



REDEFINING HEALTHCARE WORLDWIDE





#### **BOARD OF DIRECTORS**

Mr. B.K.Gupta (Managing Director)
Mr. Sanjay Bansal
Mr. Ashutosh Gupta
Mr. Rajinder Kr. Gupta
Dr. M. L. Parnami
Mr. Anand Kumar Mishra

#### **COMPANY SECRETARY**

Ms. Sharmila Chhikara

#### **AUDITORS**

M/s ASHOK SHARMA & ASSOCIATES Chartered Accountants 311, Deep Shikha, 8, Rajindra Place, New Delhi-110 008

#### **BANKERS**

UNION BANK OF INDIA Industrial Finance Branch, Connaught Circus, New Delhi.

#### **REGISTERED OFFICE**

10, Community Centre No.2, Ashok Vihar, Phase-II, Delhi - 110 052.

#### **FACTORIES**

Unit-1 SP-1192 (A&B), Phase-IV, R.I.I.C.O., Industrial Area, Bhiwadi - 301019 RAJASTHAN

Unit-2 Plot No. 86 & 87, Sector 6A, Industrial Estate, IIE, SIDCUL, Haridwar UTTARAKHAND.

#### **SHARE TRANSFER AGENT**

M/s. Link Intime India Pvt. Ltd. A-40, IInd Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028

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#### **Chairman's Speech**

Dear Shareholders,

I welcome you all at the nineteenth Annual General Meeting of your Company. As I write to you , the global economic condition is disappointing. There is uncertainty & slowdown across the economies.

The results for your company for the year ended 31st March 2012, are also discouraging. As you can see in the Balance Sheet, the turnover during the financial year 2011-2012 has dipped to Rs.101.24 Crores as compared to the previous year's Rs. 122.96 Crores. This year your company has suffered a loss (after tax) of Rs. 82.45 Lacs. The set back in terms of profitability has been a result of multiple factors in addition to the global slowdown. The major among them are the increase in the cost of raw material, packing material, fuel cost, labour cost etc. Moreover the margins have been squeezed by the fixed & controlled sales price of pharma products.

I must convey this that you have stood by the side of your company in the tough times in the past. And I am sure that the same support and faith will be bestowed by you in the Company.

I take this opportunity to express my sincere thanks to all shareholders, employees, bankers and business associates for their continued support and co-operation in the year gone by and for many years to come.

(Rajinder Kumar Gupta) Chairman



#### NOTICE

**NOTICE** is hereby given that the Nineteenth Annual General Meeting of the Company will be held at Shree Shah Auditorium, Gujrati Samaj, 2, Rajnivas Marg, Civil Lines, Delhi-110054 on Wednesday, the 26<sup>th</sup> September, 2012 at 10.00 A.M. to transact the following business:

#### **ORDINARY BUSINESS**

- To receive, consider and adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March 2012 and the Profit and Loss Account for the year ended as on that date together with the reports of the Auditors and Directors thereon.
- To appoint a Director in place of Sh. Rajinder Kumar Gupta who retires by rotation and being eligible offer himself for reappointment.
- 3. To appoint a Director in place of Sh. Sanjay Bansal who retires by rotation and being eligible offer himself for re-appointment.
- 4. To appoint the Auditors & fix their remuneration.

#### SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to Section 293 (1)(e) and other applicable provision of the Companies Act, 1956 approval of shareholders be and is hereby accorded to contribute for the welfare of society to charitable Institutions not directly related to the business of the Company or the welfare of its employee, in kind i.e. medicines valued not exceeding Rs. 50 Lacs in aggregate in financial year 2012-13 which

is in excess of fifty thousand rupees or five percent of the average net profits as determined in accordance with the provision of Section 349 and 350 of the Companies Act, 1956."

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

"RESOLVED THAT Sh. Anand Kumar Mishra who was appointed an Additional Director under Section 260 of the Companies Act, 1956 and Article 123 of the Articles of Association of the Company, and holds office upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the approval of Central Government (if any) as per Section II of Part II of Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, consent of the members be and is hereby accorded to the appointment of Sh. Anand Kumar Mishra, as Whole Time Director, for a period of three years with effect from 26th September, 2012.

RESOLVED FURTHER THAT Sh. Rajinder Kumar Gupta, Chairman of the meeting/Director be and is hereby authorized to execute an agreement with Sh. Anand Kumar Mishra regarding his appointment, remuneration, terms and conditions thereof, and the responsibilities as set out in this resolution, cast him with



such other responsibilities as may be deemed fit and proper, with the liberty and power of the board of directors (herein after referred to as "the Board", which term shall be deemed to include remuneration committee constituted for the purpose) to grant increments and alter and vary from time to time the amount and type of perquisites to be provided to Sh. Anand Kumar Mishra, so as not to exceed the remuneration limits as specified in part II of Schedule XIII of the Companies Act or any amendments thereto or as approved by the Central Government.

RESOLVED FURTHER THAT in his capacity as 'Whole Time Director' of the Company, Sh. Anand Kumar Mishra would be overall incharge of and shall be responsible to the Company for the conduct of its manufacturing activities (production, testing, packing and storage), carried out its two plants situated at SP 1192 A & B, Phase IV, Industrial Area, Bhiwadi 301019, Alwar, Rajasthan and Plot No 86/87, Sector 6A, Integrated Industrial Area, SIDCUL, Ranipur, Haridwar, Uttarakhand and the said activities would be carried on under his sole control and supervision to the exclusion of other directors including the managing director of the company, he would take care of all manufacturing (i.e. production, testing, packing and storage) related matters of the company; would exercise all due diligence to prevent the commission of any offence under the Drugs and Cosmetics Act and other allied laws and rules, would represent the company in various administrative, judicial and guasi-judicial activities before the concerned authorities and would shoulder such other responsibilities as may be cast upon him by the board of Director and /or Managing Director of the Company."

**RESOLVED FURTHER THAT** Sh. Anand Kumar Mishra, Whole-Time Director is

entitled to the following remuneration:-

- (A) SALARY: Rs 37500/- per month with effects from 26<sup>th</sup> September, 2012. The annual increment (if any) will be effective from 1st April each year. The Board may revise it from time to time and it will be merit based taking into account the company's performance.
- **(B) PERQUISITES**: Perquisites will be allowed in addition to salary as under:
- (i) The company shall pay House Rent Allowance at the rate of 50% of the Basic salary, i.e. Rs. 18750/-per month.
- (ii) The Director-Works shall be paid Special/Soft allowance of Rs 209/-per month.
- (iii) The Director-Works shall be reimbursed upon submission of the actual bills the amount expended upto a maximum, as detailed below, on account of the following:

Medical Rs. 1250/- per month
Books/ Info Update Rs. 1000/- per month
Business Promotion Rs. 4000/- per month
Telephone Rs. 1000/- per month
Car Maintenance Rs. 6000/- per month
Driver Salary Rs. 6000/- per month
LTA Rs. 3125/- per month

- (iv) The company shall contribute Rs.4500/-per month (12% of the salary) as company's contribution to provident fund or company's contribution towards Pension / Superannuation Fund provided that such contribution to the Provident Fund shall not exceed the limit laid down under the Income Tax Act, 1961 and it will not be included in the computation of limits for the remuneration or perquisites.
- (v) The company shall pay gratuity at the rate of half a month's salary for each





completed year of service and encashment of leave at the end of tenure and this shall not be calculated in the computation of limits for the remuneration or perquisites.

(C) MINIMUM REMUNERATION: Notwithstanding, anything to the contrary herein contained where in any financial year during the currency of the tenure of the Whole-Time Director, the Company has no profit or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above."

#### NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
- The Register of Member and Share Transfer Books of the Company will remain closed from 20<sup>th</sup> September 2012 to 26<sup>th</sup> September 2012 (both days inclusive).
- 3. In respect of the matters pertaining to Bank details, ECS mandates, nomination, power of attorney, change in name/address, etc., the members are requested to approach:
  - (a) the Company's Registrar and Share Transfer Agent i.e. M/s Link Intime India Pvt. Ltd., A-40, 2<sup>nd</sup> Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028, quoting their Folio numbers, in case of shares held in physical form and
  - (b) the respective Depository Participants, in case of shares held in electronic form.

- 4. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays between 11:00 a.m. to 01:00 p.m. prior to date of Annual General Meeting.
- Members desirous of getting any information in respect of the contents of the Annual Report are requested to forward the queries to the Company at least ten days prior to the Meeting so that the required information can be made available at the Meeting.
- 6. Information pursuant to Clause 49 of Listing Agreement for re-appointment of directors: -

At the ensuing Annual General Meeting, Sh. Rajinder Kumar Gupta and Sh. Sanjay Bansal, directors of the Company retire by rotation and being eligible offer themselves for re-appointment. The information or details to be provided for the aforesaid Directors under the Code of Corporate Governance are as under:

- a) Sh. Rajinder Kumar Gupta, M.Com, CAIIB (Distn.), AIB (IB,London) a retired Banker having more than 30 years experience in the area of corporate credit, now involved in corporate financial consultancy.
- b) Sh. Sanjay Bansal, B Com, FCA, aged about 48 years, having more than 19 years of experience in the field of Accounts, Finance and Banking activities. He shares his valued experiences with the Company as and when warranted. He is director of the Company since inception.

By the Order of the Board For Medicamen Biotech Ltd.

Sd/-B K Gupta Managing Director

Place: Delhi Date: 14.08.2012



#### **EXPLANATORY STATEMENT**

Pursuant to Section 173(2) of the Companies Act, 1956 the following explanatory statements set out the material facts in respect of the special business:

#### ITEM NO.5

On account of social responsibility board at its meeting held on 14th August, 2012, decided subject to the approval of the members at the general meeting to donate in financial year 2012-13 the excess/ odd lots of medicines left in stock after completion of the order. Generally your Company manufactures the medicines as per specific requirement of the purchasers. It happens sometimes that after completion of the order some stock is left with the Company whose cost has already been covered in the part of the order. For such specific stocks buyers are generally not available. So it was decided to use such medicines for the noble cause. And, as such donation is in excess of fifty thousand rupees, or five per cent, of its average net profits of preceding three years determined in accordance with the provisions of Section 349 and 350 of the Companies Act, 1956 approval of general body by way of ordinary resolution is required pursuant to Section 293(1) (e) of the Companies Act, 1956 and hence this resolution is proposed and recommended to be passed in the best interest of the Company.

None of the Directors is concerned or interested in the resolution proposed under item No-5.

#### ITEM NO.6

Sh. Anand Kumar Mishra was appointed as an additional director of the Company on 7<sup>th</sup> August, 2012 with the designation titled as 'Director-Works' so as to represent and take care of all matters related to manufacturing and also to represent the company in various administrative, judicial and quasi-judicial activities before the concerned authorities. As per the provisions of

Section 260 of the Companies Act, 1956 his office of additional director expires up to the date of Annual General Meeting. Sh. Anand Kumar Mishra has proposed his candidature as director alongwith a fee/ deposit of Rs. 500/- in cash under Section 257 of the Companies Act, 1956.

Sh. Anand Kumar Mishra is highly qualified and experienced professional in the field of manufacturing and quality control.

His presence on the board will be in the overall interest of the Company. Thus, his regularization as director is proposed for shareholders approval as an Ordinary Resolution.

None of the directors except Sh. Anand Kumar Mishra is interested/ concerned in the above said resolution.

#### ITEM NO.7

The term of appointment of Sh. Anand Kumar Mishra is up to the date of Annual General Meeting as per the provisions of Section 260 of the Companies Act, 1956 and the board has recommended his regularization as director and appointment as Whole Time Director at its meeting held on 14<sup>th</sup> August, 2012 subject to the approval of the members at the general meeting. The remuneration proposed to be payable to Sh. Anand Kumar Mishra is also approved by the remuneration committee at its meeting held on 14<sup>th</sup> August, 2012.

