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Ambalal Sarabhai Enterprises Limited

**32nd Annual Report
2009-10**

Board of Directors

Mr. Kartikeya V. Sarabhai

Chairman

Dr. Vinodchandra C. Shah

Mr. B.V. Suryakumar

Mr. Govind Das Zalani

Dr. Om Dutt Gulati

Mr. Anil H. Parekh

Whole-time Director

Mr. B.S. Bohra

Mr. K. Mohandas

Mr. Ashwin P. Hathi

Mr. Ketan Adhvaryu

Company Secretary

Mr. Deepak Desai

Dy. Company Secretary

Auditors

M/s. Sorab S. Engineer & Co.

Chartered Accountants

Ismail Building

381, Dr. D. Naoroji Road

Fort, Mumbai-400 001

Banker

Punjab National Bank

ICICI Bank Limited

Axis Bank Limited

Registered Office

Sarabhai Campus

Gorwa Road,

Vadodara-390 023

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NOTICE

Notice is hereby given to the shareholders of Ambalal Sarabhai Enterprises Limited that the 32nd Annual General Meeting of the Company held on 31st December 2010 and adjourned sine die, will now be held on Monday, the 28th March, 2011 at 10.00 A.M. at Prof. C.C. Mehta Auditorium, General Education Centre, The Maharaja Sayajirao University of Baroda, Vadodara-390002 to receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2010 and the Balance Sheet as at that date, together with Reports of the Board of Directors and Auditors thereon.

By Order of the Board of Directors,

Ketan Adhvaryu

Company Secretary

Date : 3.3.2011

Place : Ahmedabad

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members who hold equity shares in dematerialized form are requested to bring their DPID and client ID numbers for easy identification of attendance at the meeting.

Directors' Report

To

The Shareholders,

The Directors hereby present their 32nd Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2010.

	(Rs.lakh)	
	2009-10	2008-2009
Turnover (Net)	5765	6251
Other Income	160	316
Total Income	5925	6567
Interest	158	1120
Depreciation	203	204
Extraordinary Income net of expenditure	2635	14406
Net Profit/(Loss) before taxation	711	1804
Net Profit/(Loss)	211	1086

An extraordinary income mainly represents Profit on Sale of part of factory Land and other fixed assets and extraordinary expenses represent expenses incurred in connection with the Sale of factory Land.

Considering carry-over losses of previous years, your Directors are unable to recommend payment of dividend on Equity Shares for the year under review.

Operations:

Pharma Formulations:

During the year under review the Formulation activities were managed by making loan licence arrangement with other pharmaceutical company to meet the production requirements.

Your Directors have planned to relocate manufacturing activities at Ranoli plant to meet the market demand.

The Bulk Drugs productions were manufactured at Ankleshwar on loan license arrangement by **Asence Pharma Pvt. Ltd.**, a Wholly-owned subsidiary of the Company.

Active Pharmaceutical ingredient plant : (Bulk Drugs)

The Bulk Drugs plant of Synbiotics Limited, a Wholly-owned subsidiary of the Company, at Luna was already commenced and production activities have been started.

SCBD undertaking of the Company has already been transferred to **Synbiotics Limited** with w.e.f. 1-10-2010

Marketing:

Sarabhai Chemicals Marketing Division has focused more on Generic business and achieved turn over of Rs.20 crore during the Year under report.

The Oncology Division is strengthened by adding new products like GEMSAR, CAPCID, and SFIL and team of 15 field force.

During the year under review, the Company has conducted marketing and sales training programme. Oncology Division has been registered in many institutions and converted key doctors across the country.

Suvik Hitek Pvt. Ltd. has planned to bifurcate its activities in to two SBU i.e. Production and Marketing.

Electronics :

During the year under review, due to sluggish market scenario, Electronics Division could achieve turnover of Rs. 32 crore as against turnover of Rs. 35.62 crore in the year 2008-09.

From the year 2010 onwards, Electronics Division has entered into other areas such as system integration/audio products marketing as per the current market requirement. With the change in business model, it is expected to do better in the coming years.

The Electronics undertaking of the Company has already been transferred to **Systronics (India) Limited** w.e.f. 1.10.2010.

The pharmaceutical formulation plant of **Vovantis Laboratories Pvt. Ltd.**, a company promoted by the Company at Ranoli has already been commenced and production activities have been started.

Asence Inc., a wholly-owned subsidiary of the Company, incorporated in US specializes in the supply of quality pharmaceutical preparations (Finished Dosage Forms and Active Pharmaceutical Ingredients) to international markets. Asence Inc., through the Company, pursues a multi-layered growth strategy combining internal product development, strategic alliances and collaboration with cGMP manufacturing partners, acquisitions of products and leverage of infrastructure in India and the US.

Real Estate:

As a part of restructuring process, the Company has executed various documents for sale of (i) land at Vadodara and Gandhinagar and (ii) unutilized flat in Mumbai during the year under review.

Extension of Annual General Meeting:

As per Section 166 of the Companies Act, 1956, 32nd

Annual General Meeting was required to be convened and held on or before 30th September 2010. However, as the Company is passing through restructuring process, certain major activities are carried out during the year under report and in view of this, as per decision of the Board of Directors at its meeting held on 20.8.2010, the Company sought extension for holding Annual General Meeting from the Registrar of Companies Ahmedabad and ROC granted such extension up to 31.12.2010. The company held 32nd Annual General Meeting on 31.12.2010 and the same was adjourned sine die to receive, consider and adopt Audited Balance Sheet & Profit and Loss Accounts for the year ended 31.3.2010.

Corporate Governance:

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, Mumbai, Management Discussion and Analysis Report, Corporate Governance Report and Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are made as a part of the Annual Report.

The Company is under restructuring process of its business to strengthen and improve the over all financial condition of the company. During the year under report, the employees union of the Company resorted tactic of stay in strike for above five months in protest of delay in payment of salary/wages of the employees / workers of the company. During this period, they were not allowing managerial staff and executives to enter into their premises and to do their work. Due to such situation, it became almost impossible to carry out day to day functions of the Company and fulfill compliances under provisions of Clause 41 of the Listing Agreement within stipulated period.

Subsidiaries:

A statement pursuant to Section 212 of the Companies Act, 1956 in respect of Subsidiary Companies is appended to the balance sheet. The report and the accounts of the Company may be treated as abridged accounts as contemplated under Section 219 of the Companies Act, 1956. Those shareholders, who are desirous of receiving full reports and accounts including the report and the accounts of the Subsidiaries of the Company, will be provided the same on receipt of written request / requisition in this regard. This will help to save considerable cost in connection with printing and mailing of the report and accounts in respect of the various subsidiaries of the company.

Consolidated Financial Statement:

In compliance of the Accounting Standard AS-21 on Consolidated Financial Statements, the Consolidated Financial Statements, which form part of the Annual Report and Accounts, are attached herewith.

Directorate:

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Mr.G.D. Zalani, Mr.B.V. Suryakumar and Mr. A.H. Parekh were retired by rotation and being eligible were re-appointed.

Fixed Deposits:

The Company has not accepted any fixed deposit during the year.

Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo required to be given by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in the Annexure to this Report in the prescribed format.

Particulars of Employees:

Information as per Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees Rules 1975) is not given since there was no employee drawing remuneration as prescribed under the said Section.

Directors' Responsibility Statement.

As required under Section 217(2AA) of the Companies Act, 1956, we hereby state:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.
- (ii) That 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 affairs of the Company as at 31st March, 2010 and its profit for the year ended on that date.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (iv) That the Directors have prepared the annual accounts on a going concern basis.

Insurance:

Building, Plant and machinery and stocks, have been adequately insured. The Company carries a risk for certain assets like goods in transit in respect of which any loss resulting from non-insurance is small.

Auditor's Report :

With reference to the qualification in the Auditor's Report, the Board submits the following explanations:

Impairment of goodwill :

The Company's key corporate brands and brand names command considerable Goodwill in the Market and the Company's turnaround strategy is based on building on this Goodwill to establish its new line of businesses. The Board therefore does not feel that there is any impairment in the Goodwill shown in the books.

Auditors:

M/s. Sorab S. Engineer & Co., Chartered Accountants, Mumbai, who retired at the Annual General Meeting were reappointed.

Acknowledgement:

Your Directors would like to take this opportunity to express their deep sense of gratitude to the Banks, Government Authorities, Customers and Shareholders for their continuous guidance and support. Further, they would also like to place on record their sincere appreciation for the dedication and hard work put in by one and all members of Sarabhai Pariwar.

For and on behalf of the Board

Kartikeya V. Sarabhai

Chairman

Date: 3.3.2011

Place: Ahmedabad

ANNEXURE TO THE DIRECTORS' REPORT

Disclosure of additional particulars as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, forming part of the Directors' report for the year ended 31st March 2010.

(A) Conservation of Energy &

(B) Technology absorption.

During the year under report, there was no production activities carried out in the factory of the Company and therefore, details are not required to be given.

(C) Foreign exchange earnings and outgo:

- i) The company is making all efforts to boost up the exports of its various products. In this direction, the Company is endeavoring to improve the quality of various products for export market. Company is also forging ties with various foreign parties to strengthen the exports.
- ii)

	Rs. Lakh
Total foreign exchange earned and used	
Foreign exchange earned	- 83.06
Foreign exchange used	- 321.39

Management Discussions and Analysis Report

a) Industry structures and developments:

About Pharmaceuticals....

The pharmaceutical industry in India is among the most highly organized sectors. This industry plays an important role in promoting and sustaining development in the field of global medicine. Due to the presence of low cost manufacturing facilities, educated and skilled manpower and cheap labour force among others, the industry is set to scale new heights in the fields of production, development, manufacturing and research. In 2010, the domestic pharma market in India was estimated to be about US\$ 13 billion and this is likely to increase at a compound annual growth rate and is expected to grow at 9.5 per cent till the year 2015.

Industry Trends:

- The pharma industry generally grows at about 1.5-1.6 times the Gross Domestic Product growth.
- Globally, India ranks third in terms of manufacturing pharma products by volume.
- The Indian pharmaceutical industry is expected to grow at a rate of 9.9 % till 2010 and after that 9.5 % till 2015.
- In 2009-10, India exported drugs worth US\$ 8.7 billion in to the US and Europe followed by Central and Eastern Europe, Africa and Latin America

- The retail pharmaceutical market in India is expected to cross US\$ 12-13 billion by 2012

Risks and Concerns:

Every industry has its own sets of advantages and disadvantages under which they have to work; the pharmaceutical industry is no exception to this. Some of the challenges the industry faces are:

- Regulatory obstacles
- Lack of proper infrastructure
- Lack of qualified professionals
- Expensive research equipments
- Lack of academic collaboration
- Underdeveloped molecular discovery program
- Divide between the industry and academia.

