1,744,784
Octroi	-	127,841
Sales Promotion	13,171,677	6,161,672
Business Development Expenses	288,051	520,700
Directors' Sitting Fees	50,000	170,000
Payment To Auditors	347,059	966,150
Donations	-	241,256
Advertisement Expenses	-	109,722
Other Miscellaneous Expenses	487,026	154,943
Total	(19,725,585)	87,981,337

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013.

23. Company was incorporated on 16th October, 2006 with Registration No. U24239MH2006PLC 165149 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.

Fixed asset under financial lease are recorded at their cash value, less accumulated depreciation and impairment losses.

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.

Depreciation on leased assets amortized over a period of lease term.

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 realized. 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 realized against future taxable profits. Unrecognized 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 realized.

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.50,000/- (P.Y. Rs. 1,70,000/-) paid to the independent directors during the year.
- b) Managing Directors Remuneration of Rs.NIL/- (P.Y. Rs. 24,00,000).

23.5 Related Party Transactions:

(Amount in Rs.in Lakhs)

Particulars	Maharashtra chemist & Druggist Association		Safe 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	2.00	-	8.00	-	-	38.20	-	-	10.00	38.20
Loans & Advances repaid	2.00	-	8.00	-	-	30.05	-	-	10.00	30.05
Payment made on their behalf	-	-	6.15	0.22	17.07	0.49	-	-	23.22	20.71
Payment recd on our behalf	-	-	7.76	0.01	-	-	-	-	7.76	0.01
Payment made on our behalf	-	-	1.60	-	-	-	-	-	1.60	-
Expenses incurred on our behalf	-	-	0.01	-	-	-	-	-	0.01	-
Rent Income	-	-	29.83	31.61	-	-	-	-	29.83	31.61
Service charges paid for utilization of IT environment	-	-	16.49	10.18	-	-	-	-	16.49	10.18
Management Fees	-	-	42.28	-	-	-	-	-	42.28	-
Reimbursement of expenses incurred on their behalf	-	-	9.72	5.51	-	-	-	-	9.72	5.51
Commission Income	-	-	-	1.81	-	-	-	-	-	1.81
Consignment purchases	-	-	-	65.80	-	-	-	-	-	65.80
Remuneration paid	-	-	-	-	-	-	-	24.00	-	-
Purchase of material	-	-	276.43	89.24	-	-	-	-	276.43	89.24
Balance Outstanding as on year end Receivable/ (payable)	-	50.60	168.26	(20.64)	(37.71)	-	(1.13)	29.96	130.55	-

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

23.6 Lease

Financial Lease – Lessee.

The Company has entered into a financial lease Agreement with Hewlett Packard Financial Service India Pvt. Ltd for a period of 36 Month, under which it has right to use Computer system (leasehold Asset) and after the completion of lease period Company has a right to purchase the Asset at Nil Value. The Initial Direct cost if any has been charged to Profit & Loss Account. There is no contingent rent expenses recognized in profit and loss accounts.

Disclosures of financial lease are:

- a) Leasehold Assets is shown separately under Fixed Asset.
- b) There is only one class of Asset i.e. Computer System. The Net Carrying amount at the Balance Sheet date is shown separately in the Fixed Asset Schedule.

Sub Lease – Lessor

The Company has entered into a Sub Lease Agreement with various Customers for a period of 36 Month on various dates, under which it has given the right to customers to use Computer System and on completion of lease period if the customer doesn't default in payment of lease rental than the asset will be transfer to customer. The Initial Direct cost like carriage and installation charges if any has been charged to Profit & Loss Account. There is no contingent rental income recognized in profit and loss account.