Disclosures as required under Section II of Part II of Schedule XIII of the Companies Act, 1956

#### I. General Information

- (1) Nature of Industry: Formulation of pharmaceutical products i. e. tablets, capsules, syrup and dry syrups.
- (2) Date of commercial production: 27th March 1996.



- (3) In case of new companies, expected date of commencement of activities as per project approval by financial institutions appearing in the prospectus: Not applicable.
- (4) Financial performance based on given indicators: The Company has grown from strength to strength during the years of its operation with just Rs. 3 crores of turnover in 1996-97 to Rs 100 crores in 2011-2012. The Company has wiped out all its losses in 2005-06 and it has carried over a net profit of Rs.8 crores to balance sheet in the year 2009-2010. However due to global slowdown & industry specific factors the company has suffered a loss of Rs. 82.45 lacs in the year 2011-2012.
- (5) Export performance based on given indicators: The export of the Company increased to Rs. 88.72 crores in 2010-11 from the mere Rs.1.2 crores in 1999-2000.
- (6) Foreign investments or collaborators, if any: Company has entered into a strategic co-operation with a Danish Global Marketing & logistic Company who had participated in the equity of the Company through its sister concern in India and extended soft loan to pay back the high cost debt of Indian Financial Institution. The equity shares allotted to the sister concern of the strategic partner have been transferred to the strategic partner during the year and the soft loan availed by the Company had been fully paid off by January 2009.

#### II. Information about the appointee:

(1) Background details: Sh. Anand Kumar Mishra is highly qualified and experienced professional in the field of manufacturing. He was appointed as

- Additional Director of the company with designation as "Director Works" in the Board Meeting dated 7<sup>th</sup> August, 2012.
- (2) Past remuneration: Rs. 14.40 Lacs per annum
- (3) Recognition or awards: NIL
- (4) Job profile and his suitability: Sh. Anand Kumar Mishra would be in overall incharge of and responsible to the Company for the conduct of its manufacturing (production, testing, packing and storage) activities being carried out at its two aforesaid plants. He would exercise all due diligence to prevent the commission of any offence under the Drugs and Cosmetics Act and other allied laws and rules. He would represent the company in various administrative, judicial and quasijudicial activities before the concerned authorities, including the drugs departments. He would shoulder such other responsibilities as may be cast upon him by the Board of Directors and or Managing Director of the Company from time to time. As, Sh. Anand Kumar Mishra is highly qualified and experienced professional in the field of manufacturing, he is best suited for the position.
- (5) Remuneration proposed: As stated in resolution at item No.7
- (6) Comparative remuneration profile with respect to industry, size of the Company, profile or position and person: The proposed remuneration is as per the remuneration profile in the industry keeping in view the size of the Company and profile of the incumbent.
- (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial





personal, if any: NIL

Sh. Anand Kumar Mishra has no pecuniary relationship with the Company except of his remuneration.

#### III. Other information:

- (1) Reason of loss or inadequate profit: Although the sales of the Company has increased to 100 crore but its profits are still inadequate because of great increase in the prices/shortage of raw material particularly antibiotics, hike given to salaries of technical and nontechnical staff due to their shortage, increase in the finance cost due to increase in interest rate and credit facilities being availed by the company for capital expenditures to update the plant as per global norms. The company also suffers from the exchange rate fluctuations.
- (2) Steps taken or proposed to be taken for improvement: The Company's plant at Haridwar has become operational in full swing and the company is planning to get WHO Certification for the Hardiwar plant. The Company has also increased the production capacity of Non -Betalactum tablets by 50 %. Apart from this, the Cephlosporin block has also become functional in October 2010, which has further added to the performance of the Company.
- (3) Expected increase in productivity or profits in measurable terms: We have projected to increase our sales to 100 Crores and Net Profits to approximately 2 Crores in financial year 2012-2013.

#### IV. Disclosures:

(1) The shareholders of the Company shall be informed of the remuneration package of the managerial person in the Annual Accounts of the Company and in the Corporate Governance Report attached to the Director's Report.

- (2) The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any attached to the annual report: -
  - (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc of all the directors;
  - (ii) Details of fixed component and performance linked incentives alongwith the performance criteria;
  - (iii) Service contracts, notice period, severance fees:
  - (iv) Stock Option details, if any and whether the same has been issued at a discount as well as the period over which accrued or over which execrable.

Thus, his re-appointment as whole time director is proposed for shareholders approval as a Special Resolution.

None of the Directors except Sh. Anand Kumar Mishra is concerned or interested in the resolution proposed under item No-7.

By the Order of the Board For Medicamen Biotech Ltd.

Sd/-

Place: Delhi Date: 14.08.2012 B K Gupta Managing Director



### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### **INDUSTRY STRUCTURE & DEVELOPMENT**

The global economy has witnessed considerable political and economic turmoil during the last year, from uprisings in the Middle East and North Africa to the tsunami in Japan and the debt crisis in Europe. This has resulted in general uncertainty across the globe impacting all businesses. India's economy grew by about 6.9 percent in 2011-12, its slowest in the last three years and the Government expects it to grow by 7.6 percent in 2012-13.

The pharmaceutical industry in India has also suffered due to global economic slowdown. The pharma sector in India is extremely fragmented market with severe price competition & government price control. The pharma industry in India meets around 70% of the country's demand for bulk drugs, drug intermediaries, pharma formulations, tablets, capsules, orals and injectibles. There are approximately 250 large units which form the core of the pharma industry in India.

# DISCUSSION ON FINANCIAL PERFORMANCE W.R.T. OPERATIONAL PERFORMANCE

Due to fall in the quantum of export orders during the last two quarters there has been a shortfall of Rs. 21 crore in the turnover. Due to decease in the turnover & steep rise in the establishment and other manufacturing cost the company has suffered a loss of Rs. 82.45 lacs. Our major turnover comes from export business. After the establishment of Tax Free Zone, the pharma units in other parts of the country are striving hard to enter the export market thereby creating an intense competitive atmosphere for your

company which was earlier getting better price. This situation may adversely affect the business quantum of the company in the medium term and long term prospective. Your company has therefore formed a core group comprising all members from our foreign partners and the company itself to meet quarterly to take note of the latest threats and to suggest remedial measures so that the business prospects of the company are least disturbed.

## SEGMENTWISE / PRODUCTWISE PERFORMANCE

The company got number of new projects of the Government. As usual Anti bacterial products like Cotrimoxazole, Nystatin and Anti Biotics like Amoxycillin remained the strong products of the company and around 1/3<sup>rd</sup> of the sale was attributed to this segment.

#### **OPPORTUNITIES AND THREATS**

As per new guidelines of WHO your company has started construction of another new building in the Bhiwadi plant for exclusive production of Ciflosporins because the production of Betalactum and Ciflosporins have been separated under the new guidelines. small players may not go for this separate block because of the finance involved and your company sees a big opportunity in getting the contract work in this plant for export. Your company has implemented the first floor in Hardwar plant to increase the capacities of the existing plant by more than 50%. Regarding threats as explained above the competition is acute, input and establishment cost is becoming high day-by-day and the company is under pressure as far as the profitability is concerned. Besides, the company requires continuous capital expenditure to meet the ever expanding increase volume to sustain in the market.



#### **OUTLOOK**

With the addition of 2 new blocks the company can produce goods worth Rs.500 crores per year. The company is planning to automatise its machinery so that the manufacturing cost is reduced to a great extent and the profitability is improved. Your company has entered into prescription market for the first time and it has added further new states like Bihar, U.P. and Kolkata This prescription market will give fruits within a period of 3 years when it is expected to reach its breakeven point. The company is striving hard to discover new markets abroad.

#### **RISKS & CONCERN**

As explained above the companies situated in Non Tax Free Zone has also established in Tax Free Zone of all are striving to enter the export business and giving a tough fight to your company in the international market which may further affect the profitability and business quantum of the company. Exchange rate variation has also remained a cause of concern for your company and during the year under review the company had suffered on this account also.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has initiated adequate internal control procedure commensurate with the nature of its business and size of its operations. An Audit committee consisting of three independent, non-executive directors is in place; internal Audit is conducted by independent audit firm on quarterly basis, which covers all the key areas of operations. All significant audit observations and follow up actions thereon are reported to the audit committee. The Audit committee met four times during the financial year under review.

#### **HUMAN RESOURCES**

Your Company's industrial relations continued to be harmonious during the year under review. Your Company is striving hard to retain the skilled manpower since the turnover has increased manifold in the industry. Your Company conducts regular in-house training programs for employees at all levels. The focus is on maintaining employee motivation at a high level with stress on leadership development

#### **CAUTIONARY STATEMENT**

Estimate and expectations stated in this Management Discussion and Analysis may be "forward-looking statement" within the meaning of applicable securities, laws and regulations. Actual result could differ materially from those expressed or implied. Important factors that could make difference to your Company's operations include economic conditions in the government regulations, tax laws, other statutes and other incidental factors.



#### **DIRECTOR'S REPORT**

To the Members.

Your Directors have pleasure in presenting their nineteenth Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March 2012

#### FINANCIAL HIGHLIGHT

	(Rs.In L	acs)
Particulars	2011-2012	2010-2011
Turnover	10124.03	12297.29
Other Income	73.77	146.98
Expenditure	9849.08	11699.25
Profit before Interest, Depreciation &		
Preliminary Expenditure written off	277.38	745.02
Interest	191.49	177.21
Depreciation	150.21	137.07
Profit/(Loss) before Tax	(64.31)	430.73
Less: Provision for Deferred Tax	16.24	21.87
Provision for Taxation-current	0.00	129.71
Provision for Taxation-Previous Yea	ar 1.89	1.45
Profit/(Loss) after Tax	(82.45)	277.69
Profit/(Loss) brought forward		
From the previous year	1101.61	823.92
Profit/(Loss) carried over to Balance Sheet	t 1019.16	1101.61

#### **PERFORMANCE**

During the year under review your Company had a turnover of Rs. 101.24 Crores as compared to Rs. 122.97 Crores last year. It registered a decline of around 17.67%. Further, your Company had also suffered a loss (before tax) of Rs. 64.31 lacs as compared to last year's profit of Rs. 430 lacs.

#### DIVIDEND

Your Directors have not recommended any dividend, for the financial year ended March 31<sup>st</sup> 2012, on account of loss.

#### **CAPITAL**

During the financial year ended 31<sup>st</sup> March, 2012, one of the allottee of convertible warrants

had exercised his option for conversion of convertible warrants into equity shares & made the balance payment @ Rs.21.75/- each, in respect of 3,52,400 convertible warrants. The board at its meeting held on 21<sup>st</sup> March, 2012, converted & allotted 3,52,400 equity shares in lieu of equivalent convertible warrants.

Consequent upon the conversion & allotment of equity shares, the paid up share capital of the Company is being increased to Rs. 8,24,00,000/- divided in to 82,40,000 equity shares of Rs. 10/- each.

#### **ETHICAL MARKETING**

Your Company's ethical marketing which was launched in January 2009, broadened in terms of product basket with 31 products and having its presence in Delhi, Haryana, Bihar, Western & Eastern U.P., Jharkhand and West Bengal with approximately 78 field persons.

On the future outlook front your company has set a target of covering the entire northern India in the couple of years to come.

#### **CORPORATE GOVERNANCE**

A detailed Corporate Governance Report is included in this annual report as per Clause 49 of Listing Agreement. The Company has obtained a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance. The same is annexed to this Report.

#### **DIRECTORS**

Sh. Piyush Kumar Gupta, Whole-Time Director had resigned from the directorship of the company and the board had accepted his resignation w.e.f. 11<sup>th</sup> August, 2011, at its meeting held on 7<sup>th</sup> August, 2012.

Sh. Anand Kumar Mishra, had been appointed as additional director with the designation as



Directors-Works by the board at its meeting held on 7<sup>th</sup> August, 2012. The board upon the recommendation of remuneration committee has proposed his regularization as director & appointment as Whole-Time Director at the ensuing annual general meeting.

Sh. Rajinder Kumar Gupta, director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. The board recommends his re-appointment.

