

All Indian Origin Chemists and Distributors Limited



AIOCD LTD

2nd Annual Report
2007-2008



BOARD OF DIRECTORS

MR. JAGANNATH S. SHINDE

MR. VINAY S. SHROFF

MR. PARSAN KUMAR SINGH

MR. PRABIR KUMAR DAS CHOUDHURY

MR. ARULKUMAR MANICKAM

MR. RAVI BHUSHAN PURI

MR. JASHWANT P. PATEL

MR. DEVESH A. PATHAK

CORPORATE INFORMATION

AUDITORS

MR. P. H. SANGHAVI & CO.
Chartered Accountants

SOLICITORS & ADVOCATES

YUSUFS & ASSOCIATES

PRINCIPAL BANKERS

BANK OF INDIA

OFFICE

REGISTERED & CORPORATE OFFICE

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

NOTICE

NOTICE is hereby given that the 2nd Annual General Meeting of the Members of ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED will be held on Tuesday, 30th day of September, 2008 at 3.00 p.m. at Kohinoor Mangal Karyalay, Kohinoor Park, Opp. Dadar Railway Station, Dadar (East), Mumbai 400 014 to transact the following business:

I. Ordinary Business:

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2008 and the Profit and Loss Account for the year on that date together with the Reports of the Directors and Auditors' thereon.
2. To appoint a Director in place of Shri Vinay S. Shroff, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s P. H. Sanghavi & Co., Chartered Accountants, the retiring Auditors of the Company, as Auditors, who shall hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

"RESOLVED THAT M/s P.H. Sanghavi & Co., Chartered Accountants, be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors."

II. Special Business :

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

"RESOLVED THAT Shri Arulkumar Manickam who was appointed as Additional Director by the Board to hold office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and being eligible offers himself for appointment and in respect of whom a Notice under section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose, Shri Arulkumar Manickam as a candidate for the office of the Director be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT Shri Ravi Bhushan Puri who was appointed as Additional Director by the Board to hold office upto the date of this Annual General Meeting, in terms of Section 260 of the Companies Act, 1956 and being eligible offers himself for appointment and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose, Shri Ravi Bhushan Puri as a candidate for the office of the Director be and is hereby elected and appointed as a director of the Company, liable to retire by rotation."

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

"RESOLVED THAT Shri Jashwant Prahladbhai Patel who was appointed as Additional Director by the Board to hold office upto the date of this Annual General Meeting, in terms of Section 260 of the Companies Act, 1956 and being eligible offers himself for appointment and in respect of whom a Notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose, Shri Jashwant Prahladbhai Patel as a candidate for the office of the Director be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT Shri Devesh Amubhai Pathak who was appointed as Additional Director by the Board to hold office upto the date of this Annual General Meeting, in terms of Section 260 of the Companies Act, 1956 and being eligible offers himself for appointment and in respect of whom a Notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose, Shri Devesh Amubhai Pathak as a candidate for the office of the Director be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorized, in accordance with section 293(1)(d) of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and the Articles of Association of the Company, to borrow any sum or sums of money, from time to time, at their discretion, for the purpose of the business of the Company, which together with the monies already borrowed by the Company may exceed at any time, the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) by a sum not exceeding five times of the paid up capital of the Company and its free reserves and that the Board be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as they may think fit."

For and on behalf of the Board of Directors

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

Place: Mumbai

Date: 21st August, 2008

Sd/-
(Jagannath S. Shinde)
CHAIRMAN

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
2. A Member/Proxy should bring Attendance Slips duly filled in for attending the Meeting.
3. 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 before the date of the Meeting so that the information required may be made available at the Meeting.
4. Members are requested to bring their copy of Annual Report at Annual General Meeting.
5. An Explanatory Statement under section 173(2) of the Companies Act, 1956 is annexed hereto.
6. Members are requested to immediately intimate the change, if any, to the registered office.