Particulars	Leasing of Portion of the Computer System for the year	
	2012-2013	2011-2012
Gross Carrying of Assets Amt.	1,54,56,904	-
Accum. Depreciation	10,83,763	-
Accum. Impairment	-	-
Depreciation recognized in Profit & Loss Account	10,83,763	-
Impairment Recognized in Profit & Loss Account	-	-
Contingent Rent Recognized as Profit & Loss A/c	-	-

Maharashtra Safe Chemists and Distributors Alliance Limited

Operatin 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	
	2012-2013	2011-2012
Proportionate Gross Carrying of Assets Amt.	13,622,357	13,622,357
Proportionate Accum. Depreciation	39,80,780	33,76,574
Proportionate Accum. Impairment	-	-
Proportionate Depreciation recognized in Profit & Loss Account	6,04,206	6,56,404
Proportionate Impairment Recognized in Profit & Loss Account	-	-
Proportionate Contingent Rent Recognized as Profit & Loss A/c	-	-

Operating Lease - Lessee

Lease payments of Rs.5, 20,960/- (P.Y.Rs 4, 69,900) have 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 31/03/2013 which are as under :-

Particulars	Balance as at 01.04.2012	For the period recognized in the Profit & Loss Account / Reversed during the year	Balance as at 31-03-2013
	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.	35,96,496	(69,176)	35,27,321
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.	(6,66,781)	(1,10,725)	(7,77,506)
Net Deferred Tax Liabilities / (Assets)	29,29,717	(1,79,702)	27,49,815

23.8 EARNING PER SHARE :-

Sl. No.	Particulars	2012 - 2013	2011 - 2012
1.	Profit/ (Loss) before Prior Period Item for the Year attributable to Equity Shareholders	Rs. 7,59,13,508	Rs. (69,480,124)
2.	Profit/ (Loss) after Prior Period Item for the Year attributable to Equity Shareholders	Rs. 7,48,04,693	Rs. (69,480,124)
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. 2.17	Rs. (1.98)
5.	Basic Earnings Per Share After Prior Period Item	Rs. 2.13	Rs. (1.98)

Determination of Net Profit Attributable to Equity Shareholders:

Particulars	2012 - 2013 Amt (Rs.)	2011 - 2012 Amt (Rs.)
Net Profit After Tax as per profit and Loss Accounts	Rs. 7,59,13,508	Rs. (69,480,124)
Less:- Prior Period Item	Rs. 11,08,815	-
Net Profit After Tax and Prior Period Item as per profit and Loss Accounts	Rs. 7,48,04,693	Rs. (69,480,124)
Less :- Profit Attributable to Preference Dividend	Rs. 1,21,35,996	-
Less :- Tax on Dividend	Rs. 31,06,314	-
Net Profit Attributable to Equity Shareholders (After Prior Period Item)	Rs. 5,95,62,383	Rs. (69,480,124)

Determination of Capital for Computation of Basic EPS:

Particulars	2012 - 2013	2011 - 2012
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)

Maharashtra Safe Chemists and Distributors Alliance Limited

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)	
		2012-2013	2011-2012	2012-2013	2011-2012
1.	Capsules	45.43	25.48	26.80	27.66
2.	Drops	-	0.43	-	0.29
3.	Injection	485.28	247.65	480.34	274.62
4.	Liquid	96.27	56.83	38.54	68.71
5.	Lotion	38.56	0.28	41.48	0.23
6.	Ointment	50.99	31.39	(4.23)	53.24
7.	Powder	1.95	6.17	4.58	3.85
8.	Surgical	3.38	1.77	3.90	2.27
9.	Tablets	430.38	192.84	288.97	229.36
		1202.24	562.88	877.38	660.24

23.15 PAYMENTS TO AUDITOR :-

Particulars		2012-2013 Amt (Rs.)	2011-2012 Amt (Rs.)
a)	As Auditor	2,50,156	6,97,648
b)	As Adviser, or other capacity, in respect of :-		
	i) Taxation matters	1,22,945	3,48,823
	ii) Company law matters		
	iii) Management services		
c)	Reimbursement of Expenses	15,000	17,400

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 2013		As at 31st March 2012	
	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 14,99,500 Equity Shares in All Indian Origin Chemists and Distributors Ltd. of Rs.10/- each fully paid. (P.Y. 13, 19,500 Equity Shares of Rs.10/- each fully paid). All the above shares are unquoted and are Valued at cost.

23.18 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.

