



Delivering Excellence in Life Sciences

Annual Report 2010-2011



Strong Bottomline Supports

Quantum Growth



Deeper the Roots, Sweeter the Fruits.

It's a nature's way to say, have a stronger foundation for "Quantum Growth". At Jenburkt our philosophy to build strong foundation and strengthening it year after year, has shown some excellent results for all our stakeholders. The growth has been, by collectively focusing energies towards domestic and international markets. With the emphasis on ethical promotion, team bonding and trust building, Jenburkt is poised for "Quantum Growth".

Jenburkt has been consolidating and integrating its R&D towards focused health care needs and continues to offer solutions, both innovative & world class, adding value to its present product portfolio and venturing into new specialities.

With the feet firmly planted in the ground, Jenburkt has certainly got one thing to offer all its stakeholders - **"Fruitful Future"**.

Board of Directors

Uttam N. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R. Raskapurwala
Ashish U. Bhuta

Chairman and Managing Director
Director
Director
Director
Whole Time Director

Company Secretary

Ashish R. Shah

Auditors

D. L. Arora & Co.
Chartered Accountants, Mumbai

Bankers

Bank of Baroda

Registered Office

Nirmala Apartments,
93, Jayprakash Road,
Andheri (West), Mumbai-400 058.
Tel : +91-22-66943121
Fax : +91-22-66943127
Web : www.jenburkt.com

Plant

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Bhavnagar Road,
Sihor, Gujarat - 364 240

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Directors' Report



Your Directors are pleased to present the 26th Annual Report along with the Audited Accounts for the year ended 31st March, 2011.

1. FINANCIAL PERFORMANCE :

PARTICULARS	31-3-2011	31-3-2010
Sales and other income	5818.79	5259.88
Profit before depreciation, interest and tax	1059.40	707.89
Profit before tax	908.97	572.71
Net Profit after tax	601.52	377.89
Profit Available for appropriation	1103.40	692.00
Appropriations :		
Dividend	162.73	139.48
Dividend Tax	27.03	23.70
Transfer to General Reserves	60.15	37.79
Balance c/f to Balance Sheet	853.50	491.03

The total revenue of the Company for the Financial Year 2010-11 rose by 10.63% to Rs. 5818.79 lacs from Rs. 5259.88 lacs registered last year. However, the net profit jumped substantially, by 59.18% amounting to Rs.601.52 lacs from Rs. 377.89 lacs registered last year. A focussed approach of the Company on specialised high value products with high margin has yielded a substantial improvement in the bottom line figures.

2. DIVIDEND :

Your Directors recommend a dividend of Rs. 3.50 per equity share of Rs. 10/- each, subject to approval of shareholders at the ensuing Annual General Meeting. Out of the profits, an amount of Rs. 189.76 lacs will be utilized towards payment of dividend and tax thereon.

3. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

a. Manufacturing Facility:

The modern Sihor Plant has now been approved by nearly 13 countries for sourcing their pharmaceutical requirements. This itself exhibits our adherence in meeting the current international standards of Current Good Manufacturing Practices (cGMP).

The upgradation and expansion of the quality assurance / quality control department and of construction of a new warehouse has already begun in the last financial year.

b. Industry Structure and Development:

The Indian pharmaceutical sector is currently the largest amongst the developing nations. The current momentum of growth of the pharmaceutical market in India indicates its rapid expansion in the near future. With an effective business model of the Indian pharmaceutical companies coupled with comparative cost advantages, the industry is poised to be at the centre stage of the global pharmaceutical market. The better growth of domestic companies in India, compared to multi-national companies, is a matter of encouragement for all pharmaceutical companies in India, to enter global markets and explore possibilities of mergers and acquisitions.

c. Business Performance, Opportunities and Outlook:

The changing demographic and disease profile, is one of the growth drivers of the pharmaceutical sector in India. The "lifestyle disease" is on the rise and the rising income of the people and the ever increasing population complements these diseases. The chronic segment is becoming more focused than ever. Currently, the Indian pharmaceutical companies are ranked very high, globally. This is due to the quality, the technology and the products ranging - from simple pills to complex compounds. Their role is very vital in the field of medicines, for promoting and sustaining the industry. Your company sees great opportunities ahead after registering its products in almost 13 countries. Registration in many more countries is under process. A report titled "Indian Pharmaceutical 2020 propelling access and acceptance, realizing the potential" by McKinsey & Co., inter alia, state that the Indian Pharmaceutical market is expected to reach US\$ 55 billion in 2020 at a normal growth rate. It could reach US\$70 billion in same year, in an aggressive growth scenario. The growth of the pharmaceutical formulation industry in India will augur well for your Company. The benefits of the Research & Development division and of the introduction of new drugs will provide an impetus to the growth of the Company.

d. Risk Concerns & Threats :

Currently, financial conditions are in a negative zone through out the world. This has led to a threat of a broad recession. The pharmaceutical

industry, like any other major industry is also at a risk of degenerating or growing at a very slow pace. Pricing and regulatory pressures, inflations, Government Policies etc. are major concerns in the Indian pharmaceutical market space. Your Company, as it has done in past, is confident of surviving these concerns and is capable of meeting changing market dynamics.

e. Internal Control and System:

Your Company is committed to conduct its business with integrity and with high standards of ethical behavior. It sincerely strives to comply with the laws and regulations that governs its business.

A framework of internal controls in operations and self audits are the initiatives taken by the Company to ensure adherence to the system.

A process of internal audit also keeps a check on the sufficiency of internal control and systems.

f. Rating and Award:

For the fourth year in succession, your Company has received the highest CRISIL rating viz. "SE1A", indicating "Highest Performance Capability and High Financial Strength".

Your Company received the prestigious National Award for excellence in Cost Management, for the year 2009. Your Company was honoured with the 1st rank award by the Institute of Cost and Works Accountants of India (ICWAI) in the category of Manufacturing (Private Sector-small). The award was given by the Honorable Minister of State for Corporate Affairs, Mr. Salman Khurshid at a grand function held at New Delhi on Thursday, 8th July, 2010.

g. Regulatory Approvals:

Your Company's Sihor Plant has been approved by the regulatory authorities of nearly 13 countries. Last year, the Plant was approved by the authorities from Uganda. The authorities are now more vigilant throughout the world. Also compliance is getting stricter.

h. Human resources:

"Udaan", "Utkarsh" and "Bonds of Affection" were important developmental programmes, arranged for both the QUEST teams and for an entire support staff at the corporate office. Apart from the above, periodic training is provided to the members of the field force. Also, to impart adequate training and to keep abreast with times, individuals are encouraged to participate in

various seminars, workshops and conferences. Constant endeavor is made by your Company to provide a conducive environment for people to participate to stretch beyond their professional obligation towards the growth of the Company. Managing the Human Resource will remain a big challenge in the time to come.

i. Sales and Marketing :

Your Company continues to pursue in moving up the value chain. The increasing focus on long term therapies in acute and chronic ailments has contributed towards the improved bottom line.

The proposed new products are also in line with a focus on acute and chronic ailments.

Your Company continues to participate in various national and state level conferences and conducts medical camps for the benefits of the patients.

j. Formulation Development Centre :

Your Company's formulation development centre is a Research and Development unit recognised by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India.

A significant number of products are under development, especially in the area of solid dosage drug delivery systems.

The areas in which work is being done are Pain Management, Anti Diabetic and Anti Inflammatory.

k. Information Systems :

Experiencing process streamlining and cost reduction with successful ERP implementation, your Company proposes to invest significantly in the areas of Laboratory Information Management System and Field Force Reporting System.

l. Segment-wise performance :

Jenburkt operates exclusively only in one segment - pharmaceutical formulations.

4. DIRECTORS :

Shri Uttam N. Bhuta and Shri Arun R. Raskapurwala retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

A brief resume of the Directors proposed to be re-appointed, is set up in the section of Corporate Governance, as stipulated under Clause 49 of the listing agreement with the Bombay Stock Exchange

Ltd.

5. AUDITORS AND AUDITORS' REPORT :

M/s. D. L. Arora and Co. Chartered Accountants, Mumbai, Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and have offered themselves for re-appointment. The Auditors have, furnished a certificate under Section 224(1B) of the Companies Act, 1956 of their eligibility for re-appointment.

6. COST AUDIT REPORT :

M/s. Jagdish R. Loliyani, Cost Accountants, Mumbai are re-appointed as the Cost Auditors of the Company for the Financial Year 2011-12, subject to the approval of the Central Government. Form 23C of their appointment has already been filed with MCA, after receiving their certificate under Section 224 (1B) of the Companies Act, 1956 for their eligibility for re-appointment.

The Cost Audit Report for the F.Y. 2009-10 was filed on 6th September, 2010. It was to be filed on or before 30th September, 2010. The Cost Audit Report for the F.Y. 2010-11 will be filed on or before 30th September, 2011.

7. REPORT ON CORPORATE GOVERNANCE :

A brief report on the Corporate Governance and the relative Auditor's certificate thereto is attached to this report.

8. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

As required under Section 217(1)(e) of the Companies Act 1956 and by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgoings is given in Annexure - I forming part of this report.

9. PARTICULARS OF THE EMPLOYEES:

In terms of provision of Section 217(2A) of the Companies Act, 1956 read with the Company (Particulars of Employees) Rules 1975, as amended, the names and other particulars of the employees of the Company are required to be disclosed as an Annexure to the Directors' Report. However, according to the provision of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the above information is being sent to all the Members of the Company including other entitled person/s. Any member who is interested in obtaining such particulars, may write to the Company Secretary at the registered office.

10. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- in preparation of the annual accounts for the Financial Year 2010-11, the applicable accounting standards have been followed and no material departures have been made from the same.
- accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year 2010-11, and also of the profit of the Company for that period;
- 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
- the Annual Accounts have been prepared on a going concern basis.

11. FIXED DEPOSIT :

The Company has not accepted any deposits from the public within the meaning of Section 58-A of the Companies Act, 1956.

12. GREEN INITIATIVE:

Your Directors welcome the Green Initiative of the Ministry of Corporate Affairs. With the active co-operation of all the shareholders, we shall be able to disseminate all the requisite documents and informations electronically i.e. through e-mails. A detailed note is attached herewith seeking response of the members to register their e-mail IDs, in order to be a part of the green initiative and to help in conserve trees for a greener India.

13. APPRECIATION:

Your Directors place on record their sincere appreciation for the contribution and efforts put in by all the employees. Your director also extend their gratitude to the support extended by all stakeholders viz. Government Authorities, Banks, Stockists, Members and independent Directors of the Company.

For and on behalf of the Board

Uttam N. Bhuta
Chairman and Managing Director

Mumbai, 25th June, 2011

Annexure to the Directors' Report

Particulars pursuant to section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors' Report.

I. CONSERVATION OF ENERGY:

(a) Energy conservation measures taken:

The company has switched to Bio-Diesel in place of petroleum Diesel in boilers and generating sets.

(b) Specific energy conservation measures :

(i) A new electric transformer has been installed at

Sihor plant for efficient power management system.

(ii) The company has put in place an efficient system of rain water harvesting to recharge its bore wells.

(c) Impact of the above measures have resulted in bringing down cost of production and generating awareness about energy conservation among the employees and workmen.