Sh. Sanjay Bansal, director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment. The board recommends his reappointment.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT**

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

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended on 31<sup>st</sup> March 2012 and of the Profit and Loss Account for the period.
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis.

#### **AUDITORS AND AUDITOR'S REPORT**

The Auditors of the Company M/s Ashok Sharma & Associates retire at the ensuing Annual General Meeting and being eligible for re-appointment have given their consent to be re-appointed. The Company has obtained certificate from them to the effect that their re-appointment if made shall be within the limits specified under section 224(1-B) of the Companies Act, 1956

The Auditors' report is self- explanatory and does not require any further clarification.

#### **COST AUDITOR**

The board at its meeting held on 12<sup>th</sup> August, 2011 upon the recommendation of Audit Committee, had appointed M/s. HMVN & Associates, as Cost Auditors as per the Central Governments notifications for appointment of cost auditor, for the financial year 2011-2012.

The Cost Auditor is expected to submit the Cost Audit Report by 31<sup>st</sup> December, 2012, i.e. the due date for submitting the report.

The board at its meeting held on 15<sup>th</sup> May, 2012, upon the recommendation of Audit Committee had re-appointed M/s. HMVN & Associates, as Cost Auditor for the financial year 2012-13.

#### **PERSONNEL**

The industrial relations during the year have remained cordial. However the attrition rate has increased due to shortage of technical people in the industry. The exodus of technical people to tax free zone was a cause of concern. The Company had devised an effective retention policy to cope with the challenge.

The Central Government vide Notification No. G.S.R. 289(E) dated 31<sup>st</sup> March, 2011 read with General Circular No. 23/2011 dated 3<sup>rd</sup> May,



2011, amended the Companies (Particulars of Employees) Rules, 1975 and raised the limit of "Rs. 24 Lacs and above in the financial year or Rs. 2 Lacs per month" to "Rs. 60 Lacs and above in the financial year or Rs. 5 Lacs per month".

There is no employee who had drawn the above said remuneration during the financial year ended 31<sup>st</sup> March, 2012.

#### **DEPOSIT**

The Company has not accepted or invited deposits from public within the meaning of Section 58A of the Companies Act, 1956 during the year under review.

### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The information pursuant to Section 217(1)(e) of the Companies Act, 1956 read together with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

#### **ACKNOWLEDGEMENT**

Your director's place their appreciation and gratitude for the help and co-operation extended to the Company by the Government Agencies, Union Bank of India, Medical Profession, dealers, customers, suppliers and shareholders. The board also places their appreciation for the dedicated performance rendered by the employees of the Company. Acknowledgement

#### For and on behalf of the Board of Directors

Sd/-(B K Gupta) Managing Director

Sd/-

Place: Delhi (Ashutosh Gupta)
Date: 14.08.2012 Whole-Time Director



#### **ANNEXURE "A"**

INFORMATION AS PER 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 DIECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012

#### (A) CONSERVATION OF ENERGY

- a) Power factor is being monitored continuously as a part of energy conservation measures:
- b) Additional investment: no additional investment is made during the year;
- c) Savings in energy: Savings due to
  - (i) Power factor improvement
  - (ii) Maintenance of proper voltage, proper load distribution:
  - (iii) Periodical servicing & checking the equipments to avoid damage/burning.

#### **POWER & FUEL CONSUMPTION:**

Electr	icity Purchased	2011-12	2010-11
(i)	Units (in lacs)	24.80	25.82
(ii)	Total Amount (Rs in lacs)	135.92	129.85
(iii)	Rate/unit (Rs)	5.60	5.61
Own (	Generation (D.G.Sets)	2011-12	2010-11
Own (i)	Generation (D.G.Sets) Units (in Lacs)	<b>2011-12</b> 3.87	<b>2010-11</b> 3.34
	,		

#### (B)TECHNOLOGY ABSORPTION

The Company has devised a fully computerized quality control division monitoring the production



## 19<sup>th</sup> Annual Report 2011-2012

process and R&D activities.

(C) FOREIGN EXCHANGE EARNING & OUTGO		(Rs. In Lacs)
	2011-2012	2010-2011

(i) Total foreign exchange through exports 5955.19 8595.92

(ii) Total foreign exchange used:

(a) For import of Raw Material 436.34 669.76

(b) Other including expenditure on travelling 11.14 9.09

For and on behalf of the Board of Directors

Sd/- Sd/-

Place: Delhi (B K Gupta) (Ashutosh Gupta)
Date: 14.08.2012 Managing Director Whole-Time Director



## CEO & CFO CERTIFICATION

- a. We have reviewed financial statement and the cash flow statement for the year ended 31<sup>st</sup> March 2012 and certify, to the best of our knowledge and belief, that;
  - i. these statements present a true and fair view of the Company's affairs, and are in compliance with existing accounting standards, applicable laws and regulations;
  - ii. these statements do not contain any materially untrue statement, or omit any material fact, or contain statements that might be misleading;
  - iii. no transactions entered into by the Company during the year were fraudulent, illegal or violative of the Company's code of conduct and no instances of fraud took place;
  - iv. we accept responsibility for establishing and maintaining internal controls for financial reporting;
  - we have evaluated the effectiveness of the internal control systems of the Company, and have disclosed to the auditors and the Audit committee, deficiencies in the design of operation of internal controls, if any, of which we are aware and have taken steps to rectify the same, wherever found;
  - vi. significant changes in internal control over financial reporting, as well as changes in accounting policies, if any, have been intimated to the auditors and the Audit Committee, and been disclosed in the notes to the financial statements;
- We further declare, in compliance to clause 49.I(D)(ii) to listing Agreement, that all the board members and senior management personnel have affirmed compliance with the code of conduct of the Company.

Sd/-(Bal Kishan Gupta) Managing Director Sd/-(Rajesh Kumar Gupta) Chief Financial Officer

Delhi: 14.08.2012



## ASHOK SHARMA & ASSOCIATES CHARTERED ACCOUNTANTS

311, "DEEP SHIKHA", RAJENDRA PLACE, NEW DELHI 110 008 TEL: 25769764

#### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

#### TO THE MEMBERS OF MEDICAMEN BIOTECH LTD.

We have examined the compliance of conditions of corporate governance by Medicamen Biotech Ltd. (the Company) for the year ended on 31<sup>st</sup> March, 2012 as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. 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 we certify that Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the Share Transfer cum Investor Grievance Committee.

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

For ASHOK SHARMA & ASSOCIATES CHARTERED ACCOUNTANTS

Sd/-

PLACE: Delhi (Amit Kumar)
DATE: 14/08/2012 PARTNER

Membership No.: 500805



#### REPORT ON CORPORATE GOVERNANCE

#### 1. MEDICAMEN'S PHILOSOPHY ON CORPORATE GOVERNACE

The Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and in meeting its obligations to the stakeholders, and is guided by a strong emphasis on transparency, accountability and integrity. For several years the Company has adopted a codified Corporate Governance Charter, which is in line with the best practices as well as meets all the relevant legal and regulatory requirements. All Directors and employees are bound by Code of Conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the Company.

#### 2. BOARD OF DIRECTORS

The Board has strength of 6 directors and comprises of 2 Promoter & Executive Directors, 2 Non-Executive Directors and 2 Independent Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 committees across all companies in which he is a Director.

The Composition of the Board of Directors as on 14<sup>th</sup> August, 2012, (i.e. the date of approval of this report) is in conformity with the revised clause 49 of the Listing Agreement. The details of the Board of Directors as on date are as under:

#### (a) Promoter & Executive Directors:

**Sh. Bal Kishan Gupta**, is Managing Director and founder of the Company and has over two decades of experience in managing & controlling various industrial activities. Under his able leadership Medicamen has grown from a small firm to a multi product industrial house. He is also a director in M/s. Medicamen Organics Ltd.

**Sh. Ashutosh Gupta,** Bachelor of Business Administration having more than 10 years of experience in the field of marketing & distribution of pharmaceuticals. He also holds office as director in M/s. Medicamen Organics Ltd. He was appointed as Whole Time Director with effect from 1<sup>st</sup> April 2006.

#### (b) Non-Executive Directors:

**Sh. Anand Kumar Mishra**, M.Sc. (Botany) having over two decades of experience in pharma production and supply chain management. He had been appointed as additional director by the board at its meeting held on 7<sup>th</sup> August, 2012.

The board upon recommendation of remuneration committee had proposed his regularization and appointment as whole-time director at the ensuing annual general meeting.



**Sh. Sanjay Bansal, B Com, FCA** having more than 16 years of experience in the field of Accounts, Finance and Banking activities. He shares his valued experiences with the Company as and when warranted. He is director of the Company since inception.

#### (d) Independent Non-Executive Director:

Mr. Rajinder Kumar Gupta, M.Com, CAIIB (Distn.), AIB (IB,London) a retired Banker having more than 30 years experience in the area of corporate credit, now involved in corporate financial consultancy.

**Dr. M L. Parnami, MD,** a practicing orthopedic surgeon of repute with more than 18 years of association in medical & healthcare activities.

#### (e) Meetings

Five Board Meetings were held during the year on 14-05-2011, 12-08-2011, 14-11-2011, 11-02-2012 and 21-03-2012 and the gap between two Board meetings did not exceed four months. The last annual general meeting was held on 30-09-2011.

Name of Director	Board Meeting Attended	AGM
Bal Kishan Gupta	5	Yes
Ashok Nayyar *	2	Yes
Sanjay Bansal	5	Yes
Ashutosh Gupta	4	Yes
Rajinder Gupta	5	Yes
Kim Ginnerup **	1	-
Vidyshankar G **	2	<u>-</u>
Dr. M L Parnami	5	
Piyush Kumar Gupta	5	

<sup>\*</sup> Sh. Ashok Nayyar ceased to be director w.e.f. 24th October, 2011 on account of death.

#### (f) Board's Processes

The information as required under Annexure I to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated at least seven days prior to the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board meeting to enable the Board to take informed decisions.

<sup>\*\*</sup> Sh. Kim Ginnerup & Sh. Vidyashankar G ceased to be directors w.e.f. 24<sup>th</sup> November, 2011 on account of resignation.



It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute and as per the code of Corporate Governance, all major operational and financial decisions, feedback reports, human resource issues and minutes of all committee meetings are placed before the Board for informed discussion and decision.

#### (g) Code of Conduct for Directors & Senior Management:

A code of Conduct as applicable to the Directors and Senior Management team has been approved by the Board of Directors at their meeting held on 24<sup>th</sup> Day of October 2003. The Managing Director (CEO in terms of Clause 49) of the Company hereby affirms that all the Directors and Members of the Senior Management team have complied with the aforesaid code for the year ended 31<sup>st</sup> March 2011.

#### 3. AUDIT COMMITTEE

Consequent upon demise of Sh. Ashok Nayyar & resignation of Sh. Kim Ginnerup and Sh. Vidyashankar G, the committee had been reconstituted by the board at its meeting held on 11<sup>th</sup> February, 2012. The reconstituted committees comprises of:-

#### (i) Constitution of Audit Committee

1. Sh. R.K. Gupta Non Executive Independent Director (Chairman of the Committee)

2. Sh. Sanjay Bansal Non Executive Director

3. Dr. M.L. Parnami Non Executive Independent Director

#### (ii) Functions of Audit Committee

- (a) Review of Annual Financial Statements before submission to the Board; especially with regard to the changes in accounting policies and practices, major accounting entries, significant adjustments arising out of audit, the going concern assumption, compliance with accounting standards, compliance with stock exchange & legal requirements concerning financial statements and Related party transactions,
- (b) Discussion with Auditors regarding their observation on accounts.
- (c) Review of half yearly results before submission to the Board.
- (d) Discussion with Auditors regarding adequacy & compliance of internal control system.
- (e) Recommendation on appointment and removal of external auditor, fixation of audit fee, out of pocket expenses and payment of other services.
- (f) Other compliances of Companies Act and Stock Exchange.