Explanatory statement in pursuant to the provisions of section 173 (2) of the Companies Act, 1956

ITEM NO. 4

To broad base the Board of Directors, Shri Arulkumar Manickam, was appointed by the Board as an Additional Director in the category of Non-Executive Director of the Company w.e.f. 27th June, 2008 to hold office till the date of the ensuing Annual General Meeting.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Director of the Company. Shri Arulkumar Manickam is having vast knowledge and experience in the field of Pharma Industry in distribution channel system, will be of immense benefit to the Company. The Board recommends for the appointment of Shri Arulkumar Manickam as Director of the Company and proposes to pass the resolution as set out in item No. 4 of the Notice as an Ordinary Resolution. Except, Shri Arulkumar Manickam, none of the Directors of the Company are interested or concerned in the resolution. Your Directors recommend this resolution for your approval.

Item No. 5

To broad base the Board of Directors, Shri Ravi Bhushan Puri, was appointed by the Board as an Additional Director in the category of Non-Executive Director of the Company w.e.f. 27th June, 2008 to hold office till the date of the ensuing Annual General Meeting.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Director of the Company. Shri Ravi Bhushan Puri is having vast knowledge experience in the field of Pharma industry in distribution channel system, will be of immense benefit to the Company. The Board recommends for the appointment of Shri Ravi Bhushan Puri as Director of the Company and proposes to pass the resolution as set out in item No. 5 of the Notice as an Ordinary Resolution. Except, Shri Ravi Bhushan Puri, none of the Directors of the Company are interested or concerned in the resolution. Your Directors recommend this resolution for your approval.

Item No.6

To broad base the Board of Directors, Shri Jashwant Prahladbhai Patel, was appointed by the Board as an Additional Director in the category of Non-Executive Director of the Company w.e.f. 27th June, 2008 to hold office till the date of the ensuing Annual General Meeting.

The Company has received a notice under section 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Director of the Company. Shri Jashwant Prahladbhai Patel is having vast knowledge and experience in the field of Pharma Industry in distribution Channel System, will be of immense benefit to the Company. The Board recommends for the appointment of Shri Jashwant Prahladbhai Patel as Director of the Company and proposes to pass the resolution as set out in item No. 6 of the Notice as an Ordinary Resolution. Except, Shri Jashwant Prahladbhai Patel, none of the Directors of the Company are interested or concerned in the resolution. Your Directors recommend this resolution for your approval.

Item No.7

To broad base the Board of Directors, Shri Devesh Amubhai Pathak, was appointed by the Board as an Additional Director in the category of Independent Director of the Company w.e.f. 17th July, 2008 to hold office till the date of the ensuing Annual General Meeting.

The Company has received a notice under section 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Director of the Company. Shri Devesh Amubhai Pathak is having vast knowledge and experience in the field of Secretarial functions will be of immense benefit to the Company. The Board recommends for the appointment of Shri Devesh Amubhai Pathak as Director of the Company and proposes to pass the resolution as set out in item No. 7 of the Notice as an Ordinary Resolution. Except, Shri Devesh Amubhai Pathak, none of the Directors of the Company are interested or concerned in the resolution. Your Directors recommend this resolution for your approval.

Item No. 8

As per the provisions of section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a public company shall not, except with the consent of company in general meeting, borrow money together with the money already borrowed, if any exceeding the aggregate of the paid up capital and its free reserves.

The business activities of the Company are increasing and keeping in view of the requirements of the business, it is proposed to enhance the borrowing limits at any time, up to five times of the aggregate of the then paid up capital of the Company and its free reserves, as specified in the resolution set out at item No. 8 of the Notice.

Your Directors therefore recommend the said resolution for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

For and on behalf of the Board of Directors

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

Sd/-
(Jagannath S. Shinde)
CHAIRMAN

Place: Mumbai

Date: August 21, 2008

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the 2nd Annual Report together with the Audited accounts of the Company for the year ended March 31, 2008. The summarized financial results of the Company are given below:

Financial Results

(Rs. in thousand)

	2007- 2008	2006- 2007
Total Income	45,07	0
Total Expenses	486,89	17
Profit/ (Loss) Before Tax	(44,182)	(17)
Less: Provision for Taxation	0	0
Less: Provision for FBT	16	0
Profit / (Loss) After Tax for the year	(44,198)	(17)
Add: Amount b/f from previous year	(11)	0
Add:- Deferred tax assets	303	(6)
Amount available for appropriation	(43,906)	(11)
Balance carried to Balance Sheet	(43,906)	(11)

Dividend

No dividend is being recommended by the Directors for the year 2007-08 in view of the reported loss during the year.