23.19 3,32,000 Equity Shares in Tamilnadu Chemists and allied Distributors Alliance Ltd. Of Rs 10/- each Fully paid (P.Y. Nil). All the above shares are Unquoted and are Valued at cost.

23.20 Prior period item included in Profit and Loss Statement is of Rs.11,08,815/-.

23.21 The amount of Rs 20,64,261/- is the amount of loan received from Guardian Remedies Pvt. Ltd (Subsidiary of the Company)

For P.H.Sanghavi & Co.

Chartered Accountants

Pankaj Sanghavi

Proprietor

Membership No.: 41290

FRN :- 109111W

Date : 17th July,2013

Place : Mumbai

For and on behalf of the Board

sd/-

Jagannath S. Shinde
Chairman

sd/-

Vaijanath E. Jagushte
Managing Director

sd/-

Ganesh Pardeshi
Company Secretary

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	March 31, 2013
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, 2013	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, 2013	Rs. (38,940)
b) For previous financial years of the subsidiaries since these became subsidiaries	Rs. (4,19,108.10)

For and on behalf of the Board

sd/-
Jagannath S. Shinde
Chairman

sd/-
Vaijnath E. Jagushte
Managing Director

sd/-
Ganesh Pardeshi
Company Secretary

Date : 17th July, 2013

Place : Mumbai

GUARDIAN REMIDIES PRIVATE LIMITED

DIRECTORS' REPORT

To,

The Members of **GUARDIAN REMIDIES PRIVATE LIMITED**

Dear Members,

Your Directors have pleasure in presenting the Thirteen Annual Report together with Audited Financial Statements for the year ended on 31st March 2013.

FINANCIAL RESULTS

The Company was incorporated on 15th February, 2001. During the year ended 31st March 2013 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.

Sd/-

**(Prashant D. Pradhan)
Managing Director**

Place : Thane

Date: 15th July, 2013

GUARDIAN REMIDIES PRIVATE LIMITED

AUDITORS' REPORT

**To the Members of
GUARDIAN REMIDIES PRIVATE LIMITED
KULGAON – BADLAPUR.**

I have audited the accompanying financial statements of GUARDIAN REMIDIES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and Statement of Profit for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
1. 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.
 2. As required by section 227(3) of the Act, I report that:
 - a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
 - b) in my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those books
 - c) the Balance Sheet, and Statement of Profit dealt with by this Report are in agreement with the books of account.
 - d) in my opinion, the Balance Sheet, and Statement of Profit and Loss, comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Nandakishor Patil & Co.
Chartered Accountants

Nandakishor Patil
Proprietor

M.No. 040575 FRN 106861W

Place : - Thane
Date : 15th July, 2013

GUARDIAN REMIDIES PRIVATE LIMITED

Balance Sheet as at 31st March, 2013

(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. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	450,000.00	450,000.00
(b) Reserves and Surplus	2	1,857,428.92	1,896,368.92
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings	3	27,886.09	27,886.09
(b) Trade payables		-	-
(c) Other current liabilities		-	-
(d) Short-term provisions	4	32,000.00	1,708,160.00
Total		2,367,315.01	4,082,415.01
B. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets		-	-
(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	5	2,064,260.00	3,771,360.00
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments	6	-	52,500.00
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	7	303,055.01	258,555.01
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
Total		2,367,315.01	4,082,415.01

As per our report of even date attached

For Nandakishor Patil & Co.