Government Initiatives:

The government of India has undertaken several measures including policy initiatives and tax breaks for the growth of the pharmaceutical business in India. Some of the measures adopted are:

- Pharmaceutical units are eligible for weighted tax reduction at 150% for the research and development expenditure.
- Two new schemes namely, New Millennium Indian Technology Leadership Initiative and the Drugs and Pharmaceuticals Research Program have been launched by the Government.
- The Government is contemplating the creation of SRV or special purpose vehicles with an insurance cover to be used for funding new drug research
- The Department of Pharmaceuticals is mulling the creation of drug research facilities which can be used by private companies for research work on rent.

Pharma Export:

In the recent years, despite the slowdown witnessed in the global economy, exports from the pharmaceutical industry in India have shown good buoyancy in growth. Export has become an important driving force for growth in this industry with more than 50 % revenue coming from the overseas markets. For the financial year 2008-09 the export of drugs was estimated to be \$8.25 billion as per the Pharmaceutical Export Council of India, which is an organization, set up by the Government of India. A survey undertaken by FICCI, the oldest industry chamber in India has indicated 16% growth in the export of India's pharmaceutical growth during 2009-2010.

Future Scenario:

With several companies slated to make investments in India, the future scenario of the pharmaceutical industry looks pretty promising. The country's pharmaceutical industry has tremendous potential of growth considering all the projects that are in the pipeline. Some of the future initiatives are: •According to a study by FICCI-Ernst & Young India will open a probable US\$ 8 billion market for MNCs selling expensive drugs by 2015.

- The study also says that the domestic pharma market is likely to reach US\$ 20 billion by 2015.
- The Ministry of Commerce estimates that US\$ 6.31 billion will be invested in the domestic pharmaceutical sector.
- Public spending on healthcare is likely to rise from 7 per cent of GDP in 2007 to 13 per cent of GDP by 2015.
- Due to the low cost of R&D, the Indian pharmaceutical off-shoring industry is designated to turn out to be a US\$ 2.5 billion opportunity by 2012.

Performance of your Company:

Your Company operates in an area where a large market exists and offers ample opportunities for growth. As per the statistic available, Indian pharmaceutical export will have potential to increase around 9% by the end of financial year 2010 to attain its total export volume of about 9 billion US \$. In order to sustain the future growth, the Indian companies must achieve the right product-mix. The Indian Pharmaceutical industry has witnessed some regulatory and much awaited patent law changes. Due to expansion of patent law covering products into new patent system, MNCs have shown much interest to acquire skill and infrastructure for their research and manufacturing activities. The Indian companies had to make extra efforts to match with the international standard of pharmacy.

During the year 2009-10, the Indian Pharmaceutical industry has significantly exported to regulated markets of US and Europe in Generic Drugs Markets, wherein your Company has also exported substantially its products through Asence Pharma Private Limited, a wholly-owned subsidiary of the Company.

About Electronics

India has gained a 5% cent share of the analytical instruments, laboratory technology and biotechnology instruments industry with a market size of \$1.1 billion. The global market size is put at \$20 billion. The industry in India is growing at rate of 15-16%.

The role of Systronics Division of the Company is to offer the customers the latest in instrumentation, and to

identify products that are ahead of their time. As a result, the focus on a single market is not possible, but evolve to focus on market needs and growing market segments. Systronics Division has been contributing and delivering some of the import substitute products like Double Beam UV- Visible Spectrophotometers, Photo flourimeters etc. Further, to make it complete range available under one roof, Systronics division has entered in to strategic tie up with some of the Local and foreign manufacturers with co-branding or marketing their products like Gas Chromatographs, HPLC, Atomic Absorption spectrophotometers, FTIR, Amino Acid Analyser, Fermentor, Electrophoresis Systems, CO2 Incubators & Hybridization Incubators etc.

TELERAD division of the Company was one of the oldest representatives of Sony in India promoting Broadcast and Professional Video/Audio products for more than 3 decades. The division has expanded its services through 8 branch offices in different locations of India. Telerad division has also extended its services in the area of Design, System Supply, Installation, integration, Training, maintenance and supply of spares while expanding further its operation in professional audio.

The Electronics Division of the Company has been transferred to Systronics (India) Limited w.e.f. 1.10.2010.

Segment-wise Performance:

Segment-wise performance has been enumerated in the Directors' Report

Real Estate:

The Company had executed deeds of conveyance with different parties for the sale of unutilized land as well as flat at Mumbai.

Internal control systems and their adequacy:

The internal control systems are continuously being fine-tuned in line with the changing requirements in the industry. With regular review of the systems by the Audit Committee of the Board, the internal control within the organization continues to be further strengthened.

Financial performance:

Financial performance of the Company has been indicated in the Directors' Report.

Human resources/Industrial relations:

The focus of the management is on the organizational development such as imbibing new entrepreneurship, team work relating to commitment to achieve targeted growth. The relations between the management and workmen continue to remain cordial.

As on date of the report, total employees strength of the Company is 655.

ANNEXURE TO THE DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

I. Corporate Governance Philosophy:

Good Corporate Governance calls for transparency and accountability of a company's management. Your company remains committed to these basic tenets of good governance by full disclosure of its policies and operational practices as will be evident below:-

a) Composition of the Board:

The Company's Board at present has 9 Directors comprising of 2 Executive Directors and 7 Non-executive Directors. Names and categories of the Directors on the Board and the numbers of Directorships and the Committee position held by them in other public limited companies are given below:

Name of Director	Category / Designation	No. of Directorships held in other Public Ltd. companies	No. of Committee Memberships in other companies
Kartikeya V. Sarabhai	Chairman and Whole-time Director	3	2
V.C. Shah	Non-Executive/ Independent	4	-
B.V. Suryakumar	Non-Executive	2	2
G.D. Zalani	Non-Executive/ Independent	-	-
O.D. Gulati	Non-Executive/ Independent	2	-
B.S. Bohra	Non-Executive/ Independent	3	-
K. Mohandas *	Non-Executive	1	-
A.H. Parekh	Whole-Time Director & President (Formulations)	-	-
Ashwin P. Hathi **	Non-Executive/ Independent	-	-

*Ceased to be Whole-Time Director w.e.f. 14.10.2010

** Joined the Board of Directors w.e.f. 24.6.2010.

b) Board Meetings:

The Board met 8 times on the following dates during the

financial year 2009-2010 and the maximum time-gap between the two meetings did not exceed four months.

6.4.2009	16.10.2009
13.4.2009	30.11.2009
18.5.2009	9.1.2010
17.8.2009	4.2.2010

The Agenda papers were circulated to the Directors well in advance before the meetings with sufficient information. The details of attendance of each Directors at the Board Meeting held during the financial year 2009-2010 and at the last Annual General Meeting held on 30.11.2009, together with the sitting fees paid to each Director are given below:

Name of Director	No. of Meetings held during the tenure	No. of Meetings attended	Sitting fees paid for Board Meetings & other Committee Meetings (Rs.)	Attendance at the last AGM	Date of Appointment
Kartikeya					
V.Sarabhai	8	7	Nil	Yes	30.07.1992
Dr. V.C. Shah	8	7	51000	No	30.07.1998
B.V. Suryakumar	8	7	36000	Yes	18.05.2005
G.D. Zalani	8	8	36000	Yes	01.04.1996
Dr.O.D. Gulati	8	8	48000	Yes	26.06.1991
B.S. Bohra	8	3	9000	Yes	20.4.2007
K. Mohandas	8	5	Nil	Yes	19.07.2005
A.H. Parekh	8	8	Nil	Yes	03.01.2006
Ashwin P. Hathi	N.A.	N.A.	N.A.	N.A.	26.6.2010

III Committees of Directors :

The involvement of non-executive Directors in providing guidance on policy matters to the operating management is formalized through constitution of committees of the Board. These committees provide periodical and regular guidance, have exchange of information and ideas between the Non-Executive Directors and the operating management.

The Board has accordingly as required under the Code of Corporate Governance, constituted following Committees:

A) Audit Committee:

The Company has complied with requirements of Clause 49(ii)(D) with regard to composition of the Audit Committee. The composition of the Audit Committee as on 31st March 10 and details of

attendance of Audit Committee Meetings held during the financial year 2009-2010 are as under:

Name of Director	Status	No. of Meetings held	No. of Meetings attended
Dr. V.C. Shah	Chairman	5	5
Dr. O.D. Gulati	Member	5	5
B.V. Suryakumar	Member	5	4

The broad terms of reference specified by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement and under the Companies Act.

B) Shareholders / Investors' Grievance Committee:

The composition of the Shareholders / Investors' Grievance Committee as on 31st March 2010 and details of attendance of Shareholders / Investors' Grievance Committee Meetings held during the financial year 2009-2010 are as under:

Name of Director	Status	No. of Meeting held	No. of Meeting attended
Dr.V.C. Shah	Chairman	1	1
Kartikeya V. Sarabhai	Member	1	1

C) Remuneration Committee :

The composition of the Remuneration and Compensation Committee as on 31st March 2010 and details of attendance of Remuneration Committee Meetings held during the financial year 2009-2010 are as under:

Name of Director	Status	No. of Meeting held	No. of Meeting attended
Dr. V.C. Shah	Chairman	3	3
Dr. O.D. Gulati	Member	3	3
G.D. Zalani	Member	3	3

IV) Details of Terms of Contracts of Whole time Directors :

- The Contract of Mr. Kartikeya V. Sarabhai, Whole-Time Director and Chairman was for a period of 3 years w. e. f. 1.4.2009 and the terms of remuneration were approved by the shareholders at the Annual General Meeting held on 30.11.2009. Application to the Central Government for reappointment and payment of remuneration to Mr.Kartikeya V. Sarabhai as Whole-Time Director of the Company is made and approval for the same is awaited.
- The Contract of Mr. A.H. Parekh, Whole-Time Director is for a period of 3 years w. e. f. 26.12.2008 and the terms of remuneration were approved by the shareholders at the Annual General Meeting held on

28.11.2008. Application to the Central Government for reappointment and payment of remuneration to Mr. A.H. Parekh as Whole-Time Director of the Company is made and approval for the same is awaited.