#### (iii) Powers of Audit Committee

- (a) To investigate into any activity within its terms of reference.
- (b) Full access to information contained in the Company records
- (c) To seek information from any employee



- (d) Access to external professional advice
- (e) To bind the Board with its audit report on financial management.

#### (iv) Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information: -

- (a) Management discussion and analysis of financial conditions and results of operations;
- (b) Statement of significant related party transaction as submitted by management;
- (c) Management letters/ letters of internal control weakness issued by the statutory auditors;
- (d) Internal Audit Reports relating to internal control weakness; and
- (e) The appointment, removal and terms of remuneration of the Internal Auditors.

#### (v) Meetings and Attendance

During the year 4 meetings of the Audit Committee were held on 14-05-2011, 12-08-2011, 14-11-2011 and 11-02-2012 attended by all the members of the committee.

#### 4. REMUNARATION COMMITTEE:

Consequent upon demise of Sh. Ashok Nayyar & resignation of Sh. Kim Ginnerup and Sh. Vidyashankar G, the committee had been reconstituted by the board at its meeting held on 11<sup>th</sup> February, 2012. The reconstituted committees comprises of:-

1. Sh. R.K.Gupta Non Executive Independent Director (Chairman of the Committee)

2. Sh. Sanjay Bansal Non Executive Director

3. Dr. M.L. Parnami Non Executive Independent Director

The remuneration committee reviews and makes recommendation on annual salaries, perquisites, performance-linked bonus/commission and other conditions of employment of Executive Director and Managing Director. The remuneration committee consists of the following directors:

One Meeting of the remuneration committee was held on 12-08-2011 and was attended by all the members.

#### 5. DIRECTORS REMUNERATION

The remuneration being paid to the executive directors is fixed and paid as per the agreement. The remuneration being paid to Sh. Ashutosh Gupta & Sh. Piyush Kumar Gupta, whole time directors are within the limits of Schedule XIII of the Companies Act, 1956.

The remuneration being paid to Sh. B.K.Gupta, Managing Director, is in excess of the limits of Schedule XIII of the Companies Act, 1956 and an application for approval of the payment of remuneration in excess of the ceiling limits prescribed by Government under Section II of Part II of Schedule XIII of the Companies Act 1956 had been made to the Central Government, through Ministry of Corporate Affairs vide Form 25 A. The Central Government vide its letter dated 27<sup>th</sup> April,



Name of	Consolidated	Perquisites	Retiremental	Commission/	Total
Director	Salary	and other	Benefit	Others	
		benefits			
Sh. B.K Gupta	5040000	167477	403200		5610677
Sh. Ashutosh	2250000	62890	180000		2492890
Gupta					
Sh. Piyush	552067	22750	32760		607577
Kumar Gupta					
Sh. Ashok					
Nayyar					
Sh. Sanjay					
Bansal					
Sh. Kim Poul					
Ginnerup					
Sh.					
Vidyashankar					
Gopalakrishna					
Sh. Rajinder					
Kumar Gupta					
Dr. Munishwar					
Lal Parnami					

#### 6. SHAREHOLDERS COMMITTEE

Consequent upon demise of Sh. Ashok Nayyar & resignation of Sh. Kim Ginnerup and Sh. Vidyashankar G, the committee had been reconstituted by the board at its meeting held on 11<sup>th</sup> February, 2012. The reconstituted committees comprises of:-

#### (i) Constitution of the Committee

1. Sh. R.K.Gupta Non Executive Independent Director (Chairman of the Committee)

Sh. B.K.Gupta Executive Promoter Director
 Sh. Ashutosh Gupta Executive Promoter Director

#### (ii) Shareholders Matters

Ms. Sharmila Chhikara, ACS, Company Secretary is heading the Shares Department of the Company. During the year 2011-2012, all the complaints & queries are amicably settled with in one month from its receipt. As on date no share transfer is pending.

#### 7. QUALITY ASSURANCE COMMITTEE

Consequent upon the resignation of Sh. Piyush Kumar Gupta and other member officials of the Quality Assurance Committee, the committee was reconstituted by the board at its meeting held on



7<sup>th</sup> August, 2012. The reconstituted committees comprises of:-

#### (i) Constitution of the Committee

Sh. Anand Kumar Mishra
 Sh. Vijay Vaish
 Quality Control Manager (Bhiwadi)

3. Sh. Joginder Singh Production Planning (Inventory Control (Bhiwadi)

4. Sh. Rajesh Chuhan Production Head (Haridwar)

5. Sh. J.N. Ojha Quality Control Manager (Haridwar)

#### (ii) Functions of Quality Assurance Committee

- The members to ensure that the activities of their respective divisions are carried out strictly as per the prescribed quality norms and standard operating procedures of the company.
- 2. The members to exercise due diligence so as to prevent the commission of any offence under the Drugs and Cosmetics Act and other allied laws and rules.
- 3. The members of the Quality Assurance Committee to issue Compliance Certificate in the specified formats on monthly basis; however, the same would be placed before the Committee on quarterly basis in its meetings.
- 4. The members will be in over all incharge of and responsible to the Company for the conduct of its manufacturing (production, testing, packing and storage) activities being carried out at its two plants situated at Bhiwadi and Uttaranchal.
- 5. The Chairman of the Committee to represent the company in various administrative, judicial and quasi-judicial activities before the concerned authorities, including the drugs departments.

#### (iii) Meetings

The members of the Quality Assurance Committee meet on quarterly basis to discuss their functioning and other matters.

#### 8. GENERAL BODY MEETINGS

Date	Year	Venue	Time
15-09-2009	2009	The Little Theater Group, Copernicus Marg, New Delhi- 110001	12.00 P.M.
29-09.2010	2010	Shah Auditorium, Shree Delhi Gujrati Samaj, 2, Rajnivas Marg, Civil Lines, Deili- 110054	11.30 P.M.
30-09-2011	2011	Shah Auditorium, Shree Delhi Gujrati Samaj, 2, Rajnivas Marg, Civil Lines, Deili- 110054	11.30 P.M.



#### 9. DISCLOSURES

There were no transactions of the Company of material nature with related parties that may have potential conflict with the interest of the Company at large. No penalties or strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

#### 10. MEANS OF COMMUNICATION

Annual reports of the Company are sent to every shareholder of the Company. Half-yearly/ Quarterly results are normally published in Pioneer and Hari Bhoomi newspapers and copies thereof are sent to the Stock Exchanges as per Listing Agreement. Further the Company has updated the quarterly and annual financial results and the Shareholding patterns on its website i.e. www.medicamen.com.

#### 11. GENERAL SHAREHOLDER INFORMATION

AGM: Date, Time & Venue	26-09-2012; 10.00 AM; Shree Shah Auditorium, Gujrati Samaj, 2 Rajnivas Marg, Civil Lines, Delhi-110054
Financial Calendar	1 <sup>st</sup> April 2011 to 31 <sup>st</sup> March 2012. The quarterly results of the Company were approved by the board of directors at their meeting held on 12-08-2011, 14-11-2011, 12-02-2012 and 15 <sup>th</sup> May, 2012 i.e. 1 <sup>st</sup> quarter – mid August, 2 <sup>nd</sup> Quarter – mid November, 3 <sup>rd</sup> Quarter- mid February, 4 <sup>th</sup> Quarter- mid May.
Date of Book Closure	20 <sup>th</sup> September 2012 to 26 <sup>th</sup> September 2012 (both days inclusive)
Stock Exchange Listing	Bombay Stock Exchange
Stock Code	The Stock Exchange, Mumbai – 531146

Market Price Data & Performance Comparison						
Month	Hiç	gh	Low			
	Share Price	SENSEX	Share Price	SENSEX		
April, 2011	28.90	19,811.14	24.45	18,976.19		
May, 2011	27.40	19,253.87	23.35	17,786.13		
June,2011	25.90	18,873.39	20.55	17,314.38		
July, 2011	25.40	19,131.70	20.20	18,131.86		
August, 2011	24.00	18,440.07	15.55	15,765.53		
September, 2011	28.90	17,211.80	16.10	15,801.01		
October, 2011	38.10	17,908.13	24.50	15,745.43		
November, 2011	25.35	17,702.26	14.05	15,478.69		
December, 2011	19.70	17,003.71	11.95	15,135.86		
January, 2012	17.83	17,258.97	13.16	15,358.02		
February, 2012	18.65	18,523.78	13.45	17,061.55		
March, 2012	14.60	18,040.69	10.00	16,920.61		





Registra Transfe		Link Intime India Pvt. Ltd., A-40, IInd Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028					
Share T System		All transfers rece	All transfers received in order are processed & returned within 30 days.				
	rializatio ares and y	Trading in dematerialized form w.e.f. 27-02-2001 Connectivity with CDSL & NSDL on 15-11-2000. As on 31/03/2011 out of the total equity shareholding, 70610620 equity shares are in Demat mode consisting of 85.69% of total equity share.					
ISIN No		INE646B01010;	Shares traded at BSE				
		Directors and the	eir Relatives 30	36250 Shares	36.85%		
Distribu	ıtion of	Body Corporate	4	149345 Shares	5.45%		
Share H	lolding	Non resident Indi	ians 2	13934 Shares	2.60%		
as on 3	1-03-2011	Others	45	40471 Shares	55.10%		
		Total	82	40000 Shares	100.00%		
	Distrib	ution of Shareho	lding by number of	shares as on 31	st March, 2011		
		Number of	% to total Number	Amount	% to total Paid up		
	egory	Shares	of Shares	(In Rs.)	Share Capital		
Up to	5000	2897	77.42	4258190	5.17		
5001	10000	323	8.63	2816230	3.42		
10001	20000	174	4.65	2789870	3.39		
20001	30000	141	3.77	3575990	4.34		
30001	40000	36	0.96	1296270	1.57		
40001	50000	39	1.04	1865040	2.26		
50001	100000	68	1.82	5215200	6.33		
	& above	64	1.71	60583210	73.52		
Total		3742	100.00	82400000	100.00		
	Pending GDRs, ADRs etc.						
Plant Location		<ul> <li>SP-1192, A&amp;B, Phase-IV, Industrial Area, Bhiwadi-301019, Rajasthan</li> <li>Plot No-86 &amp; 87, Sector-6A, SIDCUL, IIE, Haridwar.</li> </ul>					
Corresp	ondence	Medicamen Biote	ech Ltd.				
Address	S	10, Community C	Centre No-2, Ashok V	ihar, Phase-II, N	ew Delhi-110052.		
	Investor Grievance E-Mail  cs@medicamen.com						



# ASHOK SHARMA & ASSOCIATES CHARTERED ACCOUNTANTS

311, "DEEPSHIKHA", 8, RAJENDRA PLACE, NEW DELHI 110 008 PHONE 2576 9764

The Members of Medicamen Biotech Limited

- 1. We have audited the attached balance sheet of M/s Medicamen Biotech Limited (the "Company"), as at 31<sup>st</sup> March 2012, the profit and loss account and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2. We conducted our audit in accordance with 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor Report) (Amendment) Order 2004 (together the "Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account
  - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt



## 19<sup>th</sup> Annual Report 2011-2012

with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

- (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2012 and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956,
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
  - (a) in the case of the balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2012;
  - (b) in the case of the profit and loss statement, of the loss for the year ended on that date; and
  - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For ASHOK SHARMA & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: NEW DELHI

DATE: 14/08/2012

(Amit Kumar)
PARTNER

MEMBERSHIP NO.: 500805



# ASHOK SHARMA & ASSOCIATES CHARTERED ACCOUNTANTS

311, "DEEPSHIKHA", 8, RAJENDRA PLACE, NEW DELHI 110 008 PHONE 2576 9764

**Annexure** 

Medicamen Biotech Limited (As referred to in paragraph 3 of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) These fixed assets have been physically verified by the management at regular intervals considering the size of the company and nature of assets. No material discrepancies have been noticed on such verification.
  - (c) No disposal of a substantial part of fixed assets of the company has taken place during the year.
- (ii) (a) As explained to us, the inventory was physically verified by the management at reasonable intervals during the year.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and the discrepancies noticed on such physical verification between the physical stocks and the book records were not material and have been adequately dealt within the books of accounts.
- (iii) (a) The Company has not granted any loan to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. The Company has during the year borrowed Rs.25,00,000/- from a Director and repaid the same during the year itself.
  - (b) The loan taken by the company was without interest and other terms & conditions are prima facie not prejudicial to the interest of the company.
  - (c) The principal is paid in time.
  - (d) There is no Amount outstanding on account of loan taken from the companies or other



parties listed in the register maintained under Section 301 of Companies Act, 1956.