(d) Total energy consumption and energy consumption per unit of production:

FORM - A

Form for disclosure of particulars with respect to conservation of energy

A. Power and Fuel Consumption			31 st March, 2011	31 st March, 2010
1.		Electricity		
	a)	Purchased Units	509075	355765
		Total Amount Rs.	2994622	2154370
		Rate / Unit Rs.	5.88	6.10
	b)	Own Generation		
	(i)	Through generator 160 KVA	184	472
		Units per litre of diesel oil	0.83	2.30
		Cost / Unit Rs.	41.92	14.34
	(ii)	Through generator 250 KVA	2920	4080
		Units per litre of diesel oil	1.08	1.30
		Cost / Unit Rs.	39.23	24.61
	(iii)	Through steam turbine /generator	Nil	Nil
2.		Coal	Nil	Nil
3.		Furnace Oil	Nil	Nil
4		Others / internal generation	Nil	Nil

B. Consumption per Unit of production:

Electricity (Units)	There is no specific standard followed by the company for the current year as well as for previous year, as per the records and books of the company maintained in accordance with Companies Act, 1956.
Coal	
Others	

II. TECHNOLOGY ABSORPTION :**FORM B**

Form for the disclosure of particulars with respect to absorption:

(a) Research and Development (R&D):

1. Specific area in which R&D is carried out by the company:

Company's Formulation Development Laboratory at Sihor has continued to contribute significantly with newer formulations to Domestic and International business divisions. Apart from new product introductions, the laboratory has also engaged in reformulating existing products to achieve cost efficacy. A

major initiative is underway to introduce aqueous vehicle for granulation and coating processes. This is in sync with Company's Go Green initiative.

The main thrust of R&D of the company is in the therapeutic areas of Daibetology, Pain Management and Neurology.

In addition of development of newer products in these therapeutic segments, the R&D is also focusing on the re-formulation of existing range of products in a view to make them more cost-effective by way of judicious material and energy usage.

During the year under discussion, the R&D has

successfully developed new products of Metformin with ALA and Cobalamine and Citicholie with vitamins. The company is in process of applying to Drug Authorities for approval.

2. Benefits derived as a result of the above R&D:

The company expects to generate significant benefits from the process modifications outlined in R&D trials in the following areas:-

- i) Substitution of imported excipient Pearlitol with locally available ingredients.
- ii) Introducing Aqueous Film coating for tablet products in place of solvent based coating.

3. Future Plan of Action:

Continuing our efforts to develop novel and cost-effective dosage forms, the R&D has outlined following areas for growth in the coming years:-

- i) Pain management drug application in form of Dermal Patch for geriatric patients.
- ii) Further development in and extension of our range of Nervijen in the area of nerve therapy.

4. Expenditure on R&D:

Capital Expenditure Rs.41.71 lacs, Recurring expenditure Rs.57.53 lacs, Total Rs.99.24 lacs, Total R&D Expenditure as 1.73% of turnover.

(b) Technology Absorption, Adoption and Innovation:

Efforts in brief, made towards technology absorption, adaptation and innovation:

- 1) The process of up-gradation of Company's Sihor manufacturing plant continued during the year. Following major activities have been initiated in this regard:
 - i) Construction of a new warehouse for storage and dispatch of finished goods manufactured in house and received from other locations. The work is in progress.
 - ii) A new Quality Control set up been planned. This propose to cater to increase requirement of domestic and international business. This set-up will house all the sections associated with quality functions of the plant.
- 2) Continued with our efforts to enhance our in house production capacities, following new equipments have been procured, installed and commissioned in Sihor plant.
 - i) Rapid-Mixer Granulator(Cap.250 ltrs.)
 - ii) Automatic coating machine for tablets. (Cap.150 kgs.)

- iii) Semi-automatic Hard gelatin capsule filling machine.

- 3) New, advanced versions of HPLC and tablet dissolution testing instrument have been ordered to strengthen quality testing capabilities.

- 4) Your company has continued to affirm its thrust on quality values of its products. During the year 2010-2011 also, there was NIL quality related complaints from consumers.

- 5) During the year, the company has submitted 27 product registration dossiers to various drug control authorities in the International market and received 7 product registration approvals.

- 6) Benefits derived as the result of the above efforts:

- (i) Improvement in quality of products and its stability.
- (ii) Enhancement in production capacities.

(c) Capital expenditure plan proposed during 2011-2012:

1. Your company propose to install high rise storage system for finished goods store in new ware-house.
2. We are also planning to introduce a new software package, LIMS (Laboratory Information Management System) for quality department to strengthen its quality related functions.
3. New auto cartoning machines for carton packing of tablet and liquid products.
4. To augment the capacities of utility supplies, your company propose to acquire new heavy-duty air compressor and steam boiler during the year.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities relating to exports, initiatives taken to increase exports; development of new export markets for products: The Company is continuously exploring different markets, for its products. The GMP Certification as per WHO, has provided major boost in the area of export.
2. For the year under reference, the foreign exchange earnings by the Company: Rs. 599.68 lacs. The foreign exchange expenditure of the Company: Capital Goods Rs. 26.47 lacs, Other Expenditures Rs. 46.36 lacs and dividend paid 0.34 lacs. Aggregating to Rs. 73.17 lacs.

For and on behalf of the Board

Uttam N. Bhuta
Chairman and Managing Director

Mumbai, 25th June, 2011

1. A brief Statement on Company's philosophy on Corporate Governance:

At Jenburkt the process of Corporate Governance is the practice to evolve methods to achieve transparency and practice professionalism with high standard ethics. This coupled with accountability and efficient conduct at all functional levels are important aspects of smooth functioning and managing of the business affairs. Compliances with statutory requirements and commitments to all the stakeholders are attained with best governance practice and spirit.

2. Board of Directors:

A. Composition of Board:

The Board of Directors provides strategic guidance and direction to the Company, evaluates management policies and their implementations to ensure that the bonding with the stakeholders is maintained forever. The Board consists of 5 directors including two executive directors who are ably supported by senior management team to carry out day to day functioning of the Company.

The Board has constituted certain committees, as required, viz. Audit Committee, Remuneration Committee, Shareholders/Investors Grievance Committee and Accounts and Finance Committee.

The directors are informed in advance by notice calling the Board Meeting, along with agenda of the Meeting. Board notes according to the agenda are well prepared and are presented / tabled during the Board Meeting. The Company Secretary records minutes of each of the meetings of Board and Committee. The Minutes are entered in the Minutes Book within 30 days time of the meeting.

The composition of Board of the Company is in conformity with the requirements of clause 49 of the Companies Act 1956. The Board of Directors of Jenburkt consists of 5 directors in all. Two are executive directors and the other three are non-executive and independent directors.

The details of composition and category of directors, their attendance of Board Meeting / Annual General Meeting, other positions in Board / committee of Board are as under:-

Name of Director	Designation/category of Directorship	No. of Board Meetings attended	Whether last AGM attended	No. of Directorship held in other Company
Uttam N. Bhuta	Promoter/Chairman and Managing Director	5	Yes	1
Bharat V. Bhate	Non-Executive/Independent	5	Yes	1
Rameshchandra J. Vora	Non-Executive/Independent	5	Yes	-
Arun R. Raskapurwala	Non-Executive/Independent	5	Yes	-
Ashish U. Bhuta	Whole Time Director	5	Yes	1

None of the Directors is a Member of any Committee of Board of any other Company. Shri Uttam N. Bhuta is one of the Promoters of the Company.

Shri Uttam N. Bhuta, Chairman and Managing Director and Shri Ashish U. Bhuta, Whole Time Director are related to each other. None of the other directors are related to any other.

B. Number of Board Meetings held during the year with dates:

The Board of Directors met for five times in the financial year 2010-11. The Board Meetings were held on 30/04/2010, 28/05/2010, 30/07/2010, 30/10/2010 and 29/01/2011. The maximum time gap between any two board meetings was not more than four calendar months.

C. The Board of Directors were furnished regularly with all relevant information as suggested under clause 49 of the listing agreement.

3. Audit Committee:

All the members of the Committee are independent and non-executive directors on the Board of Directors of the Company, as required under Clause 49 of the listing agreement with stock exchange.

Shri Bharat V. Bhate is the Chairman of the committee and Shri Rameshchandra J. Vora and Shri Arun R. Raskapurwala are the other two members of the committee.

The Company Secretary act as the secretary to the Committee.

The terms of reference of the audit committee are in accordance with the clause 49 of the listing agreement with stock exchange and interalia includes:

- Overseeing the Company's financial reporting process and ensuring that the financial statement is correct, sufficient and credible.

- ii. Recommending to the Board, about the appointment, re-appointment, removal of the statutory auditors and fixation of their fees and payment for any other services rendered.
- iii. Reviewing with management the annual financial statements before submission to the board with reference to matters required to be included in the Directors' responsibility statement under section 217 of the Companies Act, 1956.
- iv. Changes, if any, in accounting policies and practices, compliance with accounting standards, listing and other legal requirements pertaining to financial statements.
- v. Reviewing the adequacy of audit, discuss about nature and scope of audit and to ensure their compliance as per regulations.
- vi. Review Management discussion and analysis of financial conditions. Status, if any, of related party transactions, etc.
- vii. Reviewing with management, external and internal auditors, the adequacy of internal control system.
- viii. Reviewing the adequacy of the internal control system.
- ix. Discussion with internal auditors, any significant finding and report thereon.
- x. Carrying out any other function as per directions from the Board of Directors.

The Audit Committee met for 5 times in the financial year 2010-11, i.e. on 30/04/2010, 28/05/2010, 30/07/2010, 30/10/2010 and 29/01/2011. Shri Bharat V. Bhate and Shri Arun R. Raskapurwala attended all the five meetings held during the year and Shri Rameshchandra J. Vora attended three meetings.

4. Remuneration Committee:

The Remuneration Committee determines and recommends, to the Board, the remuneration payable to the executive directors. The policy of the committee for deciding remuneration is based on fair and transparent decisions and none of the executive director is on the committee. The Remuneration is decided on the director's past track record, current performance, the prevailing remuneration in the peer group, the profitability of the Company and the provisions of the applicable approvals, rules, etc. in this regard.

The committee consists of three members all of whom are non-executive and independent directors. It is chaired by Shri Rameshchandra J. Vora. Shri Bharat V. Bhate and Shri Arun R. Raskapurwala are the other two members of the committee. The committee met once during the year, i.e. on 21st June, 2010 and all the members attended the meeting.

Details of the Remuneration of the Directors for the Financial Year 2010-11.

(Rs. in lacs)

Name	Remuneration including all benefits	Sitting Fees	Total	Present Service Contract “**”	Equity Shares held as on 31.03.2011.
Uttam N. Bhuta	29.47	NIL	29.47	01.04.2010 to 31.03.2012	3,21,775
Bharat V. Bhate	NIL	0.30	0.30	NIL	2,500
Rameshchandra J. Vora	NIL	0.30	0.30	NIL	500
Arun R. Raskapurwala	NIL	0.30	0.30	NIL	-
Ashish U. Bhuta	39.16	NIL	39.16	01.04.2010 to 31.03.2015	2,09,196

Note: “**” Shri Ashish U. Bhuta's appointment as Whole Time Director and payment of remuneration for a period from 01.04.2010 to 31.03.2015 was approved by members by passing a special resolution at the 24th Annual General Meeting of the Company held on 31st July, 2009. As required an application was made to Central Government in this regard. We await their approval for the appointment and terms of Remuneration of Shri Ashish U. Bhuta, Whole Time Director.