Review of Operations

No operations took place during the year 2007-08.

Business Initiatives

Your Company very recently has taken various initiatives to develop new businesses. Within a short period of time span, your Company has been able to sign two path breaking agreements in the area of sales and distribution. The operations have already begun with effect from August, 2008.

In order to cater to the complex and ever changing demands in the area of sales and distribution, your Company is in the process of implementing SAP and is expected to go-live from the month of October, 2008.

Directors

In accordance with the Articles of Association of the Company and the relevant provisions of the Companies Act, 1956, Mr. Vinay S. Shroff, Director retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. Mr. Arulkumar Manickam, Mr. Ravi Bhushan Puri, Mr. Jashwant Prahladbhai Patel and Mr. Devesh Amubhai. Pathak who were appointed as additional Directors retire at the forthcoming Annual General Meeting and who have given their consent in writing be and are hereby appointed as Regular Directors pursuant to Section 256 of the Companies Act, 1956 subject to retire by rotation.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Directors confirm, to the best of the knowledge and belief, that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures has been made for the same;
- b) appropriate accounting policies have been selected and applied consistently, and such judgment and estimates have been made 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, 2008 and of the profit of the Company for the year 31st March, 2008

- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The Directors have prepared the accounts for the financial year ended March 31, 2008 on a going concern' basis.

Auditor's Report

Pursuant to the requirement under Section 217(3) of the Companies Act, 1956, the Directors state that:

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

As the Company was in its initial stages and was not manned by adequate personnel, the Company was not so regular in depositing the statutory dues.

Refer Point no. 4 to the Auditor's report:

The Company is the process of recruitment of Whole-time Company Secretary since February, 2008 and in view of this, the Company has not been able to employ Whole-time Company Secretary during the year.

Auditors

M/s. P. H. Sanghavi & Co., Chartered Accountants, retire as Auditors of the Company at the forthcoming Annual General Meeting and has given their consent for re-appointment. The shareholders will be required to elect Auditors for the current year and fix their remuneration.

A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

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

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 Outgoings are not applicable to it. The Company has not imported any technology during the year. There were no foreign exchange earnings during the year.

Personnel:

AIOC had one employee as on 31st March, 2008. Information about employee of your Company pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules, 1975, as amended, forms part of this Report. However as per the provision of Section 219(1)(b)(iv) of the Companies Act, 1956, the reports and accounts are being sent to all the shareholders of the Company excluding the statement of particulars of employees. Any Shareholder interested in obtaining a copy may write to the Company.

Acknowledgments

Your Directors take this opportunity to express their gratitude for the excellent assistance and co-operation received from the Company's clients, vendors, business associates and bankers. Your Directors place on record their appreciation to the continued team spirit and enthusiasm shown by the officers and staff of the Company. The Company's consistent performance was made possible by their hard work, solidarity, co-operation and support.

Place: Mumbai

Date: August 21, 2008

For and on behalf of the Board of Directors

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

Auditor's Report

The Members of **All Indian Origin Chemists & Distributors Limited**

1. We have audited the attached Balance Sheet of **All Indian Origin Chemists & Distributors Limited**, as at 31st March 2008, the Profit and Loss Account for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above and **subject to the fact that the Company is in the process of appointing a whole time Company Secretary as required under section 383A of the Companies Act, 1956** we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of accounts as required by the law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account dealt with by this report are in the agreement with the books of accounts;
 - (iv) In our opinion, Balance Sheet, Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representation received from the Directors, as on 31st March 2008 and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2008 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
 - (vi) In the absence of the notification in the official gazette of the Central Government, the Company has not made any provision for cess payable under section 441A of the Companies Act, 1956. As per the explanations given to us, the required provision for cess payable shall be made in accordance with the notification, as and when issued by the Central Government in its official gazette.
 - (vii) In Our Opinion and to the best of our information and according to the explanation given to us the said financial statements read together with the other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2008;
 - b) In the case of the Profit and Loss Account, of the loss for the year ended on that date;