- The Contract of Mr. K. Mohandas, Whole-Time Director is for a period of 3 years w. e. f. 19.7.2008 and the terms of remuneration were approved by the shareholders at the Annual General Meeting held on 28.11.2008. Application to the Central Government for reappointment and payment of remuneration to Mr. K. Mohandas as Whole-Time Director of the Company was made. The Company has already received an approval from the Central Government. Mr. K. Mohandas ceased to be Whole-Time Director w.e.f. 14.10.2010. However he would continue as Non-Executive Director.

V) General Body Meetings:

The last three Annual General Meetings of the Company were held at Vadodara on the following date, time and Location.

Year	Date	Time	Location
2006-07	29th AGM 29th September, 2007	11.00 A.M.	Mahatma Gandhinagar Grih, Vadodara
2007-08	30th AGM 28th November, 2008	11.00 A.M.	Mahatma Gandhinagar Grih, Vadodara
2008-09	31st AGM 30th November, 2009	11.00 A.M.	Prof. C. C. Mehta Auditorium, General Education Centre, The Maharaja Sayajirao University of Baroda

All the resolutions set out in the respective Notices of the aforesaid meetings were passed by the shareholder/s of the Company unanimously.

VI) Disclosures:

- As required under the Companies Act, the Directors disclose the name of the Companies / parties in which they are interested and accordingly the Register of Contracts Under Section 301 of the Companies Act, 1956 is tabled and signed at the Board Meeting/s.
- Transactions with the “related parties” are disclosed in detail in note forming part of Accounts’ annexed to the financial statements for the year ended 31st March 2010. Adequate care was taken by the Board to ensure that the potential conflict of interest did not harm the interest of the Company.
- The Company has tried to comply with the provisions of Stock Exchange / SEBI / Statutory Authorities on all matters related to Capital Markets.

There was no non-compliance during the years 2007-08 and 2008-09 by the Company on any matter related to Capital Markets.

However, during the year under report, the Company could not comply fully with the provisions of Clause 41 of the Listing Agreement within a stipulated time for the reasons, which are beyond control of the management of the Company.

4) Means of Communications:

- Quarterly/Half yearly Financial Result of the Company are being submitted to the Bombay Stock Exchange Limited and published in Loksatta (Gujarati Language) and the Business Standard (English Language).
- Management Discussion & Analysis Report is a part of this Directors’ Report to the shareholders.

VII) General Shareholder Information:

1 Registered Office	Sarabhai Campus Gorwa Road, Vadodara-390 023
2 Venue, Day & Date of Adjourned 32nd Annual General Meeting.	Prof. C.C. Mehta Auditorium, General Education Centre, The Maharaja Sayajirao University of Baroda, Vadodara-390002.
3 Financial Calendar	From 1st April 2009 to 31st March 2010
4 Book Closure dates	From 27.12.2010 to 31.12.2010 (Both days inclusive)
5 Dividend Payment Date	Not applicable
6 Listing on stock exchange:	Bombay Stock Exchange Limited—Scrip Code No. - 500009

VIII) Stock Price Data:

MONTH	HIGH (BSE) (Rs.)	LOW (BSE) (Rs.)	BSE SENSEX	
			High	Low
April-2009	11.49	8.02	11492.10	9546.29
May-2009	16.45	9.84	14930.54	11621.30
June-2009	16.80	12.35	15600.30	14016.95
July-2009	14.70	9.60	15732.81	13219.99
August-2009	13.47	10.35	16002.46	14684.45
September-2009	14.91	12.00	17142.52	15356.72
October-2009	16.05	11.63	17493.17	15805.20
November-2009	13.94	10.85	17290.48	15330.56
December-2009	15.55	10.30	17530.94	16577.78
January-2010	15.00	11.30	17790.33	15982.08
February-2010	14.05	10.71	16669.25	15651.99
March-2010	12.20	10.00	17793.01	16438.45

IX) Share Transfer System:

The shares of the Company are compulsorily traded in dematerialization form, w.e.f. 28.8.2000, as per SEBI's directive. The Company has already appointed MCS Ltd., Vadodara as its RTA for dematerialization purposes and has also set up the requisite facilities for dematerialization of shares with National Securities Depositories Ltd. (NSDL) and Central Depository Securities (India) Ltd. (CDSL).

For physical Share Transfer, if the share transfer documents are in order, share transfers are registered upon approval by the Share Transfer Committee of Directors, the meetings of which Committee of Directors are generally held at regular intervals of about 15 / 20 days. Thereafter, duly transferred share certificates are dispatched to the respective shareholders.

Total shares transferred during financial year 2009-10	59,196
Total Transfer Deeds received and processed during financial year 2009-10	507
Total No. of shares(s) Demated as on 31st March 2010	61161012
% of total Equity shares in Demat as on 31st March 2010	79.81%

X) Distribution of Shareholding - as on 31st March, 2010:

Category	No. of Shares	%
Promoters	23318951	30.43
FII/NRI	414187	0.54
Public Financial		
Institutions & Nationalized Banks	359212	0.47
Mutual Funds/UTI	-	-
Bodies Corporate	21241361	27.72
Indian Public	31296585	40.84
Total	76633296	100.00

XI) Distribution of Shareholding as on 31st March, 2010 (both in physical & electronic form):

No. of Equity Shares held	No. of Share holders	% of Shareholders	No. of Shares held	% of Shareholding
1 to 500	164973	93.4554	12328682	16.0879
501 to 1000	7816	4.427	5961016	7.7786
1001 to 2000	2377	1.3465	3486832	4.5500
2001 To 3000	470	0.2662	1195114	1.5595
3001 To 4000	208	0.1178	751204	0.9803
4001 To 5000	197	0.1116	934498	1.2194
5001 To 10000	237	0.1343	1770162	2.3099
Over 10000	248	0.1405	50205786	65.5144
Total.....	176526	100.0000	76633294	100.0000

XII) Dematerialization of Shares:

During the year under review, 160359 (0.34%) shares were dematerialized in National Securities Depository Ltd. and Central Depository Services (India) Ltd.

ISIN No. : E432A01017

XIII) Plant Locations:

- 1) Village Ranoli, Dist. Vadodara.
- 2) Naroda Industrial Estate, Ahmedabad.

XIV) Address for Correspondence:

Shareholders can correspond either at the office of its Common Agency viz. MCS limited, Neelam Apartment, 88 Sampatrao Colony, Alkapuri, Vadodara-390007 or at the Company's Registered Office, situated at Sarabhai Campus, Gorwa Road, Vadodara-390 023.

Queries of shareholders shall be addressed to Mr. Ketan Adhvaryu, Company Secretary - Email - ketanadhvaryu@sarabhai.co.in and Mr. Deepak Desai, Dy. Company Secretary - Email - ddesai@sarabhai.co.in.

Queries relating to the financial statements of the Company shall be addressed to Mr. Deven V. Shah, CFO - Email - devenshah@sarabhai.co.in.

The Company Secretary and Dy. Company Secretary are designated by the Company as 'Compliance Officers'.

AUDITORS' CERTIFICATE

To the Members of

Ambalal Sarabhai enterprises Limited

We have examined the compliance of conditions of Corporate Governance by Ambalal Sarabhai Enterprises Limited, for the year ended 31st March, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of 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 and the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement subject to compliance of various provisions of Clause 41

of the listing Agreement beyond a stipulated time.

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

For **Sorab S. Engineer & Co.**
Firm Registration No. 110417 W
Chartered Accountants

C.A. M.P. Antia

Place : Ahmedabad
Date : 03-03- 2011

Partner
Membership No.7825

AUDITORS' REPORT

To the Members of Ambalal Sarabhai Enterprises Limited

1. We have audited the attached Balance Sheet of Ambalal Sarabhai Enterprises Limited as at 31st March, 2010, the Profit and Loss Account and the 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 auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto 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 in paragraph 3 above, we report that:
 - (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - (c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except as stated in para (f) below;
 - (e) on the basis of written representations received from the Directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on March 31, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon, subject to:
 - i) Adjustment in 1992-93 of debit balance in Profit and Loss Account amounting to Rs. 2519.31 lakh against revaluation reserve which was not in accordance with the accounting practice recommended by the Institute of Chartered Accountants of India;
 - ii) The Company has not considered impairment of Goodwill and other Assets as per Accounting Standard AS – 28 "Impairment of Assets" Amount unascertained;
 - iii) Due to uncertainties regarding the amounts in respect of the above point we are unable to opine on the effect of the same on the profit for the year.

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 March 31, 2010;

- b) in the case of Profit and Loss Account, of Profit for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **Sorab S. Engineer & Co.**
Firm Registration No. 110417 W
Chartered Accountants

C.A. M.P. Antia
Partner

Place : Ahmedabad
Date : 28-01-2011

Membership No.7825

and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

- (v) (a) On the basis of the audit procedures performed by us, and according to the information and explanations given to us, we are of the opinion that, the transactions in which Directors were interested as contemplated under section 297 and section 299 of the Companies Act, 1956 and which were required to be entered in the register maintained under section 301 of the said Act, have been so entered;

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market price at the relevant time;

- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provision of the Act and the rules framed there under. No order has been passed by the Company Law Board, or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- (vii) The Company has a firm of Chartered Accountants as an internal auditor. On going through their report, in our opinion the coverage is adequate and commensurate with the size of the Company and the nature of its business.

- (viii) We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not however made a detailed examination of these records with a view to determine whether they are complete.

- (ix) (a) The Company is generally not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income

ANNEXURE TO THE AUDITORS' REPORT

Re: Ambalal Sarabhai Enterprises Limited

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 except Furniture.
- (b) All the major assets have been physically verified by the management during the year. We are informed that no material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed off a major part of the fixed assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. No material discrepancy noticed on verification between the physical stocks and the book records.
- (iii) The Company has not granted/taken any loans, secured or unsecured to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, requirement of clauses (iii, b), to iii(g) of paragraph 4 of the order are not applicable.
- (iv) In our opinion and according to the information

Tax, Service Tax, and Sales Tax. The extent of arrears of such outstanding statutory dues as at 31.03.2010 for a period of more than six months from the date they became payable are as under:

Particulars	Rs. Lakh
Income Tax	4.08
Sales Tax	56.79
ESIC	26.39
PF	0.47
Service Tax	1.85

Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956.

(b) Following disputed statutory dues have not been deposited:

Nature of the Statute	Nature of the dues	Rs. in Crores	Period to which the amount relates	Forum where matter is pending
Sales Tax Act	Sales Tax	21.96	1985-1986, 1989-1990, 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006	Appellate Tribunal, Commissioner of Sales tax
Central Excise Act	Excise Duty	61.69	2007-08, 2008-09	Commissioner (Appeal) Central
		54.36	1985-1986, 1986-1987, 1987-1988, 1988-1989	Excise & Customs, CESTAT - Delhi
Income Tax Act	Income Tax	173.17	1979-1980, 1980-1981, 1982-1983, 2003-2004	High Court

pledge of shares, debentures and other securities.