5. Shareholders'/ Investors' Grievance Committee:

The Shareholders'/ Investors' Grievance Committee consists three members, who are on the Board of Directors. The Chairman of the committee is Shri Bharat V. Bhate; the non-executive and independent director. Shri Uttam N. Bhuta, executive director and Shri Rameshchandra J. Vora, non-executive independent director are the other two members of the committee.

Shri Ashish R. Shah is the Company Secretary and compliance officer of the Company.

The Share Transfer and Shareholders'/ Investors' Grievance Committee monitors the registrar and share transfer agent's activities and approves transfers, transmissions, splitting, issuance of duplicate shares, dematerialization of

shares of the company, etc. and redress the complaints of shareholders.

The committee has delegated certain executive powers to a sub committee viz. Share Transfer and Dematerialisation Committee.

The Board is periodically being briefed about the Share Transfer and related activities.

The Share Transfer and Investors' / Shareholders' Grievance Committee met 03 times during the year. The details of attendance by members are as follows:

	Name of the Members	No. of Meeting attended in 2010-2011
1.	Bharat V. Bhate	03
2.	Uttam N. Bhuta	03
3.	Rameshchandra J. Vora	03

During the year 29 complaints were received and all of them were attended to. No complaints were pending / outstanding as on 31/03/2011. No Share Transfers was pending as on 31/03/2011.

6. General Body Meetings:

Location and time of last three Annual General Meetings held by the Company:

Financial Year	Venue	Date	Time	Special Resolution Passed
2009-10	ISKCON Auditorium, Juhu, Mumbai.	30/07/2010	3.30 p.m.	NONE
2008-09	ISKCON Auditorium, Juhu, Mumbai.	31/07/2009	3.30 p.m.	i). u/s 372 A of the Companies Act, 1956 for giving guarantee or providing security for an aggregate amount of Rs.20 Cr. ii). u/s 198, 269, 309 and Schedule XIII of Companies Act 1956, appointment and payment of remuneration to Whole Time Director.
2007-08	Juhu Jagruti Auditorium, Vile Parle, Mumbai.	31/07/2008	4.30 p.m.	u/s198, 269, 309, Schedule XIII of Companies Act 1956, appointment and payment of remuneration to Chairman and Managing Director.

No Special resolution proposed to be conducted through postal ballot.

7. Disclosure:

- The Company has not entered into any materially significant related party transaction with its Promoters, Directors or Management, that may have potential conflict with the interest of the company at large.
- No penalties or stricture has been imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.
- A Whistle Blower Policy has been formulated, which inter alia, provide liberty to employee of the company to have direct access to the Chairman of the Audit Committee.

8. Compliance with other mandatory requirements:

- Management Discussion and Analysis: A Management Discussion and Analysis Report as required under Clause 49 of listing agreement, is forming part of the Directors' Report.
- Disclosures :
 - Risk Management :
The Company has laid down procedures to inform the Board Members about risk assessment and minimisation procedures, whereby a Risk Management Committee has to review periodically these procedures, to ensure that executive management controls risk through properly defined framework.
 - Proceeds from Public Issue, Right Issue, Preferential Issue, etc.:
The Company has not raised any amount through any such issue, during the financial year.
 - CEO / CFO Certificate:

A certificate from Managing Director and person heading the finance department on the financial statements for the financial year 2010-11, was placed before the Board.

d) **Code of Conduct:**

A Code of Business Conduct and Ethics have been formed and is placed on the website of the Company. The Code is applicable to all the directors and senior management personnel of the Company. All the Board members and senior management personnel have affirmed their compliance. A declaration to this effect is given below:

It is hereby declared that the Company has obtained, from all the members of Board and all the senior management personnel, affirmation that they have complied with the code of business conduct, for the financial year 2010-11.

For and on behalf of the Board

Mumbai, 25th June, 2011

Uttam N. Bhuta
Chairman and Managing Director

9. Means of Communication:

The financial results are generally published in "The Free Press Journal-English" and in "Navshakti-Marathi" Newspapers. All the declared results are placed on the company's website viz. "www.jenburkt.com". The Company has not displayed any news release and has not made any presentation to the institutional investor or to the analysts. The Management Discussion and Analysis report is part of the Annual Report and published in this Annual Report.

10. Compliance with Non-Mandatory Requirements:

The Company complies with following non-mandatory requirements of Clause 49 of the listing agreements:

- Remuneration Committee: A detailed note on Remuneration Committee is furnished above, in this Report.
- Audit Qualifications: The Company has unqualified financial statements.
- Whistle Blower Policy: The Company has formulated a Whistle Blower Policy. It is a mechanism whereby the employees of the Company will be free to have access to the immediate supervisor / chairperson of audit committee to report violation of laws, unethical conduct, etc. in the Company.

11. Profile of Directors being appointed / re-appointed:

1. Shri Uttam N. Bhuta :

Shri Uttam N. Bhuta the Promoter / Director of the Company, has worked as Joint Managing Director of the company, since its inception till 19th January, 2006 and as a Managing Director from then, till he was elevated as the Chairman and Managing Director of the Company on 31st July, 2007. Currently, he is the Chairman and the Managing Director of the company.

Shri Uttam N. Bhuta, along with his brothers, ventured into pharmaceuticals product business with a background of trading in Chemicals and have successfully made the Company's presence felt in various therapeutic segments. He is instrumental in bringing up the mere loan and license based drug manufacturing unit to the present level company, having WHO Certified Plant and a professionally managed company.

Shri Uttam N. Bhuta is the founder trustee in trusts engaged in running school, college and hospital in Gujarat.

He does not hold any Membership in any Committee of the Board of any other Company. He is a director, in Bhuta Holdings Private Limited. He does not hold any other Directorship in any other Company.

Uttam N. Bhuta holds 3,21,775 equity shares of the Company in his individual capacity as on 31st March, 2011 and is related to Shri Ashish U. Bhuta, Whole Time Director of the Company.

2. Shri Arun R. Raskapurwala:

Shri Arun R. Raskapurwala is a Bachelor of Commerce from Bombay University and is a businessman having rich experience of almost 50 years in business in textile, packaging and electricals. He has good background of administration and financial skills.

His experience and knowledge in handling financial matters provide benefits to the Company in managing costs well. He does not hold any other Directorship in any other Company. He holds 100 equity shares of the Company as on 31st March, 2011

12 A. General Shareholders Information:

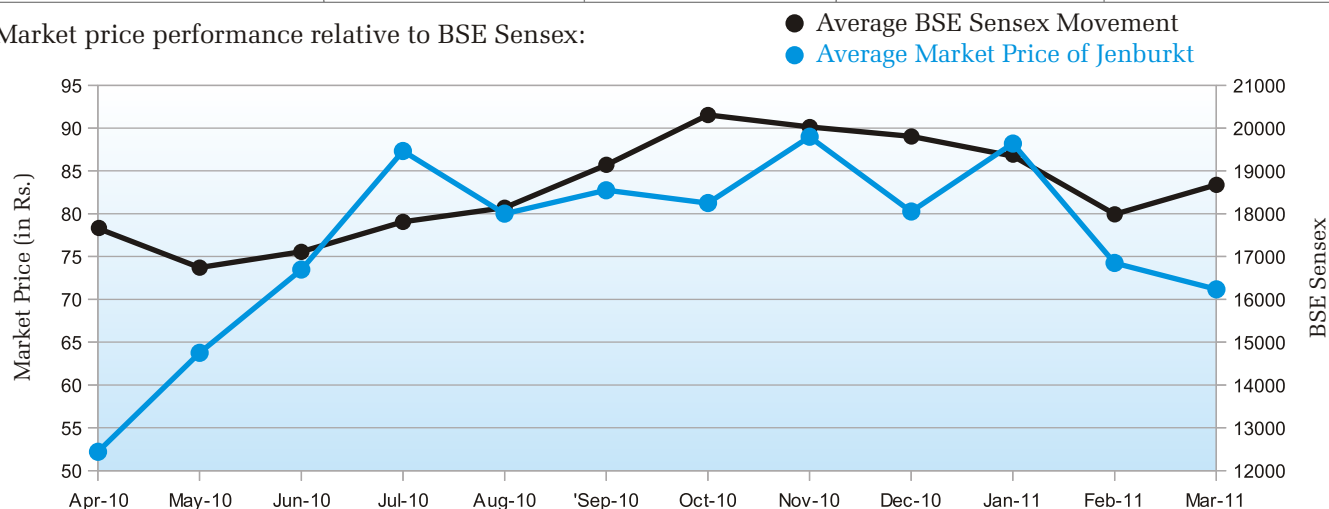
AGM : • Date and Timing • Venue	29 th July, 2011 at 3.30 p.m. Iskcon Auditorium, Hare Krishna Land, Juhu, Mumbai - 400 049.	
Financial Calendar (Proposed)	Results for Q1 (June 30, 2011)	By 4 th Week of July, 2011
	Results for Q2 (Sept 30, 2011)	By 4 th Week of Oct, 2011
	Results for Q3 (Dec 31, 2011)	By 4 th Week of Jan, 2012
	Results for Q4 (Mar 31, 2012)	By 4 th Week of June, 2012
Date of Book Closure	23 rd July to 29 th July, 2011 (both days inclusive).	
Date of Dividend Payment	On or after 13 th August 2011.	
Listing of equity shares on Stock Exchanges at	The Bombay Stock Exchange Ltd. (BSE). The Listing fees for Financial Year 2011-12 is paid to Bombay Stock Exchange Ltd.	
Stock Code	Trading Code "524731" at the Bombay Stock Exchange Ltd.	
Security ISIN No.	INE354A01013	

B. Market Price data, Performance Chart:

High / Low of the Market Price per month of the Company's share traded at BSE and the High / Low of the BSE Sensex for the financial year 2010-11 is as follows:

2010-2011	Company's Share Price		BSE Sensex	
Month	High (Rs.)	Low (Rs.)	High (Rs.)	Low
April	57.00	48.00	18047.86	17276.80
May	76.50	51.00	17536.86	15960.15
June	81.95	65.00	17919.62	16318.39
July	94.95	79.70	18237.56	17395.58
August	86.05	74.00	18475.27	17819.99
September	89.80	75.70	20267.98	18027.12
October	88.00	74.50	20854.55	19768.96
November	101.65	76.30	21108.64	18954.82
December	89.00	71.50	20552.03	19074.57
January	99.40	77.00	20664.80	18038.48
February	83.50	65.00	18690.97	17295.62
March	75.10	67.25	19575.16	17792.17

Market price performance relative to BSE Sensex:



C. RTA Details:

Registrar and Transfer Agent (RTA)	M/s.Bigshare Services Pvt. Ltd., E-2 and 3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072 • Tel. No. 40430200 / 40430306 e-mail Id : nanda@bigshareonline.com OR investor@jenburkt.com
Share Transfer and Dematerialisation System	The complete work related to share transfer and dematerialization is carried out by above stated RTA. The duly constituted Share Transfer and Shareholders'/Investors' Grievance Committee of the Company holds its' meeting regularly to monitor the matter related to transfer and dematerialisation of shares and other related matters. The requests for share transfers and dematerialisation are processed expeditiously.