For P.H.Sanghavi & Co.
Chartered Accountants

Pankaj Sanghavi
Proprietor
Membership No. :- 41290

Place : Mumbai
Date : August 21, 2008



Annexure to Auditor's Report

Re: **All Indian Origin Chemists & Distributors 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 the fixed assets.
- (b) In our opinion and according to the information and explanation given to us, the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanation given to us, the Company has not disposed off any major part of the fixed assets during the period.
- (ii) In our opinion and according to the information and explanation given to us, the Company has not done any trading activity during the period, and also did not hold any inventory during the year and as on the Balance Sheet date. Therefore in our opinion, the clauses 4 (ii)(a), 4 (ii)(b) and 4 (ii)(c) of the Companies (Auditors Report) Order, 2003 are not applicable.
- (iii) (a) In our opinion and according to the information and explanation given to us, the Company has not granted any loans secured or unsecured to companies, firm or other parties covered under section 301 of the Companies Act, 1956. Therefore in our opinion, the clauses 4 (iii) (a), 4 (iii) (b), 4 (iii) (c) and 4 (iii) (d) of the Companies (Auditors Report) Order, 2003 are not applicable.
- (b) In our opinion and according to the information and explanation given to us, the Company has taken advance from a Director being a party covered in the register maintained under section 301 of the Companies Act, 1956. The Maximum amount involved during the accounting period was Rs. 61,000/- and repaid the amount to the directors during the year and the closing balance as at the balance sheet date also was Rs. Nil
- (c) 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 advance has been taken from companies, firm or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (d) In our opinion and according to the information and explanation given to us, the Company has taken advance from the Directors of the Company; terms of repayment of same were not stipulated. The Company has repaid the same during the year.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures 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, the 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 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (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 is excluded from the requirement of internal audit system as:-
- it is not a listed Company, or,
 - Capital and Reserves of the Company did not exceed Rs. 50 lacs as at the commencement of the accounting period, or,
 - The Company does not have an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial period under consideration.
- Therefore in our opinion, the clause 4 (vii) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (viii) In our opinion and according to the information and explanation given to us, the Company is not engaged in production, processing, manufacturing or mining activities, hence Company is not required to maintain cost records under section 209 (1) (d) of the Companies Act, 1956. Therefore in our opinion, the clause 4 (viii) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (ix) (a) **In our opinion and according to the information and explanation given to us, the Company is not so regular in depositing with appropriate authorities undisputed statutory dues pertaining to Income Tax, Profession tax applicable to it. The penalty, if any, under the relevant act is not quantified and provided for.**
- (b) In our opinion and according to the information and explanation given to us, no undisputed amounts payable in respect of income

tax, sales tax, wealth tax, custom duty, excise duty, cess were in arrears, as at 31st March 2008 for the period of more than six month from the date they became payable.

- (c) In our opinion and according to the information and explanation given to us, there are no dues of income tax, sales tax, cess which have not been deposited on account of any dispute.
- (x) In our opinion and according to the information and explanation given to us, the Company is registered for the period of less than five years; Therefore in our opinion, the clause 4(x) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xi) In our opinion and according to the information and explanation given to us, the Company has not obtained any loan from any financial institution or bank. Also the Company has not issued any debentures. Therefore in our opinion, the clause 4(xi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (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 the basis of overall examination of the Balance Sheet of the Company, we report that 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.
- (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