Nandakishor Patil
Chartered Accountants.
FRN:106861W
M.No: 040575

Place : - Thane

Dated : 15th July, 2013

For and on behalf of the Board of Directors

sd/-

sd/-

Prashant D. Pradhan
Managing Director

Jagannath S. Shinde
Director

GUARDIAN REMIDIES PRIVATE LIMITED

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

(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		-	-
II. Other Income	8	-	8,492.00
III. Total Revenue (I +II)		-	8,492.00
IV. Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, WIP & Stock-in-Trade	9	-	85,900.00
Employee benefit expense	10	-	84,000.00
Financial costs	11	6,940.00	1,783.50
Depreciation and amortization expense		-	-
Other expenses	12	32,000.00	255,916.60
Total Expenses		38,940.00	427,600.10
V. Profit/(Loss) before exceptional and extraordinary items and tax(III - IV)		(38,940.00)	(419,108.10)
VI. Exceptional	13	-	5,621,880.29
VII. Profit before extraordinary items and tax (V - VI)		-	-
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		(38,940.00)	5,202,772.19
X. Tax expense:			
(1) Current tax		-	1,670,160.00
(2) Deferred tax		-	(183,870.00)
XI. Profit(Loss) from the perid from continuing operations(VII-VIII)		(38,940.00)	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)		(38,940.00)	3,716,482.19
XVI. Earning per equity share:			
(1) Basic		0.87	82.59
(2) Diluted		0.87	82.59

As per our report of even date attached
For Nandakishor Patil & Co.

Nandakishor Patil
Chartered Accountants.
FRN:106861W
M.No: 040575

Place : - Thane
Dated : 15th July, 2013

For and on behalf of the Board of Directors

sd/-
Prashant D. Pradhan
Managing Director

sd/-
Jagannath S. Shinde
Director

GUARDIAN REMIDIES PVT LTD

NOTES TO ACCOUNTS AS AT 31ST MARCH, 2013

(Amount in Rs.)

	As At 31st March, 2013	As At 31st March, 2012
Rs. 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	Rs.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	31.03.2013 No /Percentage	31.03.2012 No /Percentage
Maharashtra Safe Chemists & Distributors Alliance Ltd	Holding Company	37500/ 83.33	337500/ 83.33
Mr Prashant Digambar Pradhan		4000/ 8.89	4000/ 8.89
Mrs Nutan Prashant Pradhan		3500/ 7.78	3500/ 7.78

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

Particulars	31.03.2013 Number/ Rupees	31.03.2012 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 31.03.2013	As At 31.03.2012
2. Reserves and surplus		
Balance at the beginning of the year (CR Balance)	1,896,368.92	1,820,113.27
Add: Loss during the year	38,940.00	-
Less: Profit during the year	-	3,716,482.19
Balance at the end of the year (CR Balance) (Previous Yr CR Bal)	1,857,428.92	1,896,368.92
3. Short Term borrowings		
Mr Prashant Digambar Pradhan (Unsecured)	27,886.09	27,886.09
4. Short Term Provisions		
Audit Fees Payable	20,000.00	25,000.00
Professional Fee Payable	6,000.00	13,000.00
ROC Fees Payable	6,000.00	-
Total Rs.	32,000.00	38,000.00
5. Long Term loans and advances		
Maharashtra Safe Chemists & Distributors Alliance Ltd (unsecured) (Holding company)	2,064,260.00	3,771,360.00
6. Current Investments		
2100 Shares of Thane Bharat S Bank Ltd, Thane	-	52,500.00

GUARDIAN REMIDIES PRIVATE LIMITED

NOTES TO ACCOUNTS AS AT 31ST MARCH, 2013

(Amount in Rs.)

	As At 31.03.2013	As At 31.03.2012
7 Cash and Bank Balances		
Balance in Current A/C with Scheduled Bank	-	-
Thane Bharat Sahakari Bank Ltd.	-	33,659.50
AXIS Bank	6.51	6.51
Bank Of Baroda	303,048.50	224,889.00
Total Rs.	303,055.01	258,555.01
8. Other income		
Dividend	-	7875.00
Miscellaneous Receipts	-	617.00
Total Rs.	-	8492.00
9. Changes in inventories		
Stock at beginning	-	498765.00
Less: Stock Returned	-	412865.00
Total Rs.	-	85900.00
10. Employee benefit cost		
Directors Remuneration	-	60000.00
Staff salaries	-	24000.00
Total Rs.	-	84000.00
11. Finance Cost		
Interest Expenses	6940.00	-
Bank Charges	-	1783.50
Total Rs.	6940.00	1783.50
12. Other Expenses		
Electricity Expenses	-	1,830.00
Telephone Expenses	-	616.00
Conveyance	-	2,078.00
Payment To Auditors	-	-
Audit Fee	20,000.00	25,000.00
ROC Filing Fees (Including Late Fees Rs 5400/-)	6,000.00	-
Professional Fees	6,000.00	25,099.00
Accounting Charges	-	2,500.00
Shop Cleaning Expenses	-	1,500.00
Courier Charges	-	70.00
Creditors Debit Balances	-	6,164.00
Fixed assets not usable	-	164,416.60
Miscellaneous Expenses	-	26,643.00
Total Rs.	32,000.00	255,916.60
13. 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 Rs.	-	5,621,880.29