D. Shareholding Pattern as on 31st March, 2011:

	Category	No. of Shares held	% of shareholding
A.	Indian Promoter's Holding	2057361	44.251
B.	FII	58773	1.264
C.	Private Corporate Bodies	243979	5.248
D.	Indian Public	2253593	48.471
E.	NRIs	33465	0.720
F.	Others (Clearing Members)	2129	0.046
	GRAND TOTAL	4649300	100.00

E. Distribution of Shareholding as on 31st March, 2011:

No. of Eq. Shares held	No. of Share holders	% of Shareholders	No. of Shares	% of Shareholding
1 to 500	5425	88.23	824705	17.74
501 to 1000	364	5.92	314388	6.76
1001 to 2000	158	2.57	241067	5.19
2001 to 3000	77	1.25	198504	4.27
3001 to 4000	29	0.47	102442	2.20
4001 to 5000	26	0.42	122472	2.63
5001 to 10000	28	0.46	201016	4.32
10001 and above	42	0.68	2644706	56.88
TOTAL	6149	100.00	4649300	100.00

	No. of Share holders	% of Shareholders	No. of Shares	% of Shareholding
Physical Mode	2211	35.95	429420	9.24
CDSL	1339	21.78	1709599	36.77
NSDL	2599	42.27	2510281	53.99
TOTAL	6149	100.00	4649300	100.00

F Other Details:

Dematerialisation of shares and liquidity	The company shares are available for trading in dematerialisation form with both the Depositories viz. National Securities Depository Ltd. and Central Depository Securities Ltd. Total 4219880 shares stand dematerialised, representing 90.76% of the total paid up equity capital of the company.
Plant Location	The Company's Plant is located at: Plot No.11-12, GIDC, Phase-I, Bhavnagar Road, Sihor, Gujarat - 364 240.
Investor Correspondence be addressed to	1.M/s.Bigshare Services Pvt. Ltd. at address provided above, 2.The Company Secretary at the registered office of the Company. e-mail Id : investor@jenburkt.com

13. Auditors Certificate on Corporate Governance:

The Auditors Certificate on Compliance with Corporate Governance as stipulated under Clause 49 of the Listing Agreement with Stock Exchange is annexed to this Report.

For and on behalf of the Board

Uttam N. Bhuta

Chairman and Managing Director

Mumbai, 25th June, 2011

Auditor's certificate on Compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreement.

To the Members of **Jenburkt Pharmaceuticals Ltd.,**

We have examined the compliance of conditions of Corporate Governance by **Jenburkt Pharmaceuticals Ltd.,** for the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending as on 31st March 2011 against the Company as per the records maintained by the Shareholder's / Investor's Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For D.L.Arora & Co.
Chartered Accountants
Firm Regn. No.:100545W

(D.L.Arora)
Proprietor

Membership No.36152

Mumbai, 25th June, 2011

Auditors' Report



To

The Members,

Jenburkt Pharmaceuticals Ltd.,

1. We have audited the attached Balance Sheet of Jenburkt Pharmaceuticals Ltd. as at 31st March, 2011 and Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on this 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 any material misstatements. An Audit includes, examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An Audit also includes, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall Financial Statements 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 hereto a statement on the matters specified in Paragraph 4 and 5 of the said order to the extent applicable to the company.
4. Further to our comments in the Annexure referred to in paragraph 3 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 accounts, as required by law, have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Profit and Loss Accounts and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d) in our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) on the basis of the written representations received from the directors as on 31st March, 2011 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011, from being appointed as director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
5. In our opinion and to the best of our information and according to explanations given to us, the said financial statements read together with the significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view in conformity with the Accounting Principles generally accepted in India:
 - i. In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date and
 - iii. In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For D.L.Arora & Co.
Chartered Accountants
Firm Regn. No.:100545W

(D.L.Arora)
Proprietor
Membership No.36152

Mumbai, 25th June, 2011

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of Auditor's Report to the members of Jenburkt Pharmaceuticals Limited on the accounts for the year ended on 31st March, 2011.

1. In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of information available.
 - b) According to the information's and explanations given to us, the fixed assets have been physically verified by the Management and no discrepancies have been noticed. In our opinion, method adopted by the Management for physical verification is reasonable.
 - c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its Inventories:
 - a) The stocks of finished goods, stores and spare parts, raw and packing material of the Company in its possession have been physically verified by the management at reasonable intervals. Stock in possession and in custody of third party have been verified by the management with reference to confirmatory statement of Accounts by them and or its physical verification by the management at regular interval.
 - b) The procedures as explained to us, which are followed by the Management for physical verification of the above referred stocks are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;
 - c) According to information and explanations given to us, no material discrepancies were noticed on physical verification of stocks as compared to book records. Minor discrepancies noticed were properly dealt with, in the books of accounts, which were not material considering the size of the Company's operations.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :
 - a) The Company has not taken any secured or unsecured loans from the companies, firms or other parties listed in the register maintained under the section 301 of the Companies Act, 1956.
 - b) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in register maintained under section 301 of the Companies Act, 1956.
 - c) The parties including employees to whom loans or advances in the nature of loan have been given by the Company are repaying the principal amounts as stipulated and contracted, and are also regular in payment of interest wherever applicable;
4. There are adequate internal control procedures commensurate with the size of Company and the nature of its business, for the purchase of stores, raw materials including components, plant and machineries, equipments and other assets and for the sale of goods.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - a) According to information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the companies Act, 1956, have been so entered.
 - b) According to the information and explanations 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 have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits from the public.
7. The Company has an Internal Audit System commensurating with the size and nature of its business.
8. We have broadly reviewed the books of accounts maintained by the Company relating to manufacturing of

formulations, pursuant to the Orders made by the Central Government for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima-facie the prescribed accounts and records have been made and maintained. We have not, however, made a detail examination of the records with a view to determining whether they are accurate or complete.

9. In respect of statutory dues:
 - a) According to the records of the Company, Provident Funds, Custom duty, Sales Tax, Education cess and Employee's State Insurance dues have been regularly deposited by the Company with appropriate authorities.
 - b) According to information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom duty and Excise duty were outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.
10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities and other investments and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanation given to us, on an overall basis, the term loans have been applied for the purpose for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanation given to us, there are no funds raised on a short-term basis which have been used for long-term investment, and vice versa.
18. During the year, 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.
19. The Company has not raised funds by way of debentures, hence, clause no.19 is not applicable.
20. The Company has not raised any money by public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

For D.L.Arora & Co.
Chartered Accountants
Firm Regn. No.:100545W

(D.L.Arora)
Proprietor
Membership No.36152

Mumbai, 25th June, 2011

Cash Flow Statement

Cash Flow Statement for the year ended on 31st March 2011

(Amount in Lacs)

	2010-2011	2009-2010
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before taxes and extraordinary item	908.97	572.71
Adjustments for :		
Depreciation	98.30	82.48
Investment (Interest, Dividend Income)	(37.70)	(24.00)
Profit/Loss on sale of fixed assets	(0.42)	1.35
Long/Short Term Capital Gain	1.50	(0.01)
Government Subsidy	0.00	(10.20)
Interest paid	52.13	52.69
Provision for leave encashment & gratuity	5.96	1.52
Operating profit before working capital changes	1028.73	676.55
Adjustments for :		
Trade & other receivables	(88.75)	(22.12)
Inventories	(32.38)	156.64
Trade & other payables	224.73	41.66
Cash generated from operation	1132.33	852.73
Interest paid	(52.13)	(52.69)
Direct Taxes paid	(290.00)	(177.00)
Cash Flow before extraordinary items	790.83	623.04
Extraordinary item (Provisions/advance tax Written Off)	0.00	(158.98)
Government Subsidy	0.00	10.20
Net cash from operating activities (A)	790.20	474.25
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Capital work in progress	52.81	(7.55)
Purchase of fixed assets	(395.27)	(179.75)
Sales of fixed assets	6.81	4.28
Changes in investments	(23.61)	(9.33)
Interest & Dividend received	37.70	24.00
Changes in loan & advances	(57.44)	109.44
Net cash used in investing activities (B)	(379.00)	(58.91)
C. CASH FLOW FROM OPERATING ACTIVITIES :		
Proceeds from short term & long term borrowing	(29.31)	(208.07)
Dividend	(162.73)	(139.48)
Dividend tax	(27.03)	(23.70)
Net cash used in finance activities (C)	(219.07)	(371.25)
D. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT (A+B+C)	192.13	44.10
Cash and cash equivalent as at 1 st April (Opening balance)	359.00	314.90
Cash and cash equivalent as at 31 st March (Closing balance)	551.13	359.00

As per our report of even date
For **D.L.Arora & Co.**
Chartered Accountants
Firm Regn. No.:100545W

D.L.Arora
Proprietor
Membership No.36152
Mumbai, 25th June, 2011

For and on behalf of the Board

Uttam N. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R.Raskapurwala
Ashish U. Bhuta

Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Whole Time Director

- Company Secretary

Balance Sheet



Balance Sheet as at 31st March 2011

(Amount in Lacs)

		Schedule	As on 31-03-2011	As on 31-03-2010	
Sources of Funds :					
Shareholders Funds					
Share Capital	1	464.93		464.93	
Reserves & Surplus	2	<u>990.95</u>	1455.88	<u>568.33</u>	1033.26
Deferred Tax Liability			113.23		69.78
Loan Funds					
Secured Loans	3	217.62		250.50	
Unsecured Loans	4	<u>239.67</u>	<u>457.29</u>	<u>236.10</u>	<u>486.60</u>
Total :			<u>2026.40</u>		<u>1589.64</u>
Application of Funds :					
Fixed Assets					
Gross Block	5	1706.41		1332.01	
Less: Depreciation		<u>679.48</u>	1026.93	<u>595.66</u>	736.35
Capital Work in Progress			51.86		104.67
Investments	6		79.32		57.20
Current Assets, Loans and advances :					
Inventories	7	580.12		547.74	
Sundry Debtors	8	475.85		387.11	
Cash & Bank Balances	9	551.13		359.00	
Loans and Advances	10	<u>817.87</u>		<u>470.43</u>	
		<u>2424.98</u>		<u>1764.28</u>	
Less: Current Liabilities & Provisions					
Current Liabilities	11	783.42		585.26	
Provisions	12	<u>773.28</u>		<u>487.61</u>	
		<u>1556.70</u>		<u>1072.87</u>	
Net Current Assets			<u>868.28</u>		<u>691.41</u>
Total :			<u>2026.40</u>		<u>1589.64</u>
Notes to Accounts	21				

As per our report of even date
For **D.L.Arora & Co.**
Chartered Accountants
Firm Regn. No.:100545W

D.L.Arora
Proprietor
Membership No.36152
Mumbai, 25th June, 2011

For and on behalf of the Board

Uttam N. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R.Raskapurwala
Ashish U. Bhuta

Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Whole Time Director

- Company Secretary

Profit & Loss Account

Profit & Loss Account for the year ended on 31st March 2011

(Amount in Lacs)

	Schedule	As on 31-03-2011		As on 31-03-2010	
Income :					
Sales	13	5727.34		5191.05	
Other Income		<u>91.45</u>	5818.79	<u>68.83</u>	5259.88
Expenditure :					
Material cost & Inventory Adjustments	14	2015.05		2173.19	
Manufacturing Expenses	15	154.15		112.15	
Research & Development Expense	16	57.53		33.80	
Excise Duty		84.87		49.82	
Employees Cost	17	1138.72		991.14	
Selling & Distribution Expense	18	1004.60		937.21	
Administrative & General Expense	19	304.47		254.69	
Depreciation		98.30		82.48	
Interest	20	<u>52.13</u>	4909.83	<u>52.69</u>	4687.17
Profit Before Taxation			908.97		572.71
Provision for :					
Income tax		264.00		175.00	
Deferred Tax [Net of Assets and Liabilities]		<u>43.45</u>	<u>307.45</u>	<u>19.82</u>	<u>194.82</u>
Net profit after tax			601.52		377.89
Add: Prior Period Adjustments:					
Provision for Income Tax of earlier years (Short Provision)	-			(19.89)	
Provision for Leave Encashment for earlier years - written back		3.05		9.13	
Provision for Group Gratuity for earlier years - written back		7.80		4.56	
			<u>10.86</u>		<u>(6.20)</u>
Profit After Prior Period Adjustments			612.37		371.70
Balance brought forward from previous year			491.03		320.31
Amount Available for Appropriation			1103.40		692.00
Less: transfer to General Reserve			60.15		37.79
Less: Dividend			162.73		139.48
Less: Dividend Tax			<u>27.03</u>		<u>23.70</u>
Balance c/fd. to next year			853.50		491.03

As per our report of even date
For **D.L.Arora & Co.**
Chartered Accountants
Firm Regn. No.:100545W

D.L.Arora
Proprietor
Membership No.36152
Mumbai, 25th June, 2011

For and on behalf of the Board

Uttam N. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R.Raskapurwala
Ashish U. Bhuta

Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Whole Time Director

- Company Secretary

Schedules



Schedules Annexed to the Accounts

Schedules 1 to 21 forming part of the Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on 31st March, 2011.