- (xiii) The Company is not a chit fund or a nidhi/mutual benefit fund/society.
- (xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) The Company has not given any guarantee for loans taken by others from financial institution or bank.
- (xvi) The Company has not obtained any term loans during the year.
- (xvii) According to the information and explanations given to us, funds raised on short term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) According to the information and explanations given to us, the Company has not issued any Secured Debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Sorab S. Engineer & Co.
Firm Registration No. 110417 W
Chartered Accountants

C.A. M.P. Antia
Partner

Place : Ahmedabad
Date : 28-01-2011

Membership No.7825

- (x) Accumulated losses at the end of the financial year are more than fifty percent of Company's net worth. Company has not incurred cash losses in the financial year under report. The Company has not incurred cash losses in the immediately proceeding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.
- (xii) The Company has not granted any loans and advances on the basis of security by way of

Balance Sheet

as at 31st March, 2010

	Schedule	As at 31.3.10 Rs. Lakh	As at 31.3.09 Rs. Lakh
SHARE CAPITAL AND LIABILITIES			
Share Capital	1	7663.33	7663.33
Reserves and Surplus	2	1876.44	1910.96
Secured Loans	3	542.53	416.38
Unsecured Loans	4	270.46	88.60
Current Liabilities and Provisions	5	13667.19	14456.71
Total		24019.95	24535.98
ASSETS			
Fixed Assets (Net Block)	6	6576.65	6874.90
Investments	7	4416.43	4109.75
Current Assets, Loans and Advances	8	9359.29	9668.78
Profit and Loss Account	9	3667.58	3882.55
Total		24019.95	24535.98
Significant Accounting Policies and Notes to Accounts	12		

As per our Report attached

For Sorab S Engineer & Co.
Firm Registration No 110417 W
Chartered Accountants
M.P. Antia
Partner
Membership No. 7825
Ahmedabad, Date : 28-01-2011

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Sactetary
Ahmedabad, Date : 28-01-2011

Profit & Loss Account for the year ended 31st March, 2010

	Schedule	2009-10 Rs. Lakh	2008-09 Rs. Lakh
Sales and Services		5,911.70	6460.40
Less: Excise Duty		146.53	209.45
		<u>5,765.17</u>	<u>6250.95</u>
Other Income	10	159.85	315.82
INCOME		<u>5,925.02</u>	<u>6566.77</u>
Cost of Sales and Services	11	7,488.65	17845.36
EXPENDITURE		<u>7,488.65</u>	<u>17845.36</u>
Gross Margin / (Loss)		(1,563.63)	(11278.59)
Interest			
Term Loans		27.61	218.66
Others		130.25	901.40
		<u>157.86</u>	<u>1120.06</u>
Depreciation		233.70	242.69
Less: Transfer from Capital Reserve		30.50	38.93
		<u>203.20</u>	<u>203.76</u>
Operating Profit / (Loss) before extraordinary income / expenditure		(1,924.69)	(12602.41)
Excess provision of Taxation		0.95	- -
Extraordinary Expenses(Refer Note No: 13)		472.07	2972.16
Extraordinary Income(Refer Note No: 13)		3,106.76	17378.39
Net Extraordinary Income		<u>2,634.69</u>	<u>14406.23</u>
Net Profit before taxation		710.95	1803.82
Provision for taxes			
Current Taxes		500.00	700.00
Fringe Benefit Tax		-	18.68
Net Profit after taxation		210.95	1085.14
Balance as per last year's Balance Sheet		<u>(8,788.04)</u>	<u>(9873.18)</u>
Balance carried to Balance Sheet		<u>(8,577.09)</u>	<u>(8788.04)</u>
Earning Per Share (Refer Note No: 17)			
Face value of Rs. 10/- per Equity Share			
Basic/Diluted before Extra-ordinary item [in Rs.]		(3.16)	(17.38)
Basic/Diluted after Extra-ordinary item [in Rs.]		0.28	1.42

Significant Accounting Policies and Notes to Accounts 12

As per our Report attached

For Sorab S Engineer & Co.
Firm Registration No 110417 W
Chartered Accountants
M.P. Antia
Partner
Membership No. 7825

Ahmedabad, Date : 28-01-2011

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Secretary

Ahmedabad, Date : 28-01-2011

SHARE CAPITAL	SCHEDULE 1	
	As at	As at
	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh
Authorised Capital		
9,50,00,000 Equity Shares of Rs. 10 each	9500.00	9,500.00
Issued, Subscribed and Paid-up Capital		
76633296 Equity Shares of Rs.10 each fully paid	7663.33	7,663.33
	7663.33	7663.33

Of the above shares:

31,36,504 shares were issued and allotted as fully paid-up bonus shares by capitalisation of reserves.

RESERVES AND SURPLUS	SCHEDULE 2	
	As at	As at
	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh
Capital Reserves		
Balance as per last Balance Sheet	850.04	1640.97
Less: Transferred to General Reserve - Account	4.02	752.00
Less: Transferred to Profit and Loss Account	30.50	38.93
	815.52	850.04
Share Premium Account		
Balance as per last Balance Sheet	1060.92	1060.92
	1060.92	1060.92
General Reserve		
Balance as per last Balance Sheet	4905.49	4153.49
Add: Transferred from Capital Reserve	4.02	752.00
Less Debit balance In Profit and Loss Account to adjusted	4909.51	4905.49
	-	-
Total	1876.44	1910.96

SECURED LOANS	SCHEDULE 3	
	As at	As at
	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh
Loans from Banks		
Term Loan (1)	--	8.33
	--	8.33
Loans from Others including interest accrued and due (2)	542.53	408.05
Total	542.53	416.38

Notes

1 Secured by hypothecation of vehicles.

2 Secured by charge on one of the properties, and pledge of 941975 Equity Shares of ORG Informatics Ltd.

UNSECURED LOANS	SCHEDULE 4	
	As at	As at
	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh
Short Term Loans		
Short-term Loans from others	266.30	71.47
Interest Accrued and Due	4.16	17.13
Total	270.46	88.60
Current Liabilities and Provisions	SCHEDULE 5	
	As at	As at
	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh

Current Liabilities

Sundry Creditors:

Due to Small and Medium Enterprises(Refer Note No:18)	--	--
Due to Others	8,194.80	9,615.70
	8,194.80	9,615.70
Interest accrued but not due	-	6.63
	8,194.80	9,622.33

Provisions

Provision for Taxation	4,034.77	3,513.66
Accrued Gratuity Liability	1,188.29	1,104.74
Accrued Leave		
Encashment Liability	249.33	215.98
	5,472.39	4,834.38
Total	13,667.19	14,456.71

FIXED ASSETS

SCHEDULE 6

Rs. Lakh

Asset	Gross Block at Cost / Revaluation				Depreciation				Net Block	
	As at 01.04.09	Additions during the year	Deductions during the year	As at 31.03.10	As at 01.04.09	for the year	Adjust- ments	As at 31.03.10	As at 31.03.10	As at 31.03.09
Goodwill	2277.62	-	-	2277.62	-	-	-	-	2277.62	2277.62
Land	2363.92	-	76.00	2287.92	-	-	-	-	2287.92	2363.92
Leasehold Land	32.93	-	-	32.93	-	14.53	-	14.53	18.40	32.93
Buildings	1391.86	-	-	1391.86	773.09	44.10	-	817.19	574.67	618.77
Plant and Machinery	4462.01	9.70	51.83	4419.88	3055.13	141.86	17.63	3179.36	1240.52	1406.88
Furniture and Fixture	375.70	19.29	-	394.99	304.07	22.23	-	326.30	68.69	71.63
Vehicles	100.39	-	5.87	94.52	65.35	10.98	5.59	70.74	23.78	35.04
Library	0.10	-	-	0.10	0.09	-	-	0.09	0.01	0.01
	11004.53	28.99	133.70	10899.82	4197.73	233.70	23.22	4408.21	6491.61	6806.80
Capital Work-in-progress	-	-	-	-	-	-	-	-	85.04	68.10
									6576.65	6874.90
Previous year	14138.51	40.54	3174.52	11004.53	5633.80	242.69	1678.76	4197.73	6806.80	

Investments

SCHEDULE 7

(Long Term - At cost/Book Value)

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
--	------------------------------	------------------------------

I Trade Investments
(Quoted)

- 2051275 Ordinary shares of Rs.10 each fully paid of ORG Informatics Limited	205.49	205.49
	<u>205.49</u>	<u>205.49</u>

II Other Investments (Unquoted)

- 1,100 Ordinary shares of Rs.25 each fully paid of Co-operative Bank of Baroda Limited	0.28	0.28
- 5 Ordinary shares of Rs.50 each fully paid of Kailash Nivas Housing Society Limited (Rs.250/-) *		*
- 10 Ordinary shares of Rs.50 each fully paid of Kailash Kripa Housing Society Limited		0.01
- 1 Ordinary share of Rs.1000 fully paid of Baroda Industrial Development Corporation Ltd.	0.01	0.01
- 1,204 Ordinary shares of Rs.25 each fully paid of Manekchowk Co-operative Bank Limited	0.30	0.30
- 73,498 "B" class shares of 1 pound each fully paid of Teknoserv (Jersey) Limited	36.33	36.33
- 9 Ordinary shares of 1 pound each of Asence Limited (Rs.445) *		*
	<u>36.92</u>	<u>36.93</u>

III In Subsidiaries (Unquoted)

35,000 Ordinary shares of

Rs.1000 each Rs.100 paid up of Synbiotics Limited.	35.00	35.00
- 80946 Ordinary shares of Rs.1000 each fully paid up of Synbiotics Limited.	3804.46	3804.46
- 50,000** Ordinary shares of Rs.10 each fully paid of Mautik Exim Limited	5.00	5.00
- 50,000 Ordinary shares of Rs.10 each fully paid of Haryana Containers Limited	8.53	8.53
- 500 Non-assessable shares of US\$10 each of Asence Inc.	2.34	2.34
- 100000 Ordinary shares of Rs.100 each Rs.10 paid of Systronics (India) Limited	10.00	10.00
- 250,000 Ordinary shares of Rs.10 each fully paid of Suvik Hi-tek P Limited	1.00	1.00
	<u>3866.33</u>	<u>3866.33</u>