- (iv) The company has adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of stores, raw-materials including components, plant & machinery, equipment and other assets, and for sale of goods. We have not come across any major weakness in internal control.
- (v) (a) The transactions which needed to be entered into the register in pursuance of Section 301 of Companies Act, 1956 have been duly entered.
  - (b) During the year under consideration the Company has made Sales of Rs.50,94,050/-to Medicamen Organics Limited, Rs.47,278/- to M/s Red Line Healthcare a group company/concern, Rs.34,63,56,709/- to Missionpharma A/s and Rs.19,30,17,544/- to Missionpharma Logistics (India) Pvt. Ltd, companies in which director is director. These sales were made at prevailing market price and the terms and conditions of the sale are not prejudicial to the interest of the company.
  - (c) During the year under consideration the Company has made Purchases of Rs.1,00,38,709/- from Medicamen Organics Limited and Rs.2,18,295/- from M/s Red Line Healthcare a group company/concern. This purchase was made at prevailing market price and the terms and conditions of the purchase are not prejudicial to the interest of the company.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- (vii) The Company has appointed a firm of Chartered Accountants to carry out its internal audit function. In our opinion, the internal audit system is commensurate with the size of the Company and nature of its business.
- (viii) It is informed by the management that cost records as required under section 209 (1) (d) of the Companies Act, 1956 are properly maintained as supported by the certificate provided by the Cost Auditor and the Audit is in process.
- (ix) (a) According to the records of the Company, the Company is generally regular in depositing undisputed applicable statutory dues including provident fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess with the appropriate authorities except payment of advance Income Tax.
  - (b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31.03.2012, for a period of more than six months from the date they became payable. However, the Company is late in depositing TDS payment in some cases.
  - (c) According to the information and explanation given to us, there is no disputed amount.
- (x) The company has no accumulated losses at the end of the financial year and it has not incurred cash losses during the current financial year and the immediately preceding such financial year.

## 19<sup>th</sup> Annual Report 2011-2012

- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
- (xii) According to the information and explanations given to us, in cases the Company has granted loans and advances on the basis of security by way of pledge of shares, the Company has maintained adequate documents and records. However the Company has not made any such loan and advances during the year and has no such outstanding at the year end.
- (xiii) The provisions of any special statue applicable to chit fund, nidhi's or mutual benefit fund / societies are not applicable to Company.
- (xiv) The company is not dealing in or trading in shares, securities, debentures or other investments and hence, requirement of paragraph 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) According to the information and explanation given to us the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- (xvi) On the basis of information and explanations given to us the Company has applied term loan, taken during the year, for the purpose for which obtained.
- (xvii) On the basis of an overall examination of Balance sheet and cash flow of the Company and the information and explanations given to us, we report that there are no funds raised on a short-term basis, which have been used for long-term purposes and no long-term funds have been used for short term requirement except working capital requirements of the Company.
- (xviii) The Company has allotted 3,52,400 equity Shares of Rs.10 each to a party i.e. Director of the Company covered in the register maintained under section 301 of the act at a price of Rs.29/per share, which is not prejudicial to the interest of the company.
- (xix) Since the Company does not have any debentures, the question of creation of securities for debentures does not arise.
- (xx) Since the Company has not raised any money from public issue, this clause is not applicable.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For ASHOK SHARMA & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: NEW DELHI DATE: 14/08/2012

(Amit Kumar)
PARTNER

MEMBERSHIP NO.: 500805



#### **MEDICAMEN BIOTECH LIMITED**

#### **BALANCE SHEET AS AT 31.03.2012**

Label	<b>Rs.</b> 78,876,000.00 118,850,627.62
1. Shareholders' funds (a) Share Capital (b) Reserves and Surplus (c) Money received against share warrants  2	118,850,627.62
(a) Share Capital (b) Reserves and Surplus (c) Money received against share warrants  2	118,850,627.62
(b) Reserves and Surplus (c) Money received against share warrants  2 Non- current liabilities (a) Long-term borrowings (b) Deferred Tax liabilities (Net) (d) Long-term Provisions  3	118,850,627.62
(c) Money received against share warrants  2 Non- current liabilities (a) Long-term borrowings (b) Deferred Tax liabilities (Net) (d) Long-term Provisions  3,842,500.00 201,013,346.03  4 1,858,315.47 5 8,947,420.11 6,103,926.00 16,909,661.58  3 Current Liabilities (a) Short term borrowings (b) Trade payables (c) Other current liabilities (d) Short term provisions  7 127,367,568.04 8 317,482,187.15 (c) Other current liabilities 9 21,244,400.18 (d) Short term provisions  10 5,054,368.00 471,148,523.37  TOTAL  8 ASSETS Non-current assets (a) Fixed assets (i) Tangible assets  11 230,349,130.10	
201,013,346.03   201,	
Non- current liabilities	6,397,400.00
(a) Long-term borrowings (b) Deferred Tax liabilities (Net) (d) Long-term Provisions  6	204,124,027.62
(b) Deferred Tax liabilities (Net) (d) Long-term Provisions  3 Current Liabilities (a) Short term borrowings (b) Trade payables (c) Other current liabilities (d) Short term provisions  TOTAL  ASSETS  Non-current assets (a) Fixed assets (i) Tangible assets  5 8,947,420.11 6,103,926.00 16,909,661.58  7 127,367,568.04 317,482,187.15 9 21,244,400.18 5,054,368.00 471,148,523.37	
(d) Long-term Provisions  6 6,103,926.00 16,909,661.58  Current Liabilities (a) Short term borrowings (b) Trade payables (c) Other current liabilities (d) Short term provisions  TOTAL  ASSETS Non-current assets (a) Fixed assets (i) Tangible assets  6 6,103,926.00 16,909,661.58  7 127,367,568.04 317,482,187.15 9 21,244,400.18 10 5,054,368.00 471,148,523.37	8,723,506.17
Current Liabilities	7,323,006.11
3 Current Liabilities  (a) Short term borrowings (b) Trade payables (c) Other current liabilities (d) Short term provisions  TOTAL  ASSETS  Non-current assets (a) Fixed assets (i) Tangible assets  Tagical assets  11 127,367,568.04 317,482,187.15 9 21,244,400.18 10 5,054,368.00 471,148,523.37  689,071,530.98	8,684,229.00
(a) Short term borrowings (b) Trade payables (c) Other current liabilities (d) Short term provisions  TOTAL  ASSETS  Non-current assets (a) Fixed assets (i) Tangible assets  7 127,367,568.04 317,482,187.15 9 21,244,400.18 10 5,054,368.00 471,148,523.37  689,071,530.98	24,730,741.28
(b) Trade payables (c) Other current liabilities (d) Short term provisions  TOTAL  ASSETS  Non-current assets (a) Fixed assets (i) Tangible assets  8 317,482,187.15 21,244,400.18 5,054,368.00 471,148,523.37  689,071,530.98	
(c) Other current liabilities 9 21,244,400.18 5,054,368.00 471,148,523.37 TOTAL 689,071,530.98  II ASSETS Non-current assets (a) Fixed assets (i) Tangible assets 230,349,130.10	75,713,473.15
(d) Short term provisions  10	359,157,680.67
TOTAL  471,148,523.37  689,071,530.98  II ASSETS Non-current assets (a) Fixed assets (i) Tangible assets 230,349,130.10	21,909,164.48
TOTAL    ASSETS	14,548,172.00
ASSETS Non-current assets (a) Fixed assets (i) Tangible assets  230,349,130.10	471,328,490.30
ASSETS Non-current assets (a) Fixed assets (i) Tangible assets  230,349,130.10	
1. Non-current assets (a) Fixed assets (i) Tangible assets 11 230,349,130.10	700,183,259.20
1. Non-current assets (a) Fixed assets (i) Tangible assets 11 230,349,130.10	
(a) Fixed assets (i) Tangible assets 11 230,349,130.10	
(i) Tangible assets 230,349,130.10	
1, 0	
(ii) Intangible assets	228,232,317.62
, ,	1,336,526.00
(iii) Capital work-in-progress 12 1,258,711.00	2,362,984.00
(b) Long-term loans and advances 13 2,913,446.00	2,217,235.00
236,056,166.10	234,149,062.62
2. Current assets	
(a) Current investments 14 200,000.00	=
(b) Inventories 15 126,244,741.00	124,510,388.00
(c) Trade receivables 16 235,674,082.60	219,121,465.16
(d) Cash and Bank Balances 17 29,063,431.64	48,081,247.31
(e) Short-term loans and advances 18 43,335,612.67	44,657,759.27
(f) Other current assets 19 18,497,496.97	29,663,336.84
453,015,364.88	466,034,196.58
TOTAL 689,071,530,98	700,183,259.20
101AL 009,071,530.98	100,103,239.20
Significant accounting policies 1	

As per our attached Report of Even Date For Ashok Sharma & Associates

For & on behalf of the Board of Directors

Amit Kumar

Partner Membership No.: 500805 Place : New Delhi Date: 14-08-2012

**Chartered Accountants** 

Sharmila Chhikara

B.K. Gupta Company Secretary Managing Director

Ashutosh Gupta Whole Time Director



#### MEDICAMEN BIOTECH LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2012

			For The Ye	ar Ended
			31,03,2012	31,03,2011
	PARTICULARS	Note No.	Rs.	Rs.
Lт	Revenue from operations:			
	Sale of Products		1,012,403,713.15	1,229,656,657.23
	Sale of Services		_	5,472,065.00
	Less: Excise Duty		7,134,287.03	5,399,307.58
	-		1,005,269,426.12	1,229,729,414.65
Ш	Other Income	20	7,377,417.06	14,698,300.31
III	Total Revenue (I + II)		1,012,646,843.18	1,244,427,714.96
I۷	Expenses			
	Cost of Materials Consumed	21	740,928,218.54	920,771,614.20
	Purchase of Traded Goods		17,003,235.11	7,621,180.21
	Changes in inventories of finished goods, work in progress			
	and Stock-in- trade	22	(24,482,958.00)	(7,751,607.00)
	Employee benefits expense	23	84,480,164.00	73,438,401.00
	Finance Costs	24	19,149,475.77	17,721,870.63
	Depreciation and amortization expense	11	15,021,177.52	13,707,302.00
	Other expense	25	166,979,371.80	175,845,042.77
	Total Expense		1,019,078,684.74	1,201,353,803.81
V	Profit before exceptional and extraordinary items and			
ľ	tax (III-IV)		(6,431,841.56)	43,073,911.15
VI	Exceptional Items		-	-
VII.	Profit before extraordinary items and tax (V-VI)		(6,431,841.56)	43,073,911.15
   	Extraordinary items		_	_
	,			
IX	Profit before tax (VII-VIII)		(6,431,841.56)	43,073,911.15
×	Tax expense:			
^	(1) Current tax			10.071.500.00
	\ \ /		1 604 414 00	12,971,500.00
	(2) Deferred tax (3) Earlier Year(s)		1,624,414.00 189,076.00	2,187,786.00 145,071.00
	(3) Earlier Year(s)		169,076.00	145,071.00
	Profit/(Loss) for the period from continuing operations			
ΧI	(IX - X)		(8,245,331.56)	27,769,554.15
			(0,243,301.30)	27,703,334.13
XII	Profit/(Loss) for the period		(8,245,331.56)	27,769,554.15
	' '			
XIII	Brought Forward Profit/(Loss) from Previous Year		110,161,911.59	82,392,357.47
XIV	Net Profit/(Loss) carried over to Balance Sheet		101,916,580.03	110,161,911.62
ΧV	Earnings per equity share:		' '	
	(1) Basic		(1.04)	3.59
	(2) Diluted		(1.04)	3.59
	Significant accounting policies	1		