Pankaj Sanghavi
Proprietor
Membership No.41290

Place : Mumbai
Date : August 21, 2008

Balance Sheet

	Schedules	March 31, 2008	March 31, 2007
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	129,839,200	500,000
Share Application money pending allotment		19,319,460	-
Reserves and Surplus		-	-
		149,158,660	500,000
LOANS			
Secured Loans		-	-
Unsecured Loans		-	-
TOTAL		149,158,660	500,000
APPLICATION OF FUNDS			
FIXED ASSETS			
Tangible Assets			
Gross Block	2	296,052	-
Less: Depreciation		47,717	-
Net Block		248,335	-
Capital Work in Progress		5,629,901	-
		5,878,236	-
INVESTMENTS			
	3	9,750,000	-
DEFERRED TAX ASSETS			
	4	308,440	5,774
CURRENT ASSETS, LOANS AND ADVANCES			
Current Assets			
Cash & Bank Balance	5	98,704,625	510,850
Other Current Assets		39,712	-
Loans and Advances			
	6	2,612,062	-
		101,356,399	510,850
Less: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	7	12,054,111	64,105
Provisions		15,522	-
		12,069,633	64,105
Net Current Assets		89,286,766	446,745
MISCELLANEOUS EXPENDITURE			
Preliminary Expenses (to the extent not written off)	8	29,015	36,269
PROFIT & LOSS ACCOUNT			
		43,906,203	11,212
TOTAL		149,158,660	500,000
NOTES TO THE ACCOUNTS			
	9		

The Schedules referred to above are an integral part of the Balance Sheet
As per our attached report of even date

For P.H.Sanghavi & Co.
Chartered Accountants

Pankaj Sanghavi
Proprietor
Membership No.: 41290
Place : Mumbai
Date : August 21, 2008

**For All Indian Origin Chemists
& Distributors Limited**

Director

Director



Profit And Loss Account

	Schedules	April 1, 2007 to March 31, 2008	April 1, 2006 to March 31, 2007
INCOME			
Other Income	A	4,507,324	-
		4,507,324	-
EXPENDITURE			
General and Administration Expenses	B	48,634,488	16,986
Depreciation	2	47,717	-
Preliminary Expenses written off	8	7,254	-
		48,689,459	16,986
PROFIT/(LOSS) BEFORE TAX		(44,182,135)	(16,986)
Less:- Provisions			
Provision for Taxation		-	-
Provision for FBT		15,522	-
Add:-			
Deferred Tax Assets (net)		302,666	5,774
PROFIT/(LOSS) AFTER TAX		(43,894,991)	(11,212)
Net Profit/(Loss) Brought forward from Earlier Years		(11,212)	-
Profit / (Loss) to be Carried Forward		(43,906,203)	(11,212)
Earning Per Share (Refer Item No. 6 of Schedule 9)		(11.78)	(0.22)
NOTES TO THE ACCOUNTS	9		

The Schedules referred to above are an integral part of the Profit & Loss Accounts

As per our attached report of even date

For P.H.Sanghavi & Co.
Chartered Accountants

Pankaj Sanghavi
Proprietor
Membership No.: 41290

Place : Mumbai
Date: August 21, 2008

For All Indian Origin Chemists
& Distributors Limited

Director

Director

Schedules forming part of Balance Sheet

		As at March 31, 2008	As at March 31, 2007
SCHEDULE -1 SHARE CAPITAL			
Authorised			
2,00,00,000 (Previous Year : 50,000) Equity Shares of Rs 10/- each		200,000,000	500,000
		200,000,000	500,000
Issued, Subscribed, Called up & Paid up Equity Shares			
1,29,83,920 (Previous Year : 50,000) Equity Shares of Rs 10 each fully paid		129,839,200	500,000
		129,839,200	500,000
SCHEDULE - 3 INVESTMENTS			
Long term investments (at cost)			
A. Trade investments (unquoted)			
5,40,000 Equity shares of Rs. 10/- each fully paid up in Maharashtra Safe Chemists & Distributors Alliance Limited.		5,400,000	-
4,30,000 - 8% Non - Cumulative Redeemable Non-Convertible Preference shares of Rs. 10/- each fully paid up in Maharashtra Safe Chemists & Distributors Alliance Limited.		4,300,000	-
B. Investment in Joint Venture			
5,000 Equity shares of Rs. 10/- each fully paid up in AIOCD Pharmasofttech AWACS Pvt. Ltd.		50,000	-
		9,750,000	-
SCHEDULE -4 DEFERRED TAX ASSETS			
Deferred Tax Assets			
Effect of set off of carry forward losses as per Income Tax			5,774
Effect of expenditure debited to Profit and Loss Account having reasonable certainty of being allowed in subsequent year as per Income Tax Act, 1961.	334,386	334,386	5,774
Less : - Deferred Tax Liabilities			
Effect of difference in amount of depreciation as per the Companies Act, 1956 and the Income Tax Act, 1961.	25,946	25,946	
(Effective Tax Rate taken as 33.99%)			
Total Deferred Tax Assets		308,440	5,774