IV In Joint Venture Company

3076811 Ordinary shares of Rs.10 each fully paid of Vovantis Laboratories P Ltd (Previous year Subsidiary Company)	307.69	1.00
	<u>307.69</u>	<u>1.00</u>
Total	<u>4416.43</u>	<u>4109.75</u>

* Less than Rs. 500

** 240 shares are in the name of nominees of the Company

Aggregate of Quoted Investments:

Cost	205.49	205.49
Market Value	229.95	132.31

Aggregate of Unquoted Investments

4210.94	3904.26
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**CURRENT ASSETS,
LOANS AND ADVANCES****SCHEDULE 8**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Inventories (as certified by the Management)		
Stores and Spares (at cost)	11.63	10.63
Raw materials and Packing materials (at cost or Net Realizable Value)	109.87	267.99
Stock-in-process (at cost)	218.38	246.94
Finished Goods (at cost or Net Realizable value)	347.92	300.59
Goods in transit (at cost)	37.86	--
	<u>725.66</u>	<u>826.15</u>
Sundry Debtors (Unsecured)		
Considered Good		
Over six months	32.10	528.77
Others	1,784.39	1734.50
	<u>1,816.49</u>	<u>2263.27</u>
Considered Doubtful		
Over six months	543.28	349.56
Less: Provision for doubtful debts	543.28	349.56
	<u>--</u>	<u>--</u>
	<u>1,816.49</u>	<u>2263.27</u>
Cash and Bank Balances		
Cash and Cheques on hand	8.06	9.59
Balance with Scheduled Banks in:		
Current Accounts	951.45	690.69
Margin Money Account	239.62	254.16
Fixed Deposits	195.04	177.50
	<u>1,394.17</u>	<u>1131.94</u>
Loans and Advances		
Unsecured and considered good		
Due from Subsidiaries (net)	469.09	339.90
Advances recoverable in cash or kind or for value to be received	1,452.81	1561.14
Unsecured and Considered Doubtful	311.16	270.49
Less: Provision for doubtful advances	311.16	270.49
	<u>--</u>	<u>--</u>
Balances with Customs, Port Trust etc.	31.86	25.65

Advance payment of Tax	3,469.21	3520.73
	<u>5,422.97</u>	<u>5447.42</u>
Total	<u>9,359.29</u>	<u>9668.78</u>

PROFIT AND LOSS ACCOUNT**SCHEDULE 9**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Balance as per Last Year's Balance Sheet	(8788.04)	(9873.18)
Profit for the year	210.95	1085.14
	<u>(8577.09)</u>	<u>(8788.04)</u>
Less: Adjusted from General Reserve	4909.51	4905.49
Balance Carried to Balance Sheet	<u>(3667.58)</u>	<u>(3882.55)</u>

OTHER INCOME**SCHEDULE 10**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Miscellaneous Income	43.82	235.80
Sundry Balances Written off (Net)	19.60	--
Bad Debts Recovered	1.86	--
Bank and Other Interest (1)	74.37	63.94
Profit on Sale of Assets (Net)	8.31	--
Foreign Exchange difference (Net)	--	6.26
Scrap Sales	2.43	--
Royalty	9.46	9.82
	<u>159.85</u>	<u>315.82</u>
1. Tax Deducted at Source	7.98	12.03

COST OF SALES AND SERVICES**SCHEDULE 11**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Raw and Process		
Materials consumed	704.48	768.48
Trading Products purchased	3,260.93	3985.90
Salaries, Wages and Bonus	1,840.89	3186.22
Contribution to provident and other funds	134.59	159.23
Welfare Expenses	97.22	122.96
Remuneration to Directors	53.41	62.26
Stores and Spares	18.41	35.58
Power and Fuel	123.03	123.11
Repairs to Buildings	40.32	37.86

Repairs to Machinery	26.51	53.51
Factory Overheads	107.63	124.14
Selling Commission	50.54	65.21
Wholesalers' /		
Distributors' Discount	3.08	2.11
Selling Expenses	25.63	311.23
Sales Tax	2.42	651.76
Distribution Expenses	32.77	29.95
Travelling	147.11	158.32
Rent	78.35	56.45
Rates and Taxes	58.09	95.22
Miscellaneous Expenses	371.75	495.73
Liquidated Damages	8.91	123.64
Research and Development	1.55	4.56
Insurance	3.38	7.50
Legal Charges	80.45	104.24
Investments Written off	--	14.45
Loss on sale of Fixed Assets (Net)	--	89.25
Foreign Exchange difference (Net)	2.49	--
Audit Fees	5.52	5.00
Directors' Fees	1.80	1.98
Donation	0.05	--
Excise duty - others	8.56	25.49
Bad Debts/Advances	26.70	8165.93
Provision for Bad and Doubtful		
Debts and advances	234.94	6.10
Sundry Balances Written off (Net)	--	7.38
	7,551.51	19080.75
Less:		
Adjustments for Past Provision	46.94	1259.06
	7504.57	17821.69
(Increase)/Decrease in Stock-in-trade		
Opening Stock:		
Stock in Process	246.94	307.05
Finished Goods	300.59	264.52
	547.53	571.57
Closing Stock:		
Stock in Process	218.38	246.94
Finished Goods	347.92	300.59
	566.30	547.53
Inventory Variance	(18.77)	24.04
Excise duty in value of Stocks		
(Increase)/Decrease	2.85	(0.37)
Total	7488.65	17845.36

SCHEDULE 12**Significant Accounting Policies and Notes to Accounts****I. SIGNIFICANT ACCOUNTING POLICIES:****(A) ACCOUNTING CONVENTION**

The Company follows the accrual method of accounting. The financial statements have been prepared in accordance with the historical cost convention (except so far as they relate to revaluation of fixed assets and providing for depreciation on revalued amounts) and accounting principles generally accepted in India.

The preparation of financial Statements requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(B) INFLATION

Assets and liabilities are recorded at historical cost to the Company (except so far as they relate to revaluation of fixed assets and providing for depreciation on revalued amounts).

(C) REVENUE RECOGNITION

(C.1) Sales are recognized based on passage of title to goods which generally coincides with dispatch. Revenue from export sales are recognized on shipment basis. Sales are stated inclusive of excise duty and net of returns & Sales Tax/VAT.

(C.2) Revenue from job work services is recognized based on the services rendered in accordance with the terms of contracts.

(D) VALUATION OF INVENTORY

(D.1) The stock of Raw Materials and finished goods have been valued at the lower of cost and net realizable value. The cost has been measured on weighted average cost basis and includes cost of materials and cost of conversion.

(D.2) All other inventories of stores and consumables are valued at cost. Cost is measured on weighted average cost basis. Excise duty wherever applicable is provided on finished goods lying within the factory.

(E) FIXED ASSETS & DEPRECIATION

(E.1) Fixed assets are stated at their original cost of acquisition/revalued cost wherever applicable less accumulated depreciation. Cost comprises of all costs incurred to bring the assets to their location and working condition.

(E.2) Depreciation on Revalued Fixed Assets is calculated on Straight Line Method based on their expected life as determined by the valuers or lives as determined on Straight Line Method as per Schedule XIV to the Companies Act, 1956 whichever is lower.

(E.3) Depreciation on additions other than vehicles and few other assets is calculated on Straight Line Method as per Schedule XIV to the Companies Act, 1956. Depreciation of vehicles and few other assets is calculated on Written Down Value Method as per Schedule XIV to the Companies Act, 1956.

(E.4) Difference between depreciation calculated on revalued cost and historical cost of assets is withdrawn from capital reserve.

(E.5) Individual assets costing less than Rs. 5,000/- have been fully depreciated in the year of purchases.

(F) IMPAIRMENT OF ASSETS

An Asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable value.

(G) INVESTMENTS

Long Term investments are stated at cost/book value. Fall in the value, other than temporary, has been charged to Profit & Loss Account.

(H) FOREIGN CURRENCY TRANSACTIONS

(H.1) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

(H.2) Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(H.3) Non monetary foreign currency items are carried at cost / book value.

(H.4) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

(I) EMPLOYEE BENEFITS

(I.1) The Company has Defined Contribution Plans for post employment benefits namely (a) Superannuation Fund which is administered through trustees and (b) Provident Fund which is administered through trust and / or to the Government. The Company's contributions thereto are charged to revenue every year. The Company's Contribution to State Plans namely Employee's State Insurance Fund and Employee's Pension Scheme are charged to revenue every year.

(I.2) The Company has Defined Benefit Plans namely leave encashment / compensated absences and Gratuity for all the employees, the liability for which is determined on the basis of an actuarial valuation at the year end and incremental liability, if any, is provided for in the books. Gratuity scheme is unfunded.

(I.3) Actuarial Gains and Losses comprise of experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Profit and Loss Account as income or expense.

(J) TAXES ON INCOME

(J.1) Tax expense consists of both current as well as deferred tax liability. Current tax represents amount of income tax payable in respect of taxable income for the year.

(J.2) Deferred tax is recognized on timing difference between the accounting income and the taxable income for the year that originates in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

(J.3) Deferred tax asset is recognised and carried forward to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(K) EARNING PER SHARE

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year.

II. NOTES TO ACCOUNTS

1. Figures for the previous year have been re-grouped wherever necessary and are shown below those of

current year or in brackets in the 'Notes'.

2. 941,975 Ordinary Shares of Rs. 10 each fully paid of ORG Informatics Limited and 35,000 Ordinary Shares of Rs.1,000/- each Rs. 100 paid up of Synbiotics Limited have been pledged for financial assistance and 3,00,000 shares of Rs. 10 each fully paid of ORG Informatics Ltd. are pledged with a bank on behalf of another company.
3. (a) Transfer of Rs.30.50 lakh (Rs. 38.93 lakh) from Capital Reserve to Profit and Loss Account represents the difference between depreciation charged on "revalued amount" of assets and depreciation calculated on "historical cost" of assets;
- (b) Further a sum of Rs. 4.02 Lakh (Rs. 752.00 Lakh) has been transferred to general reserve from capital reserve on account balance of Revaluation Surplus in respect of assets sold / otherwise disposed off during the year.
4. Remuneration to Directors:

	2009-10 Rs. Lakh	2008-09 Rs. Lakh
Salary	44.08	49.92
Contribution to Provident Fund and Superannuation Fund	4.26	5.29
Benefits including perquisites	5.07	7.05
	53.41	62.26
Sitting fees	1.80	1.98
	55.21	64.24

Rs. 11.40 lakhs paid to Mr. Kartikeya V. Sarabhai Chairman and Rs. 11.40 lakhs paid to Mr. A. H. Parekh whole time Director is subject to approval of Central Government

5. Hon'ble Supreme Court has allowed Company's Civil Appeals against the judgment and order of the Division Bench of Gujarat High Court vide which Division Bench by its order had set aside the order of the Single Judge sanctioning Scheme of Arrangement relating to Company's erstwhile Swastik Division and Electronics Division. While allowing the appeals, Hon'ble Supreme Court has directed that Company shall execute a guarantee favouring the Central Bank of India and Bank of Baroda in respect of their dues in the suit filed by them which is pending before the Debts Recovery Tribunal. The Company has accordingly given the guarantee. BIFR passed an order for winding up

of Swastik Surfactants Limited (SSL) since the Revival Scheme had failed. However, SSL appealed this order in AAIFR, which has remanded the case to BIFR with appropriate directives.