As per our attached Report of Even Date For Ashok Sharma & Associates

**Chartered Accountants** 

For & on behalf of the Board of Directors

Amit Kumar

Partner Membership No.: 500805 Place : New Delhi Date: 14-08-2012

Sharmila Chhikara B.K. Gupta Company Secretary Managing Director

Ashutosh Gupta Whole Time Director



MEDICAMEN BIOTECH LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2012		
Particulars	For the year ended	
	31.03.2012	31.03.201
Cash flow from operating activities		
Net Profit/(Loss) after tax from continuing operations	(8,245,332)	27,769,55
Non-cash adjustment to reconcile profit before tax to net cash flows		
Provision for Taxation	189,076	13,116,57
Depreciation/amortization on continuing operation	15,021,178	13,707,30
Loss/(profit) on sale of fixed assets	(60,000)	16,50
Interest expense	19,149,476	17, 721,87
Interest income	(1,475,300)	(795,525
Adjustment for Deffered Tax	1,624,414	2,187,78
Operating profit before working capital changes	26,203,512	73,724,06
Movements in working capital :	, ,	, ,
Increase/(decrease) in trade payables	(41,675,494)	117, 943,66
Increase / (decrease) in long-term provisions	(2,580,303)	, ,
Increase / (decrease) in short-term provisions	3,477,696	2,187,49
Increase/(decrease) in other current liabilities	(664,764)	(2,398,423
Decrease/(increase) in trade receivables	(16,552,617)	6,465,878
Decrease/(increase) in inventories	(1,734,353)	(36,655,619
Decrease / (increase) in long-term loans and advances	(696,211)	(222,038
Decrease / (increase) in short-term loans and advances	1,322,147	(14,739,380
Decrease/(increase) in other current assets	11,165,840	(17,285,099
Direct taxes paid (net of refunds)	(13,160,576)	(15,499,571
Net cash flow from/ (used in) operating activities (A)	(34,895,124)	113,520,976
Cash flows from investing activities		
Purchase of fixed assets, including intangible assets and CWIP	(16,172,070)	(38,932,851
Purchase of non-current investments	(200,000)	(30,332,033
Interest received	1,475,300	795,52
Net cash flow from/(used in) investing activities (B)	(14,896,770)	(38,137,326
Cash flows from financing activities	2 524 000	1.050.70
Proceeds from issuance of share capital	3,524,000	1,659,76
Proceeds from Securities Premium	6,695,600	3,153,54
Capital Subsidy	(2,530,050)	2,530,05
Shares Warrants	(2,554,900)	6,397,40
Repayment of long-term borrowings	(6,865,191)	(11,883,853
Proceeds from short-term borrowings	51,654,095	(17,057,046
Interest paid	(19,149,476)	(17,721,871
Dividends paid on equity shares	-	(5,791,218
Tax on equity dividend paid	-	(961,850
Net cash flow from/(used in) in financing activities (C)	30,774,078	(39,675,084
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(19,017,816)	35,708,56
Cash and cash equivalents at the beginning of the year	48,081,247	12,372,68
Cash and cash equivalents at the end of the year	29,063,432	48,081,24

As per our attached Report of Even Date For Ashok Sharma & Associates Chartered Accountants

For & on behalf of the Board of Directors

Amit Kumar Sharmila Chhikara B.K. Gupta Ashutosh Gupta
Partner Company Secretary Managing Director Whole Time Director

Membership No.: 500805 Place : New Delhi Date: 14-08-2012



## NOTE `1`: SIGNIFICANT ACCOUNTING POLICIES

- (i) General: The Accounts are prepared on the historical cost basis and on the accounting principle of going concern. All expenses and incomes to the extent considered payable and receivable respectively unless stated otherwise, have been accounted for on mercantile basis. Accounting Policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles. The value of stock of samples is taken as nil.
- (ii) Fixed assets: The gross block of fixed assets are stated at historical cost which includes duties and taxes after deducting the amount of EXCISE DUTY/CENVAT, except in the case of Plant at Haridwar the same is taken at the historical cost of the assets as CENVAT credit is not available since being in Tax free zone.
- (iii) Depreciation: Depreciation is provided on straight line method at the rates and manners specified in schedule XIV of the Companies Act, 1956 on fixed assets used for the purpose of business.
- (iv) Foreign Exchange Transactions: Transactions in foreign currencies are recorded at the rate of exchange in force at the date of transaction. Receivables and Liabilities (considered good), in foreign currency at the year end, are converted at the rate of exchange prevailing at the end of financial year. Export sales are accounted for at the time of dispatch of the material from the factory for export.
- (v) Sales: Sales are inclusive of Excise Duty and are net of Trade discount & Returns.
- (vi) Export Benefits: Export benefits (D.E.P.B. & F.M.S.) are provided on accrual basis on satisfaction of condition relevant to the same.
- (vii) Capital Work in Progress: It includes advances to suppliers of building materials, plant & machineries and other capital assets & will be allocated to fixed assets in year in which such assets will be ready for utilisation.
- (viii) The closing stock as on 31st March, 2012 is as taken, valued and certified by the management.
  - Raw Material, Packing Material and Finished Goods are valued at cost or net realisable value whichever is lower.
  - Work in Progress are valued at estimated cost





- Stores and Spares are valued at cost. Closing stock of finished goods does not include excise duty.
- (ix) The Company has provided Employees Benefits as per the Accounting Standard-15 issued by the Institute of Chartered Accountants of India. Provision for Gratuity and Leave Encashment have been made in the books of accounts on the basis of actuarial valuation using the Project Unit Credit Method.
- (x) Company has made provision for deferred tax effect on the difference of depreciation between the amount, as per Income tax rules and profit & loss account for the year and accumulated retirement benefit provided for during the year.
- (xi) In terms of requirements of the Accounting Standards-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the amount recoverable against Fixed Assets has been estimated for the period end by the management based on their present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.



Particulars		31.03.2012		31.03.2011
		Rs.		Rs.
NOTE `2' SHARE CAPITAL				
-Authorised				
00,00,000 Equity Shares of Rs.10/- each [Previous Year : 100,00,000 Equity Shares of Rs.10/- each]	_	100,000,000.00	_	100,000,000.00
-Issued, Subscribed and Paid up				
2,40,000 Equity Shares of Rs.10/- each fully paid-up. [Previous Year : 78,87,600 Equity Shares of Rs.10/- each]		82,400,000.00		78,876,000.00
TOTAL	_	82,400,000.00	_	78,876,000.00
- Reconciliation of Shares:	Nos	Amt(Rs)	Nos	Amt(Rs)
Opening Share Capital Add: Shares issuued During the year on conversion of warrants Add: Rights/Bonus Shares Issued	7,887,600 352,400	78,876,000.00 3,524,000.00	7,721,624 165,976	77, 216, 240.00 1, 659, 760.00 0.00
Fotal Less: Buy back of Shares	8,240,000 -	82,400,000.00	7,887,600 -	78,876,000.00 0.00
ess Reduction in Capital Closing Share Capital	8,240,000	82,400,000.00	- 7,887,600	0.00 78,876,000.0
-List of Share holders having 5% or more Shares (In Nos)				
ame Of Shareholders	In Nos	In %	In Nos	In %
. Bal Kishan Gupta . Pharmadanica A/S	2,036,294 1,167,300	24.71 14.17	1,661,589 1,167,300	21.0 <sup>-</sup> 14.8
Particulars		31,03,2012		31,03,2011
		Rs.		Rs.
NOTE `3' RESERVES AND SURPLUS				
Capital Reserve		-		2,530,050.00
Securities Premium Reserve				
Opening Balance Add : On allotment of 3,52,400 equity shares @ Rs. 19 Previous Year on allotment of 1,65,976 equity shares @ Rs. 19)		6,157,516.00 6,695,600.00		3,003,972.00 3,153,544.00
Closing Balance	_	12,853,116.00		6,157,516.00
General Reserve		1,150.00		1,150.00
Profit and Loss Account				
Opening Balance		110,161,911.59 (8,245,331.56)		82,392,357.47 27,769,554.15
Add :Profit / (Loss) During the Year Closing Balance	_	101,916,580.03	_	110,161,911.62
TOTAL	<u> </u>	114,770,846.03	<u> </u>	118,850,627.62



Particulars		31.03.2012 Rs.	31.03.2011 Rs.
NOTE `4' LONG TERM BORROWINGS -Secured			
Term Loans			
-From Bank Term Loan from Union Bank Of India		<u>-</u>	6,806,164.00
Secured by way of: i) First Charge on entire Fixed Assets an the Company both present and future. ii) Personal Guarantee of two Directors a Directors			0,000,101.00
iii) 11,61,200 Equity Shares of the Compa Managing Director.	any held by the		
Term Loan from ICICI Bank Limited (V [Secured by way of Hypothecation of vehi Rs.3,04,738.60: Repayable in 60 Instalmen 15/01/2010 and last instalment due on 15/rate of interest of 10.25% p.a. Rs.10,71,617: Repayable in 60 Instalmen 01/07/2010 and last instalment due on 01/07 rate of interest of 9% p.a.	cles] ints started from 11/2014 carrying its started from	1,376,355.60	1,917,342.17
Term Loan from HDFC Bank Limited (I [Secured by way of Hypothecation of vehins.1,05,923.93: Repayable in 35 Instalm 15/05/2011 and last instalment due on 15/4 rate of interest of 15% p.a. Rs.3,65,522.94: Repayable in 35 Instalm 16/03/2012 and last instalment due on 15/4 rate of interest of 13% p.a.	cles] ents started from 03/2014 carrying ents started from	481,959.87	-
	TOTAL	1,858,315.47	8,723,506.17
Particulars		31.03.2012	31.03.2011
NOTE `5' DEFERRED TAX LIABILITY		Rs.	Rs.
Deferred Tax Liabilities (Net)		8,947,420.11	7,323,006.11
	TOTAL	8,947,420.11	7,323,006.11
Particulars		31.03.2012	31.03.2011
NOTE CO.		Rs.	Rs.
NOTE `6' LONG TERM PROVISIONS			
Provision For Employee Benefits - Gratuity		<del>-</del> 4,265,475.00	5,639,794.00
- Leave Encashment		1,838,451.00	3,044,435.00
	TOTAL	6,103,926.00	8,684,229.00



Particulars	31.03.2012 Rs.	31.03.201 Rs
	110.	113
NOTE `7'		
SHORT TERM BORROWINGS		
Loans repayable on demand		
-Secured		
Working Capital Loan from Union Bank of India	127,367,568.04	75,713,473.1
Secured by way of :		
i) First Charge on entire Fixed Assets and Current Assets of		
the Company both present and future.		
ii) Personal Guarantee of two Directors and relative of two		
Directors		
ii) 11,61,200 Equity Shares of the Company held by the		
Managing Director.		
TOTAL	107.007.500.04	75 740 470 4
TOTAL	127,367,568.04	75,713,473.1
Particulars	31.03.2012 Rs.	31.03.201 Rs
NOTE `8'	110.	110
FRADE PAYABLES		
Frade Payables	040.05	
For Goods	240,290,732.29	278,054,366.0
For Expenses	38,004,409.16	37,122,711.0
Refere Note No. 27)		
Others		
Expenses Payables	10,246,205.00	15,403,999.7
Advances from Customers	28,940,840.70	28,576,603.8
TOTAL	317,482,187.15	359,157,680.6
Particulars	31.03.2012	31.03.20
	Rs.	R
NOTE '9'		
OTHER CURRENT LIABILITIES		
Creditors for Capital Goods/Expenses	3,608,462.00	3,645,354.0
Statutory Dues	2,528,263.78	3,851,171.7
Current maturities of long term debt	7,696,394.70	13,670,448.2
Deposits- Security Deposits	4,012,371.00	535,087.0
Unpaid dividends	335,167.38	207,103.5
Any Other Current Liability	3,063,741.32	
TOTAL	21,244,400.18	21,909,164.4
Particulars	31.03.2012	31.03.20
	Rs.	R
NOTE `10' SHORT TERM PROVISIONS		
Provision for Employee Benefits		
- Leave Encashment	1,805,753.00	160,288.0
- Gratuity	2,371,792.00	412,884.0
- Bonus	876,823.00	1,003,500.0
Other Provisions	370,020.00	1,000,000.0
- Provision for Taxation	<u>-</u>	12,971,500.0
TOTAL	5.054.368.00	14,548,172.0
IOIAL	5,054,500.00	14,540,172.0