Schedules forming part of Balance Sheet

		As at 31st March, 2008	As at 31st March, 2007
SCHEDULE -5 CURRENT ASSETS			
Cash & Bank Balance			
Cash on Hand	89,567		-
Balance with Scheduled Bank in Current accounts	(1,768,477)		510,850
in Deposit accounts	100,383,535	98,704,625	-
			510,850
Other Current Assets			
Accrued Interest on deposit with Bank		39,712	-
Total Current Assets		98,744,337	510,850
SCHEDULE -6 LOANS AND ADVANCES			
Unsecured, considered good			
Advances recoverable in cash or in kind or for the value to be received		1,686,710	-
Income tax (including TDS receivable)		925,352	-
Total Loans and Advances		2,612,062	-
TOTAL		101,356,399	510,850
SCHEDULE -7 CURRENT LIABILITIES & PROVISIONS			
Current Liabilities:-			
Sundry Creditors			
Creditors for Capital Goods		5,629,322	-
Creditors for Expenses		839,121	53,105
Other Liabilities			
Dues to Directors		-	11,000
Outstanding Liabilities		3,856,305	-
Duties and Taxes			
TDS Payable		1,729,363	-
Total Current Liabilities		12,054,111	64,105
Provisions			
Provision for taxation		-	-
Provision for FBT		15,522	-
Total Provisions		15,522	-
TOTAL		12,069,633	64,105
SCHEDULE -8 PRELIMINARY EXPENSES			
Preliminary Expenses	36,269		36,269
Less : 1/5th written off during the year	7,254		-
		29,015	36,269
TOTAL		29,015	36,269

Schedules forming part of Profit and Loss Accounts

	April 1, 2007 to March 31, 2008	April 1, 2006 to March 31, 2007
SCHEDULE A- OTHER INCOME		
Interest on Deposits with Bank (TDS Rs.9,25,352)	4,507,324	-
	4,507,324	-
SCHEDULE B - GENERAL AND ADMINISTRATION EXPENSES		
<i>Auditor's Remuneration</i>		
<i>Audit Fees</i>		
	168,540	16,836
Office & Administrative Expenses	200,000	-
Bank Charges and Commission	157,942	150
Business Model Development Expenses	42,762,023	
Meeting Expenses	6,742	
Membership & Subscriptions	831	
Postage & Telegram	83,603	
Printing & Stationary	151,940	
Professional Fees	593,176	
Professional Tax	5,000	
ROC Filing Fees	1,090,000	
Salaries and Benefit to Employees	1,285,000	
Software Consultancy Charges	200,000	
Staff Recruitment Expenses	786,520	
Staff Welfare Expenses	619	
Stamp Duty	560,540	
Telecommunication Expenses	10,108	
Travelling Expenses	571,904	
	48,634,488	16,986



ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED
SCHEDULE 2 : FIXED ASSETS

Particulars	Additions			Depreciation				Net Book Value		
	Rate of Depreciation	Opening Balance as at 1.4.2007	Additions during the Year	Salv / Disposition	Closing Balance as on 31.3.2008	Depreciation during the Year	Provision on the Sale of Assets	Closing Balance as on 31.3.2008	Closing Balance as on 1.4.2007	Closing Balance as on 31.03.2008
Computers	40%	-	283,752	-	283,752	35,417	-	35,417	-	248,335
Computers Each item having value of Rs. 5,000/- or less	100%	-	12,300	-	12,300	12,300	-	12,300	-	-
TOTAL		-	296,052	-	296,052	47,717	-	47,717	-	248,335

Particulars	Opening Balance as on 1.4.2007	Additions during the Year	Converted into Assets Deposited off	Balance at the end of the Year 31.3.2008
Capital Work in Progress	-	5,629,901	-	5,629,901

SCHEDULE - 9**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2008.****1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY.**

Company was incorporated on 5th February, 2007 and obtained Certificate of Commencement of Business on 13th June, 2007.