In all the earlier Revival Schemes, SSL had acknowledged liabilities of banks as well as liabilities towards ASE. In view of this, ASE had approached BIFR and AAIFR to be imp leaded in the matter, which has been allowed by AAIFR.

With regard to the Guarantee given by the Company favouring Central Bank of India and Bank of Baroda, the Company has received on 31.12.2010, a notice from Kotak Mahindra Bank Limited, Mumbai, invoking the guarantee dated 16.12.2003 on behalf of Bank of Baroda in its capacity as trustee of IARC-BOB-01/07 trust on behalf of International Asset Reconstruction Company Pvt Ltd. The Company has not accepted the demand made of Rs. 3770.51 Lakh and based on legal advise, the Company is taking necessary action required in the matter.

6. Uncalled liability in respect of party paid shares held as investments Rs. 90 Lakh (Previous Year Rs 90 Lakh).
7. No provision is considered necessary for following contingent liabilities:

	2009-10 Rs. Lakh	2008-09 Rs. Lakh
(I) Customs and Excise	128.03	2.44
(ii) Income Tax	173.17	173.17
(iii) Sales Tax	21.96	9.20
(iv) Claims not acknowledged as debt	39830.68	1554.65
(v) Claims by Government for payment into DPEA	716.09	716.09
(vi) Guarantee given by banks on behalf of the Company	301.64	304.54
8. Contracts on Capital Account remaining to be executed amount to Rs.33.53 Lakh (Rs. 10.35 lakh).		
9. Sales and Services' comprise of Sales Rs. 5633.17 lakh (Rs. 6092.93 lakh) and recovery of share in cost of various utilities, expenses, etc. Rs. 278.53 lakh (Rs. 367.47 lakh).		
10. Miscellaneous expenses include fees to Auditors for other services of Rs. 6.05 lakh (Rs. 4.44 lakh) and reimbursement of out of pocket expenses of Rs. 1.30 lakh (Rs. 1.38 lakh).		

11. Deferred Tax

In terms of the provisions of the Accounting Standard – 22 “Accounting for Taxes on Income” notified by Companies (Accounting Standards) Rules, 2006, there is a net deferred tax asset on account of accumulated business losses and unabsorbed depreciation.

In compliance with provisions of Accounting Standard and based on General Prudence, the Company has not recognized the deferred tax asset while preparing the accounts of the year under review.

12. Employee benefits AS-15(Revised)**(I) Define benefit Plans – As per Actuarial Valuation as on 31.03.10**

Rs. Lakh			
Sr. No.	Particulars	Gratuity	
I	Expense recognized in the Statement of Profit & Loss Account for the year ended	31.03.2010	31.03.2009
1.	Current Service Cost	40.56	68.58
2.	Interest Cost	79.35	109.12
3.	Expected Return on Plan Assets		
4.	Past Service Cost (Non Vested Benefit) Recognized		
5.	Past Service Cost (Vested Benefit) Recognized		
6.	Actuarial (Gain) / Loss	91.68	242.56
7.	Total Expenses	211.59	420.26
II	Amount recognized in the Balance Sheet as on	31.03.2010	31.03.2009
1.	Liability at the end of the year	1188.29	1104.74
2.	Fair Value of Plan Assets	–	–
3.	Amount recognized in the Balance Sheet under “Provision for Gratuity”	(1188.29)	(1104.74)
III	Change in Obligation during The year ended	31.03.2010	31.03.2009
1.	Liability at the beginning of the year	1104.74	1906.50
2.	Interest Cost	79.35	109.11
3.	Current Service Cost	40.56	68.58
4.	Benefit Paid	(123.58)	(1222.02)
5.	Actuarial (Gain)/ Loss on obligation	87.22	242.56
6.	Liability at the end of the year	1188.29	1104.74

IV Change in Fair value of Plan

Assets during the year ended	31.03.2010	31.03.2009
1. Fair Value of Plan Assets at the beginning of the year		
2. Expected Return on Plan Assets		
3. Contribution by Employer	123.58	1222.02
4. Actual Benefit Paid	(123.58)	(1222.02)
5. Actuarial gain / (loss) on Plan Assets		
6. Fair Value of Plan Assets at the end of the year		
7. Actuarial Gain/(Loss) to be recognized	(87.22)	(242.56)

V	Balance Sheet Reconciliation	31.03.2010	31.03.2009
1.	Opening Net Liability	1104.74	1906.50
2.	Expenses Recognised in Profit & Loss Account	211.59	420.26
3.	Employer's Contribution	(123.58)	(1222.02)
4.	Amount Recognised in Balance Sheet	1188.29	1104.74

(II) Actuarial Assumptions:

1.	Discount Rate:	8%	8%
2.	Salary Growth Rate:	4%	4%

13. Extra ordinary income mainly represents Profit on Sale of part of factory Land and other fixed assets and extra ordinary expenses represent expenses incurred in connection with the Sale of factory Land.

14. Segment Reporting:

Rs. Lakh		
Particulars	2009-10	2008-09
Segment Revenue		
a) Pharmaceuticals	2,543.94	2,688.34
b) Electronics	3,221.23	3,562.61
Total Sales	5,765.17	6,250.95
Less : Inter Segment Revenue		-
Net Sales	5,765.17	6,250.95
Segment Results		
Segment Results before Interest & Finance Cost		
a) Pharmaceuticals	(2177.79)	(11,924.45)
b) Electronics	251.11	126.28
Total Segment Results	(1,926.68)	(11,798.17)
Less : Interest & Finance Cost	157.86	1,120.06
Profit / (Loss) from Ordinary Activities	(2,084.54)	(12,918.23)
Extra Ordinary Items (Net)	2,795.49	14,722.05
Profit / (Loss) before Tax	710.95	1,803.82

Other Information		
Segment Assets		
a) Pharmaceuticals	13,174.87	10,403.91
b) Electronics	2,761.07	2,626.11
c) Unallocable	4,416.43	4,109.75
Total Assets	20,352.37	17,139.77
Segment Liabilities		
a) Pharmaceuticals	13012.00	10,388.55
b) Electronics	655.19	554.50
c) Unallocable	–	–
Total Liabilities	13,667.19	10,943.05
Segment Depreciation		
a) Pharmaceuticals	164.29	176.73
b) Electronics	38.91	27.03
c) Unallocable	–	–
Total Depreciation	203.20	203.76
Capital Expenditure		
a) Pharmaceuticals	40.62	64.58
b) Electronics	5.31	19.36
c) Unallocable	–	–
Total Capital Expenditure	45.93	83.94
Non Cash Expenses other than Depreciation		
a) Pharmaceuticals	197.26	8,000.65
b) Electronics	64.38	185.83
c) Unallocable	–	–
Total Non Cash Expenses other than Depreciation	261.64	8,186.48
Secondary Segment (Geographical by customers)		
Particulars	2009-10	2008-09
Segment Revenue		
a) In India	5,682.11	6,062.79
b) Out side India	83.06	188.16
	5,765.17	6,250.95
Carrying Cost of Assets by location of assets		
a) In India	20,352.37	17,139.77
b) Outside India	–	–
Total	20,352.37	17,139.77
Addition to Assets		
a) In India	40.62	64.58
b) Out side India	–	–
Total	40.62	64.58

Notes:

- The Company has disclosed business segments as the primary segment. Segments have been identified taking into account the nature of the products, differential risks and returns, the Organizational structure and internal reporting system. The Company's operations predominantly relate to manufacturing of Drugs, Formulation, Electronics Instrument and Services.
- Types of Products and Services in each business segment :
Pharmaceuticals : Drugs, Formulations
Electronics : Electronics Instruments and Services
- Inter-segment Revenues are recognised at sales price.

15. Related Party Disclosures:

As per the Accounting Standard on "Related Party Disclosures (AS 18)" notified by Companies (Accounting Standards) Rules, 2006, the related parties of the Company are as follow:

1 List of Related Parties Relationship

(A) Name of Related Party	Description of relationship
Synbiotics Limited	Subsidiary Company
Haryana Containers Limited	Subsidiary Company
Asence Inc. USA	Subsidiary Company
Asence Pharma Pvt. Ltd.	Sub. of Sub. Company
Mautik Exim Limited	Subsidiary Company
Systronics (I) Ltd.	Subsidiary Company
Suvik Hitek Pvt. Ltd.	Subsidiary Company
Vovanties Lab. Pvt. Ltd.	Joint Venture Company

(B) Key Management Personnel:

Name of the related party	Nature of relationship
Mr. Kartikeya V. Sarabhai	Chairman
Mr. K Mohandas	Whole time Director
Mr. A.H. Parekh	Whole time Director
Mr. L Ramaswamy	Whole time Director (upto 29.09.2009)

Note:

Related party relationship is as identified by the Company and relied upon by the Auditors.

2 Related Party Transactions:

Rs. in Lakh

Particulars	Related Parties		
	Related Parties (1A) above	Related Parties (1B) above	
	Subsidiary Companies	Joint Venture Company	Key Management Personnel
Purchase of Goods / Services	52.54		

	(23.20)		
Recovery of Salaries etc. of seconded employees	17.12	42.72	
	(-)	(-)	
Sales of goods	91.79	0.54	
	(11.57)	(-)	
Processing Income	0.60	-	
	(3.12)	(-)	
Recovery of share in cost of various utilities and expenses etc.	24.34	5.17	
	(45.61)	(-)	
Remuneration to key management personnel	-	-	53.41
	(-)	(-)	(62.26)
Finance			
Loans Given	200.00	-	
	(-)	(-)	
Receivable in respect of Current Assets	523.12	2.89	
	(547.05)	(-)	
Loans	200.00	-	
	(-)	(-)	
Payable in respect of Current Liabilities	1023.39	0.00	
	(207.15)	(-)	

16. Sundry Debtors, Sundry Creditors and Loans and Advances include certain accounts which are subject to confirmation/reconciliation and consequential adjustments if any, the effect of which is not ascertainable.