Note -11: FIXED ASSETS
(i) Tangible Assets

			Gross Block	0.1.60			Depreciation			Net Block	144.50.14
0 11-	Description	Balance	Additions	Sale/Disposal	Balance	Depreciation	Depreciation	Adjustment	Total	W.D.V.	W.D.V.
S. No.		As on	During The	During the Period	As On	As on	During	During	As On	As On	As On
	Land (Lease Hold)	01.04.11	Period	Period	31.03.2012	01.04.11	The period	The period	31.03.2012	31.03.2012	31.03.11
1	& Site Development- Hardwar Land (Lease Hold)	1898785.00	_	_	1898785.00	105265.00	21,098.00	<u>-</u>	126363.00	1772422.00	1793520.00
2	& Site Development- Bhiwadi	7524845.00	-	-	7524845.00	1250088.00	76,009.00	-	1326097.00	6198748.00	6274757.00
3	Cycles	15157.50	2,930.00	6,330.00	11757.50	11405.94	794.00	6330.00	5869.94	5887.56	3751.56
4	Building & Civil Cons.	89709336.69	10,762,947.00	-	100472283.69	22491036.45	3,154,551.00	-	25645587.45	74826696.24	67218300.24
5	Plant & Machinery	96447943.82	4,484,259.00	2,530,050.00	98402152.82	28826200.13	4,588,479.00	-	33414679.13	64987473.69	67621743.69
6	A.C.Plant	36353767.39	2,360,206.00	-	38713973.39	6882491.28	1,759,865.00	-	8642356.28	30071617.11	29471276.11
7	Quality Control	10402560.50	97,436.00	-	10499996.50	1365954.90	497,868.00	-	1863822.90	8636173.60	9036605.60
8	Furniture & Fixtures	15149515.94	166,584.00	-	15316099.94	4942760.16	967,752.00	-	5910512.16	9405587.78	10206755.78
9	Office Equipments	3464296.00	190,041.00	-	3654337.00	876016.48	226,523.00	-	1102539.48	2551797.52	2588279.52
10	Computers	4349827.98	295,153.00	-	4644980.98	1568938.47	736,610.00	-	2305548.47	2339432.51	2780889.51
11	vehicle	11295998.67	423,805.00	447,116.00	11272687.67	4695364.53	1,066,891.00	447,116.00	5315139.53	5957548.14	6600634.14
12	E.T.Plant	520222.00	-	-	520222.00	118351.00	27,543.00	-	145894.00	374328.00	401871.00
13	Boiler	3096894.81	-	-	3096894.81	449636.92	147,506.00	-	597142.92	2499751.89	2647257.89
14	Die & Moulds	2674474.00	264,753.00	-	2939227.00	447704.00	136,415.00	-	584119.00	2355108.00	2226770.00
15	Generator Set	6077722.48	•	-	6077722.48	1753511.91	289,483.00	-	2042994.91	4034727.57	4324210.57
16	Lift	463697.00	-	-	463697.00	81828.00	22,086.00	-	103914.00	359783.00	381869.00
17	Refrigerator	49382.00	-	-	49382.00	24189.52	2,615.00	-	26804.52	22577.48	25192.48
18	Safe	13966.40	•		13966.40	13536.88	429.52	-	13966.40	0.00	429.52
19	Water System	1274324.51	-	-	1274324.51	397673.74	67,469.00	-	465142.74	809181.77	876650.77
20	Weight Machine	1340400.20	85,187.00	-	1425587.20	330078.00	66,111.00	-	396189.00	1029398.20	1010322.20
21	Electric Installation	17328253.17	200,049.00	-	17528302.17	4587022.13	830,390.00	-	5417412.13	12110890.04	12741231.04
	Total	309451371.06	19333350.00	2983496.00	325801225.06	81219053.44	14686487.52	453446.00	95452094.96	230349130.10	228232317.62
	Previous Year	264080489.06	45835532.00	464650.00	309451371.06	68277484.44	13386717.00	445148.00	81219053.44	228033964.62	195803004.62
	(ii) Intangible Asse	ets_									
			Gross	Block			Deprecia	tion Block		Net Block	
	Description	Balance	Additions	Sale/Disposal	Balance	Depreciation		Adjustment	Total	W.D.V.	W.D.V.
S. No.	·	As on	During The	During the	As On	As on	During	During	As On	As On	As On
		01.04.11	Period	Period	31.03.2012	01.04.11	The period	The period	31.03.2012	31.03.2012	31.03.11
1	Software Licenses	1977695.00	533043.00	-	2510738.00	641169.00	334,690.00	-	975859.00	1534879.00	1336526.00
		105			05/			_	0=====	155:	100
-	Total	1977695.00	533043.00	0.00	2510738.00	641169.00	334690.00	0.00	975859.00	1534879.00	1336526.00
<b>—</b>	Previous Year	1977695.00	0.00	-	1977695.00	320584.00	320585.00	0	641169.00	1534879.00	1657111.00



Particulars		31.03.2012		31.03.201
r ai dCuidi S		Rs.		Rs
NOTE '12'				
CAPITAL WORK IN PROGRESS (Pending Capitalisation)				
Plant & Machinery Vehicle		459,000.00		299,251.0
Advances To Suppliers		799,711.00 -		2,063,733.0
Advances to Suppliers		1,258,711.00	· - : =	2,362,984.0
Particulars		31,03,2012 Rs.		31.03.201 Rs
NOTE `13' LONG TERM LOANS AND ADVANCES				
Insecured Considered Good:		0.010.440.00		0.017.005.00
Security Deposits		2,913,446.00		2,217,235.00
TOTAL	-	2,913,446.00	_	2,217,235.00
Particulars	-	31.03.2012	_	31.03.201
. G. AVAIGIO		Rs.		Rs
NOTE 14' CURRENT INVESTMENT				
20000 Units of KBC Union Mutual Fund @Rs.10		200,000.00		-
Total Current Investment	=	200,000.00	_	-
	=		_	
Aggregate NAV of Current Investment TOTAL	185,600.00	-	<del>-</del>	
TOTAL =	185,600.00	-	<u>.                                    </u>	
Particulars		31.03.2012		31.03.201
NOTE `15'		Rs.		Rs
NVENTORIES				
Raw Material		31,438,609.00		57,813,256.00
Packing Material		38,754,907.00		35,119,978.00
Work In Process		22,353,088.00		13,537,614.00
Finished Goods		28,890,300.00		13,088,574.00
Stock-in-Trade		1,122,087.00		1,256,329.00
Stores and Spares Goods in Transit		3,685,750.00		3,616,206.00 78,431.00
TOTAL	=	126,244,741.00	_	124,510,388.00
	=		=	
Particulars		31.03.2012 Rs.		31,03,201 Rs
NOTE `16' TRADE RECEIVABLES				
Unsecured. Considered Good				
Over Six Months				
Good	12,754,191.88		19,254,166.43	
Doubtful	-		-	
Below Six Months Good	222,919,890.72		199,867,298.73	
Doubtful			-	
		235,674,082.60		219,121,465.16
Refere Note No. 35)		235,674,082.60	=	219,121,465.16



Particulars NOTE `17'			31.03.2012		31.03.201
NOTE `17'			Rs.		Rs
CASH AND BANK EQUIVALENTS					
A. BALANCES WITH BANK					
- Balance with Banks		0.440.004.00			
-In Current Accounts		2,140,804.67		36,496,790.22	
-In Fixed Deposit Accounts		11 500 001 00		4 700 500 00	
<ul> <li>As Margin Money with Bank</li> <li>As Earnest Money Deposit</li> </ul>		11,599,334.00	20,508,936.67	4,732,528.00 5,626,026.00	46 OFF 044 C
- Other Bank Balances	_	6,768,798.00	20,300,930.07	5,020,020.00	46,855,344.2
-In Fixed Deposit with more than 12 months	e maturity				
- As Margin Money with Bank	3 maturity	7,676,758.00		47,248.00	
- As Earnest Money Deposit		82,117.00		498,588.00	
- Unpaid Dividend Bank A/c		335,167.38	8,094,042.38	207,103.50	752,939.5
- Cash on Hand	_		460,452.59		472,963.5
	TOTAL			-	
	TOTAL	;	29,063,431.64	=	48,081,247.3
Particulars			31.03.2012 Rs.		31.03.201 Rs
NOTE `18'			ns.		n:
SHORT TERM LOANS AND ADVANCES					
Others					
dvance for Capital Expenses			1,157,326.00		-
dvances to Suppliers			-		1,421,841.0
Prepaid Expenses			1,012,527.50		709,150.5
dvances Staff and Others			72,461.00		599,184.0
Earnest Money Deposit			9,086,557.00		5,136,057.0
Balance with Statutory Authorities			32,006,741.17		36,791,526.7
	TOTAL		10.005.010.07	-	44.057.750.0
	TOTAL	:	43,335,612.67	=	44,657,759.2
Particulars			31.03.2012		31,03,201
NOTE `19'			Rs.		R
OTHER CURRENT ASSETS					
Other Current Asset			18,497,496.97		29,663,336.8
Other Ourient Asset			18,497,496.97	-	29,663,336.8
		:		=	
Particulars			Year ended 31.03.12		Year ended 31.03.1
NOTE `20'			Rs.		R
OTHER INCOME					
THER INCOME			1,475,300.00		795,525.0
			3,965,841.77		795,525.0 12,962,162.6
Interest					12,302,102.0
Interest Foreign Exchange Rate Difference					040 640 6
Interest Foreign Exchange Rate Difference Other non-operating income (net of expenses)			122,396.00		940,612.6
Interest Foreign Exchange Rate Difference					940,612.6 -
Interest Foreign Exchange Rate Difference Other non-operating income (net of expenses)	TOTAL		122,396.00	-	