A. System of Accounting :

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. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

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.

The Company, generally, follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

B. Fixed Assets :

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

C. Depreciation :

Depreciation on the fixed assets are 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 5,000/- are depreciated in full in the year of purchase.

D. Investments :

Current investments are carried at lower of cost or 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. Preliminary Expenses :

Preliminary Expenses is written off over a period of 5 (Five) years commencing from the current accounting period. The expenses pertaining to increase in authorized capital of the Company and allotment of shares have been charged in Profit & Loss Account.

F. Revenue Recognition :

Interest income is recognized on time proportion basis.

G. Income Tax :

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, 1961. 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 or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

H. Provisions :

A provision is recognised when an enterprise 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.

2. Contingent Liability: NIL

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

4. Payment to Directors: NIL**5. 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 Financial Year 2007 -2008 which are as under :-

Particulars	Balance as at 31-03-2007	For the year recognized in the Profit & Loss Account	Balance as at 31-03-2008
	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)
Deferred Tax Liabilities on account of timing difference in :-			
1. Effect of difference in amount of depreciation as per the Companies Act, 1956 and the Income Tax Act, 1961.	Nil	25,946	25,946
Deferred Tax Assets on account of timing difference in :-			
1. Carry Forward Loss	5,774	Nil	Nil
2. Effect of expenditure debited to Profit and Loss Account having reasonable certainty of being allowed in subsequent year as per Income Tax Act, 1961.	Nil	3,34,386	3,34,386
Net Deferred Tax Asset (Rs.)	5,774	3,08,440	3,08,440

6. Earnings Per Share :

Particulars	2007-2008	2006-2007
Profit/ (Loss) for the Year attributable to Shareholders	Rs. (4,38,94,991)	Rs. (11,212)
Weighted Average Number of Equity Shares of Rs. 10/- each	37,25,212	50,000
Basic Earnings Per Share	Rs.(11.78)	Rs.(0.22)

Determination of Capital for Computation of Basic EPS :

Total No. of Equity shares as on incorporation	50,000
Total No. of Equity shares issued & allotted during the year	1,29,33,920
Weighted Average Number of Equity Shares ((50,000 x 366) + (1,29,33,920 x 104)) / 366	37,25,212

7. Claims against the Company not acknowledged as Debts : Nil**8. The balances with parties are subject to confirmation.****9. Estimated amount of Contracts remaining to be executed on Capital Account and not Provided for Rs.92.24 Lacs (Previous year :- Nil)**

**10. Interest in Joint Venture**

The Company has a 50% interest in the assets, liabilities, income and expenses of the AIOCD Pharmasofttech AWACS Private Limited, incorporated in India during the year, which is involved in market research and providing of data analysis pertaining to pharmaceutical products.

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity are as follows at March 31, 2008

Particulars	2007-2008 Amt (Rs.)
Assets	50,000
Liabilities	50,000
Revenue	Nil
Depreciation	Nil
Other Expenses	10,225
Loss before tax	(10,225)

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

A. EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY: Nil

B. PAYMENT TO AUDITOR

Particulars	2007-2008 Amt (Rs.)	2006-2007 Amt (Rs.)
As Auditor	1,68,540	16,836
As Advisor or other capacity, in respect of :-		
Taxation matters	NIL	NIL
Company Law matters	NIL	NIL
Management services	NIL	NIL
In any other manner	NIL	NIL

Note: - Above amount is inclusive of Service Tax.