17. Earning Per Share :

Calculation of EPS (Basic & Diluted)

Particulars		2009-10	2008-09
Profit / (Loss) available to Equity Shareholder before Extra Ordinary Item	(Rs. in Lakh)	(2423.74)	(13321.09)
Profit / (Loss) available to Equity Shareholder after Extra Ordinary Item	(Rs. in Lakh)	210.95	1085.14

Weighted average no. of Equity Shares for Basic and Diluted EPS	Nos.	76633296	76633296
Nominal value of Equity Shares	Rs.	10	10
Basic and Diluted Earning per Equity Share before Extra Ordinary Item	Rs.	(3.16)	(17.38)
Basic and Diluted Earning per Equity Share after Extra Ordinary Item	Rs.	0.28	1.42

(Rs.in Lakh)

(A) Reconciliation of the profit/(loss) for the year, used for calculating Earning per Share		2009-10	2008-09
Profit / (Loss) for the year before Extra Ordinary Items		(2423.74)	(13321.09)
Net Extra Ordinary Income		2634.69	14406.23
Profit / (Loss) available to Equity Shareholder after Extra Ordinary Item		210.95	1085.14

18. Small and Small and Medium Enterprises Dues:

The Company has not received any intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosures, regarding:

- Amount due and outstanding to suppliers as at the end of accounting year,
- Interest paid during the year
- Interest payable at the end of the accounting year
- Interest accrued and unpaid at the end of the accounting year, has not been provided.

The Company is making efforts to get the confirmation from the suppliers as regards their status under the Act.

19. Information pursuant to schedule VI of Companies Act, 1956 in respect of goods manufactured**A. Class of goods manufactured**

	Unit	Licensed capacity	Installed capacity (Note 4)	Opening stock Qty.	Production Qty. (Note 1)	Closing stock Qty.	Turnover Qty. (Note 2)	Rs. Lakh
I. Drug and Pharmaceuticals:								
a) Bulk Drugs and Intermediates								
1. Vitamin C	MT	1000 (1000)	600 (600)	2.30 (2.60)	0.00 (-)	-- (2.30)	-- (0.30)	- (0.91)
b) Formulation:								
1. Injectables:	M.Vials	- -	- (-)	0.174 (0.01)	3.690 (4.186)	0.000 (0.174)	3.864 (4.012)	171.83 (242.70)
2. Liquid	KL	-	- (-)	-- (0.13)	- (-)	-- (0.13)	- (-)	- (-)
3. Ointments	MT		- (-)	- (-)	-- (0.06)	- (-)	- (-)	- (-)
4. Powders	MT	- -	- (-)	0.000 (2.35)	0.073 (0.44)	- (-)	0.073 (2.79)	69.23 (2.24)
5. Tablet and Capsules	M.Nos	- -	- (-)	0.00 (1.20)	10.311 (13.25)*	- (-)	10.311 (12.81)	142.00 (151.45)
II. Electronics								
1. Oscilloscopes	Pieces	1500 (1500)	1500 (1500)	16 (60)	24 (44)	21 (16)	16 (44)	3.18 (7.64)
2. Test Instruments	Pieces	1500 (1500)	1500 (1500)	89 (140)	513 (469)	97 (89)	504 (483)	35.52 (35.40)
3. Textile Analytical Instruments Pieces	Pieces	6000 (6000)	6000 (6000)	555 (602)	5266 (4647)	513 (555)	5267 (4651)	1424.52 (1220.64)
III. Others								74.15 (20.12)
								1920.43 (1681.10)

1. Includes production for captive consumption.

* Including purchases of 0.814 M. Nos.

2. Includes free samples.

3. In terms of Press Note No.4 (1994) dated October 25, 1994 issued by the Department of Industrial Development, Ministry, Government of India, and Notification no. S.O.137 (E) dated March 1, 1999 issued by the Department of Industrial Policy and Promotion, Ministry of Industry, Government of India, Industrial licencing has been abolished in respect of Bulk Drugs and Formulation.

4. Installed capacity is as certified by management except manufacturing of formulation at Baroda factory is discontinued on account of sale/discarding of plant & machinery since 2008-09, hence installed capacity for formulation activity is not mentioned.

B. Class of goods Traded

	Unit	Opening Stock		Purchases		Closing Stock		Turnover	
		Qty.	Rs.Lakh	Qty.	Rs. Lakh	Qty.	Rs. Lakh	Qty.	Rs. Lakh
I. Drug and Pharmaceutical									
a) Formulations									
1. Injectables	Th.Nos	5.94 (12.00)	6.80 (1.00)	90.98 (2479.59)	583.98 (164.53)	4.32 (5.940)	24.16 (6.80)	92.60 (2485.65)	621.55 (168.61)
2. Liquid	KL	- (-)	- (-)	512.78 (499.23)	392.82 (874.08)	- (-)	- (-)	512.78 (499.23)	414.37 (921.75)
3. Ointments	MT	0.00 (0.05)	- (-)	7.81 (-)	27.08 (-)	- (-)	- (-)	7.81 (0.05)	28.66 (-)
4. Powders	MT	0.00 (0.09)	- (-)	448.71 (44.43)	119.28 (110.05)	- (-)	- (-)	448.71 (44.51)	125.84 (116.05)
5. Tablets and Capsules	Th.Nos	74 (2118.00)	1.00 (7.55)	6599.26 (59459.10)	781.68 (1096.65)	528.00 (74.00)	10.54 (1.00)	6145.26 (62077.05)	949.47 (1207.78)
II. Electronics									
Video Equipment	Nos	23 (35)	18.86 (20.21)	318.00 (431.00)	420.96 (607.39)	20 (23)	32.34 (18.86)	309 (443)	455.11 (691.26)
III. Others					935.13 (1133.20)				1117.74 (1306.38)
					3260.93 (3985.90)				3712.74 (4411.83)

C. Raw Materials Consumed. @

	Unit	2009-10		2008-09	
		Quantity	Rs.Lakh	Quantity	Rs.Lakh
Antibiotics	KG	8	32.67	4	19.69
Board and Paper	MT	9.474	1.78	7.29	1.31
Chemotherapeutic Agents	MT	0.887	174.27	1	205.50
Gelatine Capsules	TH	4000	2.35	3726	2.00
Sugar	MT	0.300	0.06	0.36	0.07
Anti Cancer	KG	1250	17.97		
Others			422.53		422.91
Packing Materials			52.85		117.00
			704.48		768.48

@Includes captive consumption.

D. Consumption of Raw and Process Materials and Stores and Spares:

	2009-10		2008-09	
	Rs. Lakh	%	Rs. Lakh	%
Raw and Process Materials				
Imported	307.07	43.59	324.81	42.27
Indigenous	397.41	56.41	443.67	57.73
	<u>704.48</u>	<u>100.00</u>	<u>768.48</u>	<u>100.00</u>
Stores and Spares				
Imported	-	-	-	-
Indigenous	6.00	100.00	-	-
	<u>6.00</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

E. CIF Value of Imports:

	2009-10	2008-09
	Rs. Lakh	Rs. Lakh
Raw Materials	120.29	104.79
Components and Spares	168.44	216.08
Other Items	24.08	13.81

F. Expenditure in foreign currencies:

	2009-10	2008-09
	Rs. Lakh	Rs. Lakh
Travelling	5.16	9.48
Others	3.42	2.25

G. Earning in foreign currencies:

	2009-10	2008-09
	Rs. Lakh	Rs. Lakh
FOB Value of Exports	0.57	0.29
Commission	82.49	187.87

Signature to schedules 1 to 12

As per our report attached

For Sorab S Engineer & Co.
Firm Registration No 110417 W
Chartered Accountants
M.P. Antia
Partner
Membership No. 7825
Ahmedabad, Date : 28-01-2011

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Secretary
Ahmedabad, Date : 28-01-2011

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2010

	Rs. Lakhs 2009-2010	Rs. Lakhs 2008-2009
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) after tax and extra-ordinary items	210.95	1085.14
Adjustments for:		
Depreciation	203.20	203.76
Provision for Taxation	500.00	718.68
Excess Provision for Taxation	(0.95)	0.00
Provision for Doubtful Debts/Advances	261.64	8172.03
Interest (Net)	83.49	1056.12
Extra Ordinary Income	(2634.69)	(14406.23)
Loss on Sale of Investments	0.00	14.45
Loss/(Profit) on Sale of Fixed Assets	(8.31)	89.25
	<u>(1595.62)</u>	<u>(4151.94)</u>
Operating Profit before Working Capital Changes	(1384.67)	(3066.80)
Working Capital Changes:		
Changes in Inventories	100.49	292.88
Changes in Trade Receivables	158.07	180.14
Changes in Current Liabilities	(1304.00)	(8371.62)
Net Changes in Working Capital	(1045.44)	(7898.60)
Cash Generated From Operations	(2430.11)	(10965.40)
Advance Tax / TDS		
(Net of Income Tax Refund)	73.58	(203.96)
Net Cash from Operating Activities	<u>(2356.53)</u>	<u>(11169.36)</u>
B Cash Flow from Investing Activities		
Purchase of Fixed Assets	(45.93)	(83.94)
Sale of Fixed Assets	118.79	1406.51
Changes in Investments	(306.68)	(12.00)
Extra Ordinary Income	2634.69	14406.23
Interest Income	74.37	63.94
Net Cash Flow from Investing Activities	<u>2475.24</u>	<u>15780.74</u>
C Cash Flow from Financing Activities		
Changes in Borrowings	308.01	(3249.11)
Interest Paid	(164.49)	(1298.16)
Net Cash Flow from Financing Activities	<u>143.52</u>	<u>(4547.27)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	262.23	64.11
Cash & Cash Equivalent at the beginning of the Period	1131.94	1067.83
Cash and Cash Equivalent at the end of the Period	<u>1394.17</u>	<u>1131.94</u>
Notes to Cash Flow Statement (Refer Schedule, Note No.)		
As per our Report attached		

For, Sorab S. Engineer & Co.
Chartered Accountants
M. P. Antia
Partner
Membership No. 7825

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Secretary

Ahmedabad : 28-01-2011

Ahmedabad : 28-01-2011

**Additional Information pursuant to Part IV of Schedule VI to the Companies Act, 1956
Balance Sheet Abstract and Company's General Business Profile**

1 Registration Details	
Registration No.	: 3159
State Code	: 05
Balance Sheet Date	: 31.03.2010
2 Capital raised during the year (Amount in Rs. Thousands)	
Public issue	: Nil
Right issue	: Nil
Bonus issue	: Nil
Private placement	: -
3 Position of Mobilisation and Deployment of funds (Amount in Rs. Thousands)	
Total liabilities	: 2401995
Total assets	: 2401995
Sources of Funds	
Paid-up Capital	: 766333
Reserves and Surplus	: 187644
Secured Loans	: 54253
Unsecured Loans	: 27046
Net Current Liabilities	: 430790
Application of Funds	
Net Fixed Assets	: 657665
Investments	: 441643
Accumulated Losses	: 366758
4 Performance of Company (Amount in Rs. Thousands)	
Turnover	: 576517
Total Expenditure	: 784971
Profit/(Loss) Before Tax	: 71095
Profit/(Loss) After Tax	: 21095
Earning per share (Rs.)	: 0.28
Dividend Rates (%)	: Nil

5 Generic names of Principal Products/ Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	: 29225090
Product Description	: Tramadol Hcl Capsules, Injections, Tablets etc.