(Amount in Lacs)

	As on 31-03-2011	As on 31-03-2010
SCHEDULE - 1 : SHARE CAPITAL		
Authorised :		
50,00,000 equity shares of Rs.10 each	500.00	500.00
Issued, subscribed & paid up capital		
46,49,300 equity shares of Rs.10 each fully paid up	464.93	464.93
	464.93	464.93
SCHEDULE - 2 : RESERVES & SURPLUS		
General Reserve	137.45	77.30
Profit & Loss Accounts	853.50	491.03
	990.95	568.33
SCHEDULE - 3 : SECURED LOANS		
Bank of Baroda - Bhavnagar - Term Loan	128.72	95.63
(Secured against Equitable Mortgage of Plant & Machinery)		
Bank of Baroda - Bhavnagar - Packing Credit	0.00	104.35
Bank of Baroda - Bhavnagar - Cash Credit	76.28	35.96
(Secured against Hypothecation of Inventories & Book Debts)		
H D F C Car Loan	3.10	6.96
Kotak Mahindra Car Loan	9.53	7.60
(Secured against Hypothecation of Cars)		
	217.62	250.50
SCHEDULE - 4 : UNSECURED LOANS		
Trade Deposits	239.67	236.10
	239.67	236.10

SCHEDULE - 5 : FIXED ASSETS

Calculation of Depreciation as per Companies Act, 1956 for the Financial Year 2010-11

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening Balance	Addition	Deletion	Total Balance	Upto Last Year	Current Year	Written Back	Total Balance	As on 31-03-11	As on 31-03-10
Intangibal Assets	32.57	8.57	0.00	41.13	29.70	0.72	0.00	30.42	10.71	2.86
Land	36.38	3.64	0.00	40.02	0.00	0.00	0.00	0.00	40.02	36.38
Factory Building	234.55	115.21	0.00	349.77	87.25	10.63	0.00	97.88	251.88	147.30
Office Building	162.28	2.66	0.00	164.94	8.90	2.67	0.00	11.58	153.36	153.37
Godown Building	6.26	0.00	0.00	6.26	1.35	0.10	0.00	1.45	4.81	4.92
Plant & Machinery	581.68	173.55	0.00	755.23	324.06	46.64	0.00	370.71	384.52	257.62
Plant & machinery (R & D)	29.12	41.71	0.00	70.83	3.24	3.60	0.00	6.84	63.99	25.88
Furniture & Fixtures	64.25	5.89	5.27	64.87	43.30	4.03	3.16	44.17	20.70	20.95
Office Equipments	29.60	5.14	1.14	33.60	15.55	2.24	0.58	17.22	16.38	14.05
Electrical Fittings	4.93	11.38	0.00	16.31	1.07	1.70	0.00	2.77	13.54	3.86
Computers	99.46	13.93	5.24	108.15	67.00	14.85	4.03	77.83	30.32	32.46
Vehicles	50.92	13.60	9.22	55.30	14.23	11.11	6.72	18.62	36.68	36.70
TOTAL	1332.01	395.27	20.87	1706.41	595.66	98.30	14.48	679.48	1026.93	736.35
Previous Year	1164.96	179.75	12.71	1332.01	520.25	82.48	7.08	595.66	736.35	644.71

Note: Construction of warehouse and quality control section of Sihor has been shown as capital work in progress worth Rs. 51.86 lacs.

Annual Report 2010-2011

Schedules

(Amount in Lacs)

	As on 31-03-2011	As on 31-03-2010
SCHEDULE - 6 : LONG TERM INVESTMENTS		
Equity Shares : (Quoted)		
3 I Infotech Ltd.	0.47	1.16
Assam Company Ltd	0.39	0.86
Balaji Distilleries Ltd.	0.00	0.49
Bartronics India Ltd.	0.34	0.34
Bharti Shipyard Ltd.	0.10	0.10
Cals Refineries Ltd.	0.00	0.08
Facor Alloys Ltd.	0.00	0.15
G T L Infrastructure Ltd.	0.42	0.42
Gabriel Industries Ltd.	0.12	0.37
H D F C Bank Ltd.	0.21	0.21
Hindustan Motors Ltd	0.00	0.72
Hotel Leela Ventures Ltd.	0.00	0.34
Hotel Rugby Ltd.	0.00	0.10
I C I C I Bank Ltd.	1.29	1.29
I D B I Ltd.	0.24	0.48
I F C I Ltd.	0.91	1.35
I K F Techno	0.00	0.12
Infrastructure Development Finance Co. Ltd.	1.11	1.11
Ispat Industries Ltd.	0.83	0.83
Jaiprakash Associates Ltd.	0.47	0.47
Karuturi Global Ltd.	0.00	0.29
K L G Systels Ltd.	0.97	0.97
K S Oil Ltd.	0.00	0.78
Marksons Pharmaceuticals Ltd	0.00	0.22
M R F Ltd.	0.30	0.30
National Thermal Power Co. Ltd.	2.18	2.18
P N B Gilt India Ltd.	0.22	0.43
Power Grid Corporation	2.09	2.09
Reliance Industries Ltd.	1.90	1.90
Spice Jet Ltd.	0.00	0.78
Taneja Aerospace & Aviation Ltd.	1.10	1.10
Tele Data Informatics Ltd.	0.00	0.15
United Spirits Ltd.	0.34	0.00
Vijaya Bank Ltd.	1.06	1.06
Total	17.09	23.27
(Market value of quoted investments as at 31.03.11: Rs.42.85 and as at 31.03.2010: Rs.43.03)		
Mutual Funds Units :		
DSP Black Rock Equity Fund- Growth	0.75	0.75
DSP Black Rock Micro Cap Fund	1.50	1.50
DSP Black Rock Top 100 Equity Dividend	0.92	0.86
DSP Black Rock Top 100 Equity Regular Growth	4.50	0.00
Franklin India Prima Growth Fund	1.00	1.00

Schedules



(Amount in Lacs)

	As on 31-03-2011	As on 31-03-2010
SCHEDULE - 6 : LONG TERM INVESTMENTS (Contd.)		
Franklin India Prima Plus Growth Fund	0.24	0.24
HDFC Floating Rate Income Fund - Div. Rein.	0.49	0.49
HDFC Long Term Equity Fund Growth Plan	5.00	5.00
HDFC Mid Cap Opportunity Fund	1.50	1.50
HDFC Top 200 Growth Fund	5.25	0.75
ICICI Prudential Discovery Fund Dividend	1.72	0.84
ICICI Prudential Floating Rate Plan-A Weekly Div.	0.03	2.63
ICICI Prudential Focus Equity Retail Dividend	3.44	1.69
ICICI Prudential Fusion Retail Growth Fund	2.50	2.50
ICICI Prudential Infrastructure Growth Fund	0.75	0.75
ICICI Prudential Power Fund- Dividend	0.82	0.75
Reliance Gold ETF	17.15	3.13
Reliance Growth Fund - Retail Plan - Growth	5.00	0.00
Reliance Regular Savings Fund - Debt Plan	5.68	5.68
SBI Magnum Global Growth Fund	0.75	0.75
SBI Magnum Sector Fund - Umbrella Contra - Div.	0.74	0.63
Sundram BNP Paribus (Small Cap Fund) - Growth	2.50	2.50
	<u>62.23</u>	<u>33.93</u>
	<u>79.32</u>	<u>57.20</u>
(NAV of Mutual Funds Units as at 31.03.11: Rs.75.37 and as at 31.03.10: Rs.40.78)		
SCHEDULE - 7 : INVENTORIES (AT COST)		
(As Valued & Certified by Directors)		
Raw Material	110.86	95.55
Packing Material	94.65	73.45
Finished Goods	365.67	373.19
Work - in - Progress	8.94	5.56
	<u>580.12</u>	<u>547.74</u>
SCHEDULE - 8 : SUNDRY DEBTORS		
Debtors (Outstanding for less than Six Months)	397.67	321.16
Debtors (Outstanding for more than Six Months)	78.18	65.95
(Considered Good)	<u>475.85</u>	<u>387.11</u>
SCHEDULE - 9 : CASH & BANK BALANCES		
Cash on Hand	3.24	4.50
Balances with Schedule Banks		
I) In Current Account	44.13	61.50
II) In Fixed Deposit Account	503.76	293.00
(With Interest Accrued)	<u>551.13</u>	<u>359.00</u>
SCHEDULE - 10 : LOAN AND ADVANCES		
(Unsecured But Considered Good)		
Loans & Advances Recoverable	756.53	419.47
(For the Value to be receive in Cash or Kind)		
Deposits	61.34	50.96
	<u>817.87</u>	<u>470.44</u>

Schedules

(Amount in Lacs)

	As on 31-03-2011		As on 31-03-2010	
SCHEDULE-11 : CURRENT LIABILITIES :				
Creditors For Goods	573.11		376.80	
Creditors For Expense	159.75		164.02	
Interest Payable on Securities	34.96		31.79	
Unpaid Dividend	15.59	783.42	12.64	585.26
SCHEDULE-12 : PROVISIONS :				
Income Tax & F B T	567.00		303.00	
Provision for Gratuity	0.00		7.80	
Provision for Leave Salary	16.53		13.63	
Proposed Dividend	162.73		139.48	
Proposed Dividend Tax	27.03	773.28	23.70	487.61
SCHEDULE-13 : SALES & OTHER INCOME				
Sales:				
Domestic	5127.66		4720.02	
Export	599.68	5727.34	471.03	5191.05
Other Income:				
DEPB Income on Exports	26.82		19.51	
Discount Received	0.02		0.07	
Dividend Income	1.15		1.49	
Exchange Rate Difference	5.75		(3.97)	
Excise Refund	22.25		20.37	
Government Subsidy	0.00		10.20	
Interest on FDRs	31.28		21.61	
Long Term Capital Gain/ Loss	(1.50)		0.00	
Other Interest	5.26		0.90	
Profit on Sale of Fixed Assets	0.42		(1.35)	
Short Term Capital Gain	0.00	91.45	0.01	68.83
		5818.79		5259.88
SCHEDULE-14 : MATERIAL COST & INVENTORY ADJUSTMENTS				
Raw Materials :				
Opening Stock	95.55		53.79	
Add: Purchases	448.11		335.11	
Add: Freight & Other Expense	31.24		30.95	
	574.90		419.84	
Less: Closing Stock	110.86	464.04	95.55	324.30
Packing Materials :				
Opening Stock	73.45		50.47	
Add: Purchases	186.37		133.05	
	259.81		183.53	
Less: Closing Stock	94.65	165.16	73.45	110.08
Finished Goods Purchased		1381.72		1517.44
		2010.92		1951.82