12. Previous Year Comparatives

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

13. Related Party Transactions

(Amount in Rs. in Lacs)

	Joint Venture	Key Management Personnel	All India Organisation of Chemists & Druggists	Total
Advances received and repaid	Nil	0.61	Nil	0.61
Subscription to the equity shares of Joint Venture Company	0.50	Nil	Nil	0.50
Equity Contribution received in Cash	Nil	0.30	Nil	0.30
Purchase of Shares in other Company	Nil	22.00	Nil	22.00
Payment under Deed of Assignment	Nil	Nil	201.49	201.49
Reimbursement of Expenses	Nil	Nil	20.12	20.12
Service Charge	Nil	Nil	2.00	2.00
Balance as on Balance Sheet date	Nil	Nil	1.96	1.96

Names of related parties and description of relationship:

Relationship	Name of the Related Party
Joint Venture	AIOCD Pharmasofttech AWACS Pvt. Ltd.
Key Management Personnel (Director)	Mr. Jagannath S. Shinde Mr. Anil Navandar Mr. Vinay S. Shroff
Some of the Directors of the Company are the Office Bearers of the Related Party.	All India Organisation of Chemists & Druggists

As per our attached report of even date

For P.H.Sanghavi & Co.
Chartered Accountants

Pankaj Sanghavi
Proprietor
Membership No.: 41290

Place : Mumbai
Date: August 21, 2008

**For All Indian Origin Chemists
& Distributors Limited**

Director

Director

PART IV**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. Registration Details**

a) Registration number	:-	167578
b) State code	:-	11
c) Balance Sheet Date	:-	March 31, 2008

II. Capital raised during the year (Amount in Rs. thousands)

a) Public issue	:-	NIL
b) Rights issue	:-	NIL
c) Bonus issue	:-	NIL
d) Private placement	:-	1,29,339.20

III. Position of mobilization and deployment of funds (Amount in Rs. thousands)

a) Total Liabilities	:-	1,49,158.66
b) Total Assets	:-	1,49,158.66

Sources of funds

a) Paid-up capital	:-	1,29,839.20
b) Share Application Money Pending for Allotment	:-	19,319.46
c) Reserves & Surplus	:-	NIL
d) Secured Loans	:-	NIL
e) Unsecured Loans	:-	NIL

Application of funds

a) Net Fixed Assets	:-	5,878.24
b) Investments	:-	9,750.00
c) Deferred Tax Asset	:-	308.44
d) Net Current Assets	:-	89,286.77
e) Misc. Expenditure	:-	29.02
f) Accumulated Losses	:-	43906.20

IV. Performance of the Company: (Amount in Rs. thousands)

a) Turnover	:-	NIL
Other Income	:-	4,507.32
b) Total Expenditure	:-	48,689.46
Profit/ (Loss) before tax	:-	(44,182.14)
Profit/ (Loss) after tax	:-	(43,894.99)
Earning per share in Rs.	:-	(11.78)
Dividend rate %	:-	NIL

V. Generic names of three principal products/services of company (as per monetary terms)

a) Item code No.(ITC code)	:-
b) Product Description	:-

**For All Indian Origin Chemists
& Distributors Limited**

**Place : Mumbai
Date : August 21, 2008**

Director

Director

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

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

ATTENDANCE SLIP

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

Folio No :-
No. of Shares :-
Name & Address of the Shareholder :-

I hereby record my presence at the SECOND ANNUAL GENERAL MEETING of the Company being held at KOHINOOR MAGALKARYALAY, KOHINOOR PARK, opp. DADAR RAILWAY STATION, DADAR EAST, MUMBAI 400 014, on Tuesday, the 30th September 2008, at 3.00 P. M.

Name (s) of the Shareholder(s) Proxy (IN BLOCK LETTERS)

Signature(s) of the Shareholder(s) or Proxy

Note :- No duplicate Attendance Slip will be issued at the Meeting Hall. You are requested to bring your copy of the Annual Report to the Meeting.

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

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

PROXY FORM

I/We _____
of _____ being a member / members of ALL INDIAN ORIGIN
CHEMISTS & DISTRIBUTORS LIMITED hereby appoint _____ of
_____ or failing him _____ of _____ as
my / our Proxy to vote for me / us and my / our behalf at the Second General Meeting of the Company to be held on
30th September, 2008 and at any adjournment thereof.
As witness my / our hand(s) this _____ day of _____ 2008

Signed by the said _____

Affix a
Revenue
Stamp of
Re 1/-

NOTE :- The Proxy Form must be returned so as to reach the Registered office of the Company not less than 48 hours before the time for holding the aforesaid Meeting