Particulars			Year ended 31.03.12		Year ended 31.03.11
110== 1041			Rs.		Rs.
NOTE `21' COST OF MATERIAL CONSUMED					
COST OF MATERIAL CONSUMED					
Raw Material Consumed					
Opening Stock		57,813,256.00		42,166,303.00	
Add: Purchases		551,493,572.99		732,539,853.83	
		609,306,828.99	•	774,706,156.83	•
Less : Closing Stock		31,438,609.00	577,868,219.99	57,813,256.00	716,892,900.83
			577,868,219.99		716,892,900.83
Packing Material Consumed					
Opening Stock		35,119,978.00		24,956,211.00	
Add: Purchases		167,684,576.11		217,315,969.87	
Design and Development		1,929,094.80 204,733,648.91	-	140,630.00 242,412,810.87	
Less : Closing Stock		38,754,907.00	165,978,741.91	35,119,978.00	207,292,832.87
Less . Glosling Glock		00,704,007.00	165,978,741.91	00,110,070.00	207,292,832.87
TOTAL-COST OF MATERIAL CONSUMED		,	743,846,961.90		924,185,733.70
Less: Sample Sale		2,918,743.36	2,918,743.36	3,414,119.50	3,414,119.50
NET-COST OF MATERIAL CONSUMED			740,928,218.54		920,771,614.20
		•			
NOTE `22'					
Changes in Inventory of Finished Goods, Work	in Process	and Stock in Trade			
Opening Stock					
Work-in Process		13,537,614.00		5,730,795.00	
Finished Goods Stock In Trade		13,088,574.00 1,256,329.00	27,882,517.00	14,400,115.00	20 120 010 00
Stock III Trade		1,250,329.00	27,002,317.00	-	20,130,910.00
Less : Closing Stock					
Work-in-Process		22,353,088.00		13,537,614.00	
Finished Goods		28,890,300.00		13,088,574.00	
Stock In Trade		1,122,087.00	52,365,475.00	1,256,329.00	27,882,517.00
Stock Decreased /( Increased ) by			(24,482,958.00)		(7,751,607.00)
			V I . I 04 00 40		
Particulars			Year ended 31.03.12		Year ended 31.03.11
Particulars					
NOTE '23'					
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C.			Rs.		Rs.
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses			62,843,495.00 5,562,279.00 7,363,246.00		53,562,826.00 4,282,740.00 7,450,087.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C.			Rs. 62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses	TOTAL		62,843,495.00 5,562,279.00 7,363,246.00		53,562,826.00 4,282,740.00 7,450,087.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses	TOTAL		Rs. 62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00
NOTE '23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration	TOTAL		62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00 84,480,164.00		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses	TOTAL		Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00 84,480,164.00  Year ended 31.03.12		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration	TOTAL		62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00 84,480,164.00		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars	TOTAL		Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00 84,480,164.00  Year ended 31.03.12		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24'	TOTAL		Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00 84,480,164.00  Year ended 31.03.12		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS	TOTAL		Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00 84,480,164.00  Year ended 31.03.12		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00
NOTE `23'  EMPLOYEE BENEFITS EXPENSES  Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses	TOTAL		Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.		53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00 Year ended 31.03.11 Rs.
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan	TOTAL		Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77		Fs.  53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00  Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital	TOTAL		Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00 84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00   Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan			Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77 580,254.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00  Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63 1,035,376.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan	TOTAL		Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77		Fs.  53,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00  Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan			Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77 580,254.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00  Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63 1,035,376.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan			Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77 580,254.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00  Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63 1,035,376.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan			Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77 580,254.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00   Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63 1,035,376.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan			Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77 580,254.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00   Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63 1,035,376.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan			Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77 580,254.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00   Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63 1,035,376.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan			Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77 580,254.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00   Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63 1,035,376.00
NOTE `23' EMPLOYEE BENEFITS EXPENSES Salaries & Allowances Contribution to P.F and E.S.I.C. Workmen and Staff Welfare Expenses Directors Remuneration  Particulars  NOTE `24' FINANCE COSTS Interest Expenses Interest on Term Loan Interest on Working Capital Interest on Car Loan			Rs.  62,843,495.00 5,562,279.00 7,363,246.00 8,711,144.00  84,480,164.00  Year ended 31.03.12 Rs.  1,885,985.00 16,423,872.00 259,364.77 580,254.00		\$3,562,826.00 4,282,740.00 7,450,087.00 8,142,748.00 73,438,401.00   Year ended 31.03.11 Rs.  3,534,731.00 12,872,776.00 278,987.63 1,035,376.00
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NOTE `25'	Year ended 31.03.12	Year ended 31.03.1
	Rs.	Rs
OTHER EXPENSES		
Manufacturing Expenses		
abour Charges	13,041,374.00	11,540,067.00
Power, Fuel & Water	29,940,294.00	37,151,172.00
Consumable Stores	6,049,573.00	7,464,737.80
Freight & Cartage Inwards	5,958,002.00	7,845,429.00
Analysis & Testing Charges	3,471,519.00	4,230,190.34
		2,069,911.20
aboratories Expenses	2,234,097.00	
Effluent Treatment Expenses	81,981.00	79,168.00
Repair & Maintainance		
-Building	1,193,255.00	1,113,390.00
-Machines & Electricals	3,175,683.00	3,325,059.00
-Others	2,349,734.00	4,799,210.00
Other Manufacturing Expenses	537,633.00	356,167.00
TOTAL "A"	68,033,145.00	79,974,501.34
	·	
Administrative, Selling & Other Expenses	2 160 090 00	2,503,035.00
egal & Professional Charges	2,160,090.00	
Consultancy Charges	1,563,043.00	1,341,527.0
Security Services Charges	1,305,338.00	1,055,490.0
Registration Charges	496,424.00	808,340.0
Bank Charges	6,614,157.23	3,632,177.4
ravelling & Conveyance	22,291,766.00	22,268,614.0
Fee & Subscription	641,196.00	719,998.0
/liscellaneous Expenses	9,245,933.70	9,323,603.3
Communication Expenses	4,543,940.76	4,221,790.0
Printing & Stationery	2,571,704.00	2.224.527.0
/ehicle Running Expenses	3.262.716.00	3,181,095.0
Share Listing & Transfer Expenses	108,574.00	112,202.0
Distribution Expenses	11,913,224.50	11,751,453.4
C & F Expenses	<u>-</u>	1,578,607.0
Business Promotion Expenses	2,286,407.00	2,995,451.0
Commission on Sales	4,747,092.00	9,506,034.0
Advertisment	232,021.00	293,342.0
Freight & Cartage Outward	21,601,191.26	16,031,076.4
Packing & Forwarding	75,520.00	277,605.0
nsurance		
- Vehicles	128,884.00	91,592.0
-Stocks & Building	303,384.00	292,155.0
- Others	290,870.35	64,409.7
Rent	2,126,400.00	1,290,667.0
Auditors' Remuneration		
Cost Audit Fee	112,360.00	
Audit Fees	280,900.00	275,750.0
Out- of pocket expenses	43,090.00	30,000.0
TOTAL "B"	98,946,226.80	95,870,541.43
TOTAL "A+B"	166.979.371.80	175,845,042.7
TOTAL "A+B"	166,979,371.80	175,845,042



#### NOTE '26':

Earnings Per Share (EPS) The numerator and denominator used to calculate Basic and Diluted Earnings per Share:

	31.03.2012	31.03.2011
Net Profit/(Loss) After Tax (Rs. in Lacs)	(82.45)	277.70
Average number of Equity Shares outstanding during the year (Nos.)	78,98,220	77,27,535
Equity Shares outstanding at the end of the year (Nos.)	82,40,000	78,87,600
Nominal Value of Equity Share (Rs.)	10.00	10.00
Earnings Per Share Basic (Rs.)	(1.04)	3.59
Earnings Per Share Diluted (Rs.)	(1.04)	3.59

#### NOTE `27`:

Information required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has not been provided by any party dealing with the Company and accordingly no information for the same can be provided. The Company is otherwise generally regular in making payments as per terms except for special reasons.

### NOTE `28`:

Contingent Liabilities: In the opinion of the Board of Directors, adequate provisions have been made in the accounts for all known liabilities. The value of current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet, unless otherwise stated.

#### NOTE `39`:

Value of Imports Calculated on C.I.F. basis: Rs. 4,36,34,228 (Rs.6,69,76,616)

NOTE `30`:

Value of Exports Calculated on F.O.B. basis\*: Rs.59,55,19,483 (Based on shipping Bills) (Rs.85,95,92,053)

\* Excluding Domestic Sales for Export

NOTE `31`:

Expenditure in Foreign Currency: Rs. 11,14,270 (Rs.9,09,081)

NOTE `32`:

The outstanding balances as on March 31, 2012 in respect of parties are subject to verification.



#### NOTE `33`:

The Company has one segment of activity namely "Pharmaceuticals".

#### NOTE `34`:

Misc. Expenditure includes Rs.9,98,244/- as contribution of medicines for Social Welfare to Charitable Institution.

#### NOTE `35`:

The Amount of Rs. 25,30,050.00 received as capital subsidy from Govt. against purchase of machinery shown as capital reserve is transferred to respective assets.

#### NOTE `36`:

Related party disclosure as required by AS-18: Related Party Disclosures' notified by the Companies (Accounting Standard) Rules, 2006 are given below:

Name and Relationships of the Related Parties:

- (i) Associate Concern
  - (a) Medicamen Organics Ltd.
  - (b) Red Line Healthcare.
  - (ii) Companies in which Director is Director
    - (a) Mission Pharma Logistics (India) Pvt. Ltd.
    - (b) Mission Pharma A/S
  - (iii) Key Management Personnel
    - (a) Mr. B.K. Gupta
    - (b) Mr. Ashutosh Gupta
    - (c) Mr. Piyush Gupta

Transactions with the related parties during the year :

(Amount in Rupees)

Transactions with Related	Associate	Companies in which	Key Management
Parties	Concerns/Person	Director is Director	Personnel
Income			
Sales of Material/Goods/	51,41,328	53,93,74,253	
Others	(24,75,250)	(84,25,82,594)	
<u>Expenditure</u>			
Purchase of Material	1,02,57,004	NIL	
	(8,77,50,203)	(NIL)	
Rent	7,33,800		
	(82,800)		
Remuneration			87,11,144
			(81,42,748)
O/S Receivables as on	5,28,983	6,71,38,954	
31.03.2012	(NIL)	(10,98,75,078)	





### **NOTE `37`:**

The Financial Statements for the year ended 31st March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, The Financial Statement for the year ended 31st March 2012 are prepared as per Revised Schedule VI. Accordingly the previous year figures have also been reclassified to conform to this year classification. The adoption of Revised Schedule VI for previous year figure does not impact recognition and measurement principal followed for preparation of Financial Statements.



### MEDICAMEN BIOTECH LIMITED

Regd. Office: 10, Community Centre No. II, Ashok Viahr, Phase-II, Delhi-110052.

14<sup>th</sup> August, 2012

Dear Shareholder,

### **GREEN INITIATIVE**

The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21<sup>st</sup> April, 2011 and Circular No. 18/2011 dated 29<sup>th</sup> April, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Profit & Loss Account, Director's Report, Auditor's Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.

Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details (name, folio no., e-mail id) on the Company's e-mail address viz. cs@medicamen.com. Members who hold shares in electronic form are requested to get their details updated with the respective Depositories.

For Medicamen Biotech Limited

Sd/-

(B.K.Gupta)
Managing Director



### MEDICAMEN Biotech Limited

Regd. Off.: 10, Community Centre No. 2, Ashok Vihar, Phase-II, Delhi - 110 052 (INDIA)

### ATTENDANCE SLIP

(To be handed over at the enterance of the meeting venue)

(10 be handed over at the effectation	e or the meeting venue)
Folio No	
	No. of Shares held
D.P.ID	
Client ID	
NAME AND ADDRESS OF THE SHAREHOLDER	
Name of the Proxy	
I/We hereby record my/our presence at the 19th ANNUA	L GENERAL MEETING of the Company held on
Wednesday, the 26th September, 2012 on 10.00 A.M. at Shree St Delhi-110054	hah Auditorium, Gujrati Samaj, 2, Rajnivas Marg, Civil Lines,
	SIGNATURE OF THE SHAREHOLDER / PROXY
MEDICAMEN Biotec Regd. Off.: 10, Community Centre No. 2, Ashok \	
PROXY FOR	RM
Folio No	No. of Shares held
D.P.ID	
Client ID	
I/We	
R/of	
being a member / members of the MEDICAMEN Biotech Limite	ed, hereby appoint
Mr./Mrs.	
as my/our proxy to vote at the 19th Annual General Meet	ting to be held on Wednesday, the 26th September, 2012
or at any adjournment thereof.	
Signed this day of2012	Affix Revenue Stamp of 30 Paise  Pl. Sign across the stamp
	Signature (Proxy)

Note: The proxy form must be reached to the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not to be a member of the Company.



**Bhiwadi Plant** 



**Hardwar Plant** 



Regd. O ffice: 10, Community Centre N o. 2, A shok Vihar, Phase-II, D elhi-110 052 Tel.: 011-27463506, Fax: +91-11-27138171, Website: www.medicamen.com

### Works:

Unit-1: SP-1192, A & B, Phase-IV, Industrial Area, Bhiwadi-301019 Tel.: 01493-221291, 221292, Fax: 01493-221948 Unit-2: Plot No. 86 & 87, Sector 6A, Industrial Estate, IIE, Hardwar UTTARAKHAND Tel.: 01334-239488/89/90