Schedules



(Amount in Lacs)

	As on 31-03-2011		As on 31-03-2010	
Increase/Decrease in Finished Goods :				
Opening Stock :				
Work - in - Progress	5.56		1.48	
Finished Goods	373.19	378.74	598.64	600.12
Less: Closing Stock				
Work - in - Progress	8.94		5.56	
Finished Goods	365.67	374.61	373.19	378.75
		4.13		221.37
		2015.05		2173.19
SCHEDULE-15 :MANUFACTURING EXPENSES				
Analysis Charges - Raw/Packing & Finished Goods	1.20		1.33	
Conversion & Service Charges	13.69		15.05	
Equipment Validation Charges	1.20		1.39	
Export - Crg/Frwdg, Freight & Ins. Charges	16.83		15.28	
Factory Power/Fuel & Electricity Charges	33.47		22.97	
Factory Expenses	31.93		16.45	
Factory Wages	46.07		31.32	
Repairs to Factory Building	2.35		2.03	
Repairs to Plant & Machinery	5.82		5.15	
Stores & Spares	1.61	154.15	1.17	112.15
SCHEDULE-16 : RESEARCH & DEVELOPMENT EXPENSE				
Bioequivalence Study	6.20			
Clinical Trial	7.75			
Employee Cost	34.94			
Material Consumption	4.11			
Miscellaneous Expense	1.91			
Power & Fuel	1.73			
Repairs & Maintenance	0.13			
Toxicity Test	0.77	57.53		33.80
SCHEDULE-17 : EMPLOYEES COST				
Empolyee Remuneration	1015.93		850.28	
Contribution to E S I C	17.24		13.40	
Contribution to E D L I S	0.22		0.84	
Contribution to Family Pension Fund	27.76		26.43	
Contribution to Group Gratuity	20.11		36.18	
Contribution to Leave Encashment	19.88		33.25	
Contribution to Providend Fund	25.57		21.89	
Contribution to Super Annuation Fund	3.75		3.08	
Staff Welfare	8.26	1138.72	5.78	991.14
SCHEDULE-18 : SELLING & DISTRIBUTION EXPENSES				
Commission on Sales	143.67		7.54	
Conference & Meeting Expense	24.85		28.56	
Consignment Expenses	41.25		39.17	
Design,Art & Print Work	10.06		1.91	
Godown Expense	3.27		1.76	
Letter of Co-operation	1.56		112.71	

Schedules

(Amount in Lacs)

	As on 31-03-2011		As on 31-03-2010	
MR, FM & RSM Expenses	339.58		346.90	
Octroi & Freight on Sales	86.11		73.54	
Outward Delivery Expense	0.33		0.19	
Sales Promotion Expenses	258.04		245.82	
Star Function	22.61		12.17	
Tax Compensation	16.04		5.37	
Training Expenses	8.92		20.62	
Travelling Expenses	48.33	1004.60	40.94	937.21
SCHEDULE-19 : ADMINISTRATION & GENERAL EXPENSES				
Advertising Expenses	8.51		8.61	
AGM Expenses	0.42		0.47	
Auditors Remuneration	2.50		1.75	
Bad Debts	0.00		4.95	
Bank Charges & Commission	3.32		2.80	
Board Meeting Fees	0.91		0.58	
Books Periodicals & Subscription	1.23		0.44	
Consultancy Fees	35.25		26.06	
Conveyance Expenses	2.02		1.93	
Donation	1.30		4.15	
Electric Charges Office	9.17		9.71	
Export Inspection Charges	0.22		0.08	
Field Expense	8.84		6.43	
Insurance Charges	15.32		12.78	
Interest on Car & other Loan	1.49		1.68	
Internet Charges	4.39		3.16	
License Fees	1.15		0.46	
Listing Fees of Stock Exchange	0.10		0.88	
Membership Fees	0.31		1.16	
Miscellaneous Expense	6.11		6.83	
Office Expenses	7.71		7.09	
Post & Telegram Charges	10.39		11.22	
Printing and Stationery	71.33		52.00	
Product Registration Charges	15.54		15.91	
Registrar Expense	0.68		0.70	
Rent, Rates & Taxes	42.68		35.43	
Repairs & Maintenance Charges	23.52		11.84	
Sales Tax Expense	0.04		1.07	
Security Charges	3.72		3.17	
Staff Recruitment Expenses	5.98		2.91	
Telephone Charges	15.97		15.97	
Tender Fees	0.03		0.03	
Trade Mark Renewal Fees	0.20		0.03	
Vehicle Expense	4.12	304.47	2.42	254.69
SCHEDULE-20 : BANK & OTHER INTEREST:				
Bank Over Draft & Term Loan	31.04		31.43	
Interest on Advances from Stockists	21.09	52.13	21.26	52.69

Notes to Accounts



SCHEDULE 21 : NOTES FORMING PART OF THE ACCOUNTS:

1. ACCOUNTING POLICIES

a) Basis of Accounting:

The financial statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and they comply with the Accounting Standards prescribed in the Companies (accounting Standards) rule, 2006 issued by the Central Government to the extent applicable and with the applicable provisions of the Companies Act, 1956.

b) Fixed Asset:

Fixed assets are stated at historical cost of acquisition / construction less accumulated depreciation and impairment loss, if any. Cost (Net of Input tax credit received / receivable) comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

c) Depreciation:

Depreciation on fixed asset have been provided on the written down value method at the rate prescribed in the Schedule XIV of the Companies Act, 1956 except with reference to factory building and godown at Sihor on which depreciation has been provided on straight line basis. The depreciation on fixed assets have been provided on pro-rata basis commencing from the date of purchase /acquisition/ installation/ from the date it is put to use.

d) Inventories:

Items of inventories are valued (as per guidelines laid down by the Institute of Chartered Accountants of India in Accounting Standard-2 (Revised) titled "Valuation of Inventories" as follows :

i	Raw and Packing Materials	At cost on the basis of First in First out Method.
ii	Work in progress	At cost or net realisable value whichever is lower including appropriate overheads incurred thereon.
iii	Finished Goods	At cost or net realisable value whichever is lower inclusive of cost of materials, labour and other related overheads.

e) Foreign Exchange Transactions:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are restated at year end exchange rates. Exchange differences arising on the settlement of foreign currencies monetary items or on reporting Company's foreign currency monetary items at rate different from those at which they were initially recorded during the year or reported in the previous year financial statements are recognised as income or expense in the year in which they arise.

f) Investments:

Long term investments are stated at cost. Diminutions in value of an investment which are temporary in nature are not recognized.

g) Research and development:

Revenue expenditure on Research & Development is recognized as expense in the year in which it is incurred.

h) Revenue Recognition:

Revenue in respect of insurance/other claims, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.

i) Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors; such impairment loss is recognised wherever the carrying amount of asset exceeds its recoverable amount.

j) Provisions and Contingent Liabilities:

A provision is recognised when the Company has a present obligation as a result of a 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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may,

but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

k) Employees' Retirement Benefits:

The company has classified various retirement benefits as under:-

a) Defined Contribution Plans:

The company has recognized the following items in the Profit & Loss account for the year: (Rs.)

Sl.No.	Particulars	2010-11	2009-10
1	Contribution to Employees' Provident Fund	53,32,577	48,32,680
2	Contribution to Superannuation Fund	3,75,030	3,08,230

b) Defined Benefit Plans:

- 1) Gratuity for employees managed by Life Insurance Corporation of India, Mumbai.
- 2) Leave Encashment Benefit for Employees' at Mumbai.

The company has made an arrangement with LIC of India for gratuity and leave encashment payable to employees at the time of their retirement or otherwise. In terms of AS-15 of ICAI, Actuarial valuation was carried out by an actuary in respect of gratuity and leave encashment liability as existed on 31.03.2009, including past liability. Based on the said report, provision in respect of gratuity and leave encashment was made in accounts for the year ended 31.03.2009, for liability pertaining to the F.Y. 2008-09. Since the liabilities in respect of past services was determined at Rs.37,09,599/- and Rs. 29,69,763/- for gratuity and leave encashment respectively, the company had decided to recognize the same over a period of 3 years beginning from F.Y. 2008-09 in 3 equal installments of Rs.12,36,533/- and Rs.9,89,921/- each, and accordingly necessary provisions were made in the accounts.

In the F.Y. 2009-10, the company had contributed a sum of Rs.36,18,366/- and Rs.31,73,372/- towards gratuity and leave encashment liability to LIC of India. The said contribution was far in excess of Current Service Cost (relating to liability of F.Y. 2009-10) and covered the past liability also.

In the light of the above facts no provision is required to be made in the accounts of the current F.Y. 2010-11 for the past liability (in terms of note no. 1(m)(B) of Notes to Accounts for the F.Y. 2008-09)

Contribution for Group Gratuity Scheme of LIC (F.Y. 2010-11)

In the current FY 2010-11, company has made a contribution of Rs.19,96,238/- which is in excess of Current Service Cost (relating to liability of FY 2010-11) of Rs.7,05,597/- and recognized past liability (relating to FY 2008-09) of Rs.7,80,326/- and provision appearing in the accounts is no longer required.

The contribution made by the company towards Group Gratuity Scheme of LIC is charged to the Revenue Account.

Contribution for Leave Encashment Scheme of LIC

Particulars	Rs.
Current Service Cost (FY 2010-11) (As per Certificate of Actuarial Valuation issued by LIC)	16,43,300
Contribution by the company	13,92,535
Provision made in the accounts for the FY 2010-11 (Based on Actuarial Certificate issued by LIC)	2,50,765

Leave Encashment for employees at Plant:

Provision for Leave Encashment payable to employees (at plant) at the time of their retirement or otherwise is estimated based on present salary drawn by the employees as on the date of Balance Sheet and accordingly provisions are made in the accounts. Provision for the current year is Rs 3,44,828/- (Rs 1,52,000/- for the F.Y. 31st March, 2010).

l) Taxes on Income:

Tax expenses comprise of current and differed taxes. Current income tax is measured at the amount expected to be paid 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 to the year and reversal of timing differences of earlier years. Differed tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.