Signatures to Notes to accounts

For Nandakishor Patil & Co.

Nandakishor Patil

Chartered Accountants.

FRN:106861W

M.No: 040575

Place :- Thane

Dated : 15th July, 2013

For and on behalf of the Board of Directors

sd/-

Prashant D. Pradhan

Managing Director

sd/-

Jagannath S. Shinde

Director

NOTES ON ACCOUNT TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013.

(I). 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 if employed for full year or who are in receipt of remuneration in aggregate of not less than Rs.2,00,000/- 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. 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 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.

Notes to Accounts for the year ended 31 MARCH 2013.

(II). 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:** Company has no fixed assets.
3. **DEPRECIATION:** There being no fixed assets, the depreciation is not provided.
4. **INVESTMENTS:** Not Applicable.
5. **INVENTORIES:** Not Applicable.
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 not made in the absence of taxable income. There is neither deferred tax liability nor deferred tax asset in the absence of timing difference. Therefore provision for deferred tax is not made.
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. Claims against the company not acknowledged as debts – Nil
11. Estimated amount of contracts remaining to be executed on capital account and not provided for – Nil

**As per Report of Even date.
For Nandakishor Patil & Co.**

Chartered Accountants

Nandakishor Patil

Proprietor

M.No. 040575

FRN 106861W

Place :- Thane

Dated: 15th July, 2013

On behalf of the Board of Directors

sd/-

Prashant D.Pradhan
Managing Director

sd/-

Jagannath S.Shinde
Director

Circular on Unclaimed Amount of Dividend

Ref. No.: MSCDAL/Dividend/July/02/2013

17th July, 2013

To,
All the Shareholders of MSCDA Ltd.

It has been observed that Dividend Warrants/Cheques sent by the Company from time to time against 2007-08, 2008-09 and 2009-10 years Dividend have not been deposited by many shareholders so far in their respective Banking accounts. Hence, substantial amount is lying unclaimed in the Dividend Accounts of the Company. Kindly note that the Company is required to transfer the unclaimed/unpaid Dividend after seven years to 'Investor Education & Protection Fund' of Government of India. Thereafter, shareholders cannot claim their dividend.

Hence, in order to facilitate the shareholders, the Company has decided to transfer this unclaimed amount of Dividend in to respective Share Holder's Bank Account through National Electronic Fund Transfer (NEFT).

We request you to provide following details to Mr. Ganesh Pardeshi, Company Secretary at his email address at ganesh.pardeshi@aiocd.com or by writing to him at the Company's Address in order to enable us to make speedier and cost effective transfer.

Name of the Share Holder	
Folio No.	
Name of the Share Holder Bank & Address	
Bank Account No.	
Type of Bank Account Saving / Current	
IFSC Code	
Amount of Dividend	
Warrant No.	
Share Holder Contact No. / Mobile No.	

Kindly do the needful.

Thanking You,

For MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LTD.

Sd/-
(Jagannath S. Shinde)
Chairman

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 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 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 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.

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.

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

7th Annual General Meeting – 21st September, 2013 on Saturday, at 10.30 a.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 SEVENTH ANNUAL GENERAL MEETING of the Company being held at Matunga Gujarathi 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

7th Annual General Meeting – 21st September, 2013 on Saturday, at 10.30 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 Seventh Annual
General Meeting of the Company to be held on Saturday the 21st September, 2013 at 10.30 P.M. and at any adjournment thereof.

Signed this _____ day of September, 2013

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.