2. The liability for excise duty on finished goods lying in stock at the close of the year estimated at Rs. 6.25 lacs (as at 31st March 2010 Rs. 3.15 lacs) has not been provided for in the Accounts and hence not included in the valuation of inventory of such products. However the said liability, if accounted, would have no impact on profit of the year.
3. Micro, Small and Medium Enterprises under the micro, Small and Medium Enterprises Development Act, 2006, have been determined, based on the information available with the company and the required disclosures are given below:

(Rs. in Lacs)

	Particulars	2010-11	2009-10
a	Principal amount remaining unpaid as on 31 st March	70.58	49.41
b	Interest due thereon as on 31 st March	Nil	Nil
c	Interest paid by the Company in terms of Section 16 of Micro, Small and medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
d	Interest due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
e	Interest accrued and remaining unpaid as at 31 st March	Nil	Nil
f	Further Interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

4. Payments to Auditors

(Rs. in Lacs)

Particulars	2010-11	2009-10
As Auditors:		
- Tax Audit	1.93	1.10
- Statutory Audit	0.83	0.83
Total	2.76	1.93

5. Expenditure on Research & Development

(Rs. in Lacs)

Particulars	2010-11	2009-10
Capital Expenditure	41.71	29.12
Revenue Expenditure charged to Profit & Loss Accounts	57.53	33.80

The Revenue & Capital Expenditure incurred during the year are eligible for weighted deduction under section 35(2AB) of the Income Tax Act, 1961.

6. Additional information pursuant to paragraph 3, 4, 4A, 4C and 4D of Part II of schedule VI of the Companies Act, 1956.**A. Particulars of Installed Capacity and Production:**

(Rs. in Lacs)

Goods Manufactured	Units	Installed Capacity	Production	
			2010-11	2009-10
Tablets	Lacs	3450	359.91	284.47
Capsules	Lacs	624	73.64	16.18
Powders	Tonnes	312	49.88	41.32
Oral Liquid	Kilo Litres	468	51.20	34.89
Ointments	Tonnes	156	41.08	31.83

Notes:

- Licensed capacities not stated in view of abolition of industrial licensing for all of the above class of goods vide Notification No.FNO.10(11)/92-LP dated 25th October, 1994, issued by Government of India.
- The installed Capacities of productions have been computed on the basis of workers working for 312 days in a year on a single shift.
- The installed capacity is as certified by the management and not verified by the auditors, this being a technical matter.
- Production of pharmaceutical preparation includes production of physician samples.

B. Stock of Each Class of Finished Goods:

(Rs. in Lacs)

Formulations	Units	2010-11		2009-10	
		Qty.	Rs.	Qty.	Rs.
Tablets	Lacs	122.79	122.37	131.32	162.00
Capsules	Lacs	55.89	103.95	55.92	93.96
Injectable	Lacs	3.13	25.05	1.65	12.37
Powders	Tonnes	9.28	22.15	7.01	16.13
Ointments	Tonnes	17.96	61.76	22.04	55.09
Oral Liquids	Kilo Litres	24.98	30.39	27.90	33.63
TOTAL			365.68		373.19

Note: The closing stock stated above is after adjustments on account of free goods, in-transit breakages and obsolete/date-expired goods.

C. Net Sales in respect of each Class of Finished Goods:

(Rs. in Lacs)

Formulations	Units	31.03.2010		31.03.2009	
		Qty.	Rs.	Qty.	Rs.
Tablets	Lacs	624.69	2043.97	624.04	1699.31
Capsules	Lacs	312.32	1550.53	271.65	1758.69
Injectable	Lacs	12.05	378.19	10.61	289.84
Powders	Tonnes	45.88	244.76	43.88	211.59
Ointments	Tonnes	76.08	970.34	67.66	811.16
Oral Liquids	Kilo Litres	121.33	464.06	103.41	300.25
TOTAL			5651.85		5070.85

D. Raw Materials / Packing Materials Consumed:

(Rs. in Lacs)

Formulations	Units	2010-11		2009-10	
		Qty.	Rs.	Qty.	Rs.
Protein Mix	Tones	139.17	176.69	137.22	145.92
Thiocolchicoside	Kgs	13.02	78.15	0.23	1.57
Pregabaline	Tones	0.44	35.30	0.02	1.69
Glucosamine	Tones	5.21	28.92	2.99	16.92
Methylcobalamin	Tones	12.34	27.63	0.11	0.57
Diacerein	Tones	0.13	19.36	0.03	4.83
Sugar	Tones	53.90	17.34	34.18	11.35
Metformin HCL	Tones	5.32	8.63	5.81	8.52
Aceclofenac IP	Tones	0.89	7.70	0.54	4.10
Ofloxacin	Tones	0.34	7.23	0.22	4.66
Chlorzoxazone	Tones	1.15	6.22	0.88	3.92
Glipizide	Tones	0.06	6.19	0.07	7.99
Paracetamol	Tones	2.81	5.96	2.27	4.93
Ketoconazole IP	Tones	0.22	5.82	0.18	4.70
Menthol IP	Tones	0.50	4.42	0.24	2.02
Others			193.64		210.67
Total			629.20		434.36

E. Imported and Indigenous Raw Material Consumption:

(Rs. in Lacs)

Particulars	2010-11		2009-10	
	Rs.	%	Rs.	%
Imported	13.40	2.13	0.00	0.00
Indigenous	615.80	97.87	434.36	100.00
TOTAL	629.20	100.00	434.36	100.00

F. Expenditure in Foreign Currency:

(Rs. in Lacs)

C.I.F. Value of imports	2010-11	2009-10
Capital Goods	26.47	NIL
Other Revenue Expenditure	46.36	47.24

G. Remittance in Foreign Currency on Account of Dividend:

The company has paid dividend in respect of shares held by Non-Residents on repatriation basis. The amount remitted in this respect is given as below :	2010-11	2009-10
(a) Number of Non-Resident Shareholders	4	2
(b) Number of Equity Shared held by them	11400	10500
(c) (i) Amount of Dividend Paid (Gross) (in lacs)	0.34	0.18
(ii) Tax Deducted At Source	Nil	Nil
(iii) Year to which dividend relates	2009-10	2008-09

H. Earning in Foreign Currency:

(Rs. in Lacs)

Particulars	2010-11	2009-10
Export at F.O.B. Value	571.98	450.82
Freight and insurance on exports	27.69	20.20

7. Payments and Provisions on account of remuneration to Managerial Personnel included in Profit and Loss A/c.

(Rs. in Lacs)

Remuneration	2010-11	2009-10
Salaries	67.74	50.89
Perquisites	0.89	1.09
	68.63	51.98

8. Computation of net profit in accordance with section 349 of the Companies Act, 1956.

(Rs. in Lacs)

Particulars	2010-11	2009-10
Profit before tax as per Profit and Loss Account	908.97	572.71
Add: Directors' remuneration	68.63	51.98
	977.60	624.69
Less: Profit on sale of Fixed Assets	0.42	(1.35)
	977.18	623.34

9. Related party disclosure:

The related parties are as under

a. Key Management Personnel:

- Shri Uttam N. Bhuta - Chairman and Managing Director
- Shri Ashish U. Bhuta - Whole Time Director

b. Entities over which Key Management Personnel exercise significant influence:

- Bhuta Holdings Pvt. Ltd.

(Rs. in Lacs)

Particulars	Key Management Personnel		Entities over which Key Management Personnel exercises significant influence		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Remuneration	68.63	51.98	0.00	0.00	68.63	51.98
Dividend Paid	15.27	8.52	16.00	9.36	31.27	17.88
Rent Paid	0.00	0.00	24.00	24.00	24.00	24.00
Security Deposit	0.00	0.00	45.00	45.00	45.00	45.00

10. Contingent Liabilities:

Foreign bills discounted Rs.76.33 lacs.

11. Deferred Tax Assets / Liability as on 31.03.2011 comprises of the following:

(Rs. in Lacs)

Particulars	31.3.2011	31.03.2010
Fixed Assets	115.20	70.30
Less : Deferred Tax Asset on account of Expenses Allowable in subsequent year for provision of Leave Salary	1.97	0.52
Net Deferred Tax liability	113.23	69.78

In accordance with "Accounting Standards 22" the Company has recognised the deferred Tax Liability of the Current Year amounting to Rs. 45.42 lacs and deferred tax Asset of Rs. 1.97 lacs which has been recognized on net basis on Profit & Loss Account.

12. Earnings per Share:

The company has reported basic earnings per share of Rs. 12.94 in accordance with AS-20, "Earnings per Share". The basic earning per equity share has been computed by dividing the profit after tax by number of equity shares.

13. In the opinion of the Board of Directors, all the Current Assets, Loans and Advances have value on realisation at least of an amount equal to the amount at which they are stated in the Balance Sheet.**14. Loans and advances includes amount due from the employees of the Company.**

(Rs. in Lacs)

Particulars	2010-11	2009-10
A. Advances paid for expenses	3.85	1.92
B. Loans given to the Employees	8.01	9.73

15. Previous year's figures have been regrouped and rearranged wherever necessary.

As per our report of even date
For **D.L.Arora & Co.**
Chartered Accountants
Firm Regn. No.:100545W

D.L.Arora
Proprietor
Membership No.36152
Mumbai, 25th June, 2011

For and on behalf of the Board

Uttam N. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R.Raskapurwala
Ashish U. Bhuta

Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Whole Time Director

- Company Secretary

Balance Sheet Abstract



Balance Sheet Abstract and Company's General Business Profile as per part iv of schedule VI to the Companies act, 1956.

I. REGISTRATION DETAILS

C I N : L24230MH1985PLC 036541
State Code : 11
Balance Sheet Date : 31st March, 2011

II. CAPITAL RAISED DURING THE YEAR

Public Issue				N	I	L
Rights Issue				N	I	L
Bonus Issue				N	I	L
Private Placement				N	I	L
Others				N	I	L

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Lacs.)

Total Liabilities	2	0	2	6	.	4	0
Total Assets	2	0	2	6	.	4	0

SOURCE OF FUNDS

Paid up Capital		4	6	4	.	9	3
Reserve and Surplus		9	9	0	.	9	5
Deferred Tax Liability		1	1	3	.	2	3
Secured Loans		2	1	7	.	6	2
Unsecured Loans		2	3	9	.	6	7
T O T A L	2	0	2	6	.	4	0

APPLICATION OF FUNDS

Net Fixed Assets	1	0	2	6	.	9	3
Cap. Work in Progress			5	1	.	8	6
Investments			7	9	.	3	2
Net Current Assets		8	6	8	.	2	8
T O T A L	2	0	2	6	.	4	0

IV. PERFORMANCE OF THE COMPANY

- Turnover (Sale of products and other income)
- Total Expenditure
- Profit before tax
- Provision for tax (including deferred tax)
- Net Profit
- Earnings per share (Rs.)
- Dividend rate(Rs.)

5	8	1	8	.	7	9
4	9	0	9	.	8	3
	9	0	8	.	9	7
	3	0	7	.	4	5
	6	0	1	.	5	2
		1	2	.	9	4
			3	.	5	0

V. PRODUCTS OF THE COMPANY

Item Code No.

(ITC Code)	3	0	0	4	2	0	.	3	4
	3	0	0	4	9	0	.	6	7
	3	0	0	4	5	0	.	0	7

Product Description

Ojen
Zydol
Powergesic

Notes:

The above particulars should be read along with the balance sheet as at 31st March, 2011, the Profit and Loss Account for the year ended on that date and the schedules forming part thereof.

As per our report of even date
For **D.L.Arora & Co.**
Chartered Accountants
Firm Regn. No.:100545W

D.L.Arora
Proprietor
Membership No.36152
Mumbai, 25th June, 2011

For and on behalf of the Board

Uttam N. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R.Raskapurwala
Ashish U. Bhuta

Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Whole Time Director
- Company Secretary

Financial Highlights

FINANCIAL HIGHLIGHTS	Rupees in Lacs.									
Description	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
Profit & Loss Account										
Gross Sales	5727.34	5191.05	4323.85	4014.08	3786.15	3156.89	2601.94	2572.41	2461.75	2082.82
Other Income	91.45	68.83	49.57	42.90	45.30	55.04	60.63	43.64	47.76	45.33
Gross Revenues /Income	5818.79	5259.88	4373.42	4056.98	3831.45	3211.93	2662.57	2616.05	2509.51	2128.15
Profit before depre., int., & tax	1059.40	707.88	442.40	377.28	355.28	289.79	223.35	196.59	165.11	148.12
Profit before Tax	908.97	572.71	290.26	215.56	203.06	166.98	114.59	95.56	72.24	70.50
Profit after Tax	601.52	377.89	163.56	130.29	120.35	103.98	74.38	63.31	35.04	45.33
Dividend & div. distribution tax	189.76	163.19	97.91	68.00	68.00	66.27	53.01	36.72	36.72	46.49
Dividend (%)	35.00	30.00	18.00	12.50	12.50	12.50	10.00	7.00	7.00	10.00
Balance Sheet										
Share Capital	464.93	464.93	464.93	464.93	464.93	464.93	464.93	464.93	464.93	464.93
Reserves & Surplus	990.95	568.33	359.82	316.36	257.19	204.34	170.31	149.01	120.10	113.62
Net worth	1455.88	1033.26	824.75	781.29	722.12	669.27	635.24	613.94	585.03	578.55
Deferred Tax Liability	113.23	69.78	49.96	51.26	49.99	48.28	43.78	40.57	38.32	21.32
Loan funds	457.29	486.60	694.67	952.52	899.71	838.13	671.33	616.92	504.51	423.96
Capital Employed:										
Net fixed assets	1026.93	736.35	644.71	608.70	630.32	565.69	462.48	402.26	364.37	308.27
Investments	79.32	57.20	47.86	39.28	63.36	42.47	81.62	31.80	38.09	35.39
Capital Work in Progress	51.86	104.67	97.13	0.00	0.00	9.53	26.40	12.26	2.59	2.79
Current Assets	2424.98	1764.28	1787.15	1908.26	1854.68	1590.54	1670.05	1546.43	1362.57	1220.56
Current Liabilities	1556.70	1072.87	1007.47	771.17	876.54	652.54	890.19	726.12	649.39	557.63
Net Current Assets	868.28	691.41	779.68	1137.09	978.14	938.00	779.86	820.31	713.18	662.93
Inventories	580.12	547.74	704.38	684.27	727.18	529.13	510.74	369.11	383.82	444.73
Ratio & Statistics										
PBDIT as % of sales	18.50	13.64	10.23	9.40	9.38	9.18	8.58	7.64	6.71	7.11
PAT as % of Sales	10.50	7.28	3.78	3.25	3.18	3.29	2.86	2.46	1.42	2.18
ROCE %	31.75	26.47	11.48	7.46	7.48	6.91	5.99	5.18	3.25	4.67
RONW %	41.32	36.57	19.83	16.68	16.67	15.54	11.71	10.31	5.99	7.84
Current Ratio	1.56	1.64	1.77	2.47	2.12	2.44	1.88	2.13	2.10	2.19
Basic Earning per share (Rs.)	12.94	8.13	3.52	2.80	2.59	2.24	1.60	1.36	0.75	0.97
Book Value per equity share (Rs.)	31.30	22.22	17.74	16.80	15.53	14.40	13.66	13.20	12.58	12.44

BOOK-POST



Nirmala Apts., 93, Jayprakash Road, Andheri (West), Mumbai-400 058.
Tel : +91-22-66943121 • Fax : +91-22-66943127 • Web : www.jenburkt.com

Notice



NOTICE is hereby given that the 26th Annual General Meeting of the Members of JENBURKT PHARMACEUTICALS LIMITED will be held on Friday, 29th July, 2011 at 3.30 p.m. at ISKCON Auditorium, Hare Krishna Land, Juhu, Mumbai - 400049 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and Balance Sheet as on that date together with the Directors' and Auditors' Report thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri Uttam N. Bhuta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Arun R. Raskapurwala, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors and authorise the Board of Directors to fix their remuneration.

By Order of the Board of Directors

Ashish R. Shah
Company Secretary

Mumbai, 25th June, 2011

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Members / Proxies should bring the Attendance Slip duly filled in for attending the meeting. Proxies, in order to be effective, must be received at the Registered Office of the Company, duly completed, not less than 48 hours before the scheduled time of the meeting.
3. Members / Proxies are requested to bring their copy of Annual Report to the Meeting.
4. Shareholders who wish to seek any information on the accounts are requested to write to the Secretarial Department of the Company at its Registered Office, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Shareholders may note that information / clarification shall be provided only at the Annual General Meeting.
5. RBI had vide its circular 376-DPSS (Co).EPPD.No.191-04.01.01-2009-2011 dated 29th July, 2009 has instructed the banks to move to the National ECS (NECS) platform w.e.f. 1st October, 2009. Hence, to remit the dividend in to your bank account directly, you are requested to provide new bank account number allotted

by your banker, after implementation of Core Banking Solution (CBS) System, to your Depository Participant (DP) and the shareholders with physical shares are requested to complete the ECS form attached to the Annual Report and forward the same to the Company's Registrar M/s. Bigshares Services Pvt. Ltd. Members are also requested to intimate change of address to the Depository Participant (DP) or Registrar, for shares held in demat form or physical mode, respectively.

6. As already notified by the Company, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23rd July, 2011 to Friday, 29th July, 2011 (both days inclusive).
7. The dividend on equity shares as recommended by Board and if declared at the Annual General Meeting, will be paid by ECS / dispatch of Dividend Warrants on or after 13th August, 2011.
8. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send the Company a certified copy of Board Resolution authorizing the representatives to attend and vote on their behalf at the meeting.
9. Securities and Exchange Board of India (SEBI) has mandated to provide PAN by every participant in the Securities Market. Members holding shares electronically are requested to submit PAN copy to their depositories and those holding in physical mode are requested to submit PAN copy to Registrar, viz. Bigshare Services Pvt. Ltd.
10. Non Resident Indian (NRI) members are requested to inform Bigshare Services Pvt. Ltd., regarding 1) Change in their Residence status and 2) Particulars of the Bank Account with complete details viz. Name of Bank, Branch address, Account Type and Account Number with Pincode.
11. Pursuant to Section 205A (5) and 205C of the Companies Act, 1956, as amended, any money transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the unpaid dividend account shall be transferred by the Company to the Investor Education and Protection Fund of the Central Government and the shareholders shall not be able to claim any unpaid dividend from the said fund or from the Company thereafter. The Company has already transferred the unpaid or unclaimed dividends for and up to the Financial Year 2002-03 to the Investor Education and Protection Fund of the Central Government.
12. The Company will transfer the unpaid or unclaimed amount for the dividend pertaining to Financial Year 2003-04, to the Investors Education and Protection Fund of the Central Government, during the year. Shareholders who have not yet claimed their dividend for Financial Year 2003-04 till 2009-10 are requested to do so at the earliest.
13. For brief Profile of Shri Uttam N. Bhuta and Shri Arun R. Raskapurwala, Directors proposed to be re-appointed, kindly refer to the Corporate Governance Report, attached to the Directors' Report.
14. Shareholders are requested to take note of the "Green Initiative" taken by Central Government of India for sending certain documents through electronic mode to shareholders by the Company. A separate detailed note is attached to the Annual Report for your reference and necessary action.

By Order of the Board of Directors

Ashish R. Shah
Company Secretary

Mumbai, 25th June, 2011

**JENBURKT PHARMACEUTICALS LIMITED**

Regd. Office: Nirmala Apartments, 93, Jayprakash Road, Andheri West, Mumbai-400 058.

Phone: 022-66943121. Fax No. 022-66943127

Dear Shareholder,

25th June, 2011

Ref.: Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in Corporate Governance” (Circular No.17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode, after considering relevant provisions of the Information Technology Act, 2000. Companies are now permitted to send various notices /documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

This will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.

Keeping in view the above, we propose to send all documents to be sent to Shareholders henceforth in electronic form at the e-mail address provided by them and made available to us by the Depositories.

Please note that these documents will also be available on the Company's website www.jenburkt.com. The physical copies of the Annual Report will also be available at our registered office in Mumbai, for inspection, during office hours. Please also note that you are entitled to receive physical copies of the above documents, on request.

Shareholders holding shares in electronic mode are requested to update their e-mail ID with their DPs and those who hold shares in physical form, are requested to send an e-mail to jenburkt@bigshareonline.com, to receive the documents in electronic mode in future, by providing following details:

Folio No. / DPID & Client ID:

Name:

E-mail Id:

Members who have not yet dematerialized their shares are requested to do so. The members are requested to register their ECS details with the Company or with the registrar, if not yet done, to receive dividends promptly.

Yours faithfully,

For Jenburkt Pharmaceuticals Ltd.

Ashish R. Shah
Company Secretary.

**JENBURKT PHARMACEUTICALS LIMITED**

Regd. Office: Nirmala Apts., 93, Jayprakash Road, Andheri (W), Mumbai-400 058.

ENTRANCE PASS

(To be presented at the entrance)

26th ANNUAL GENERAL MEETING ON 29th JULY, 2011 AT 3.30 p.m.

at ISKCON Auditorium, Hare Krishna Land, Juhu, Mumbai - 400049

DP ID No:, Folio No. / Client ID No. :

Name of the Shareholder :

Signature of the Shareholder :

(only Shareholders / Proxies are allowed to attend the meeting)

----- ✂ -----

PROXY FORM

I/We of being a member(s) of JENBURKT PHARMACEUTICALS LTD. hereby appoint of in the district of as my /our proxy to attend and vote for me / us and on my / our behalf at the 26th Annual General Meeting of JENBURKT PHARMACEUTICALS LTD. to be held on Friday, 29th July, 2011 and at any adjournment thereof.

DP ID No.: Folio No./Client ID No.:

No. of Shares held:

Affix
Revenue
Stamp

Signed this day of July, 2011.

Signature across Revenue Stamp

NOTE : The Proxy form must be deposited at the Registered Office of the Company at Nirmala Apartments, 93, J.P. Road, Andheri (W), Mumbai - 400 058 not less than 48 hours before the time for holding the Meeting.

----- ✂ -----

BANK ACCOUNT PARTICULARS / ECS MANDATE FORM

I / We do hereby authorise JENBURKT PHARMACEUTICALS LTD. to either print the following details on my / our dividend warrant or credit my /our dividend amount directly to my/ our Bank account by ECS.

DP ID No. : Folio No. /Client ID No. :

A. Bank Name :

B. Branch Name & Address :

C. 9 Digit Code number of the Bank & Branch as appearing on the MICR Cheque :

D. Account Type (Saving/ Current) :

E. Account No. as appearing on the cheque book :

F. STD Code & Telephone No. :

G. Email ID:

I/ We shall not hold the Company responsible if the ECS could not be implemented or the Company discontinue(s) the ECS, for any reason.

.....

Signature of the Shareholder

In case you are holding shares in demat form, kindly advise your Depository Participant (DP) to take note of your Bank Account particulars/ECS mandate and Change of Address.