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Secretary

Ahmedabad : 28-01-2011

Statement pursuant to Section 212 of the Companies Act, 1956

Name of Subsidiary	Haryana Containers Limited	Synbiotics Limited	Asence Inc. USA	Mautik Exim Limited	Asence Pharma PLtd	Vovantis Lab Pvt. Ltd.	Systronics India Ltd.	Suvik Hitek Pvt. Ltd.
Financial year of the subsidiary ended on	31.03.2010	31.03.2010	31.12.2009	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010
Percentage of Ordinary share capital of the subsidiary held by the holding company at the above date	100%	100%	100%	100%	100%	50%	100%	100%
The net aggregate amount of Profits/(Losses) of the subsidiary so far as they concern the members of Ambalal Sarabhai Enterprises Limited:								
(i) Dealt with in the accounts of Ambalal Sarabhai Enterprises Limited for the subsidiary's financial year and the previous financial years. Rs Lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Not dealt with in the accounts of Ambalal Sarabhai Enterprises Limited:								
(a) For the subsidiary's financial year Rs. Lakh	(0.07)	(230.02)	(80.90)	(0.08)	320.14	(0.67)	6.79	(154.20)
(b) For the previous financial year(s) of the subsidiary since it became subsidiary of the Company Rs. Lakh	(1.80)	208.75	88.78	(1.02)	234.15	Nil	(29.36)	(121.06)
Change in the interest of Ambalal Sarabhai Enterprises Limited in the subsidiary between end of financial year of subsidiary and that of Ambalal Sarabhai Enterprises Limited	NA	NA	NA	NA	NA	NA	NA	NA
Material changes between the end of the financial year of subsidiary and that of Ambalal Sarabhai Enterprises Limited in respect of subsidiary's fixed assets, investments, lending and borrowing for any purpose other than meeting current liabilities	NA	NA	NA	NA	NA	NA	NA	NA

Kartikeya V. Sarabhai
Chairman

V. C. Shah

Director

Ketan Adhvaryu

Company Secretary

Ahmedabad :28-01-2011

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF AMBALAL SARABHAI ENTERPRISES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AMBALAL SARABHAI ENTERPRISES LIMITED AND ITS SUBSIDIARIES.

1. We have examined the attached Consolidated Balance Sheet of Ambalal Sarabhai Enterprises Limited and its subsidiaries ("ASE Group") as at 31st March 2010, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year then ended.
2. These consolidated 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. We have conducted our audit in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of 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 statements. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of one Subsidiary and Joint Venture Company whose financial statements reflect (before giving effect to the consolidation adjustments) total Assets of Rs. 442.53 lakh as at 31st March 2010 and total Revenue of Rs. Nil for the year then ended. These Financial Statements have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amount included in respect of these subsidiaries and Joint Venture Company, is based solely on the report of the other auditors.
4. Financial Statements of a foreign subsidiary in USA have been compiled and certified by Mark R Weksler & Company, Certified Public Accountant for the year ended 31st December 2009. This report has been furnished to us. They have reported that, "We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them." We are informed that audit is not necessary under the USA law considering the size of the Company. These financial statements reflect total assets of

Rs. 88.26 lakh as at 31st December 2009 and total revenue of Rs. 179.06 lakh for the year ended on that date.

5. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements' with reference to note mentioned in para 4 above and on the basis of the separate audited financial statements of the ASE Group included in the consolidated financial statements.
6. On the basis of information and explanations given to us, and on the consideration of the separate audit reports on individual audited financial statements of the ASE Group and subject to :
 - i) Adjustment in parent company in 1992-93 of debit balance in Profit and Loss Account amounting to Rs. 2519.31 lakh against revaluation reserve which was not in accordance with the accounting practice recommended by the Institute of Chartered Accountants of India.
 - ii) The Company has not considered impairment of Goodwill and other assets, as per Accounting Standard AS - 28 "Impairment of Assets" Amount unascertained
 - iii) Note No. 17 Regarding non provision of doubtful debt of Rs. 3.05 lakhs and doubtful advances of Rs. 7.94 lakhs
 - iv) Due to uncertainties regarding the amounts in respect of the above point we are unable to opine on the effect of the same on the profit for the year.

we are of the opinion that :

- (a) the Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the ASE Group as at 31st March, 2010;
- (b) the Consolidated Profit and Loss Account gives a true and fair view of the consolidated loss of the ASE Group for the year then ended and
- (c) the Consolidated Cash Flow Statement gives a true and fair view of the consolidated cash flows of the ASE Group for the year then ended.

For **Sorab S. Engineer & Co.**
Firm Registration No. 110417 W
Chartered Accountants

C.A. M.P. Antia
Partner

Place : Ahmedabad
Date : 03-03-2011

Membership No. 7825

Consolidated Balance Sheet as at 31st March, 2010

	Schedule	As at 31.3.10 Rs. Lakh	As at 31.3.09 Rs. Lakh
SHARE CAPITAL AND LIABILITIES			
Share Capital	1	7,663.33	7,663.33
Reserves and Surplus	2	2,201.39	2,235.91
Secured Loans	3	868.48	639.31
Unsecured Loans	4	549.82	244.64
Current Liabilities and Provisions	5	14,802.68	17,017.92
Deferred Tax Liability		11.20	5.76
Total		26,096.90	27,806.87
ASSETS			
Fixed Assets (Net Block)	6	10,939.58	10,496.26
Investments	7	244.14	242.91
Current Assets, Loans and Advances	8	10,589.82	12,765.92
Miscellaneous Expenditure	9	0.03	0.04
Profit and Loss Account	10	4,323.33	4,301.74
Total		26,096.90	27,806.87

Significant Accounting Policies and

Notes to Accounts

13

As per our Report attached

For Sorab S Engineer & Co.
Firm Registration No 110417 W
Chartered Accountants
M. P. Antia
Partner
Membership No. 7825
Ahmedabad, Date : 03-03-2011

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Secretary
Ahmedabad, Date : 03-03-2011

Consolidated Profit & Loss Account for the year ended 31st March, 2010

	Schedule	2009-10 Rs. Lakh	2008-09 Rs. Lakh
Sales and Services		7,679.61	8,656.54
Less: Excise Duty		158.61	237.94
		<u>7,521.00</u>	<u>8,418.60</u>
Other Income	11	251.29	445.66
INCOME		<u>7,772.29</u>	<u>8,864.26</u>
Cost of Sales and Services	12	9,463.59	20,262.08
EXPENDITURE		<u>9,463.59</u>	<u>20,262.08</u>
Gross Margin / (Loss)		<u>(1,691.30)</u>	<u>(11,397.82)</u>
Interest			
- Term Loans		36.33	224.21
- Others		158.87	930.59
		<u>195.20</u>	<u>1,154.80</u>
Depreciation		298.98	262.24
Less: Transfer from Capital Reserve		30.50	38.93
		<u>268.48</u>	<u>223.31</u>
Operating Profit / (Loss) before extraordinary income / expenditure		<u>(2,154.98)</u>	<u>(12,775.93)</u>
Excess provision for taxation		0.95	--
Extraordinary Expenses (Refer Note No: 11)		472.07	2,972.16
Extraordinary Income (Refer Note No: 11)		3,106.76	17,469.08
Net Extraordinary Income		<u>2,634.69</u>	<u>14,496.92</u>
Net Profit before taxation		<u>480.66</u>	<u>1,720.99</u>
Short provision of Taxation Earlier Year		--	250.55
Current Tax		500.83	732.28
Fringe Benefit tax		--	22.63
Deferred Tax		5.44	0.56
Net Profit / (Loss) after taxation		<u>(25.61)</u>	<u>714.97</u>
Balance as per last year's Balance Sheet		<u>(9,207.62)</u>	<u>(9,922.59)</u>
Balance carried to Balance Sheet		<u>(9,233.23)</u>	<u>(9,207.62)</u>
Earning Per Share (Refer Note No: 15)			
Face value of Rs.10/- per Equity Share			
Basic/Diluted before Extra-ordinary item [in Rs.]		(3.47)	(17.98)
Basic/Diluted after Extra-ordinary item [in Rs.]		(0.03)	0.93
Significant Accounting Policies and Notes to Accounts	13		

As per our Report attached

For Sorab S Engineer & Co.
Firm Registration No 110417 W
Chartered Accountants
M.P. Antia
Partner
Membership No. 7825

Ahmedabad, Date : 03-03-2011

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Secretary

Ahmedabad, Date : 03-03-2011

SHARE CAPITAL**SCHEDULE 1**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Authorised Capital		
9,50,00,000 Equity Shares of Rs. 10 each	9500.00	9,500.00
(Previous Year 9,50,00,000 Equity Shares)		
Issued, Subscribed and Paid-up Capital		
76633296 Equity Shares of Rs.10 each fully paid	7663.33	7,663.33
	7663.33	7663.33

Of the above shares:

31,36,504 shares were issued and allotted as fully paid-up bonus shares by capitalisation of reserves.

RESERVES AND SURPLUS**SCHEDULE 2**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Capital Reserves		
Balance as per last Balance Sheet	1174.99	1964.79
Add : Adjustment on Consolidation	--	1.13
Less: Transferred to General Reserve - Account	4.02	752.00
Less: Transferred to Profit and Loss Account	30.50	38.93
	1140.47	1174.99
Share Premium Account		
Balance as per last Balance Sheet	1060.92	1060.92
General Reserve		
Balance as per last Balance Sheet	4,905.88	4,153.49
Add : Adjustment on Consolidation	--	0.39
Add: Transferred from Capital Reserve	4.02	752.00
	4,909.90	4,905.88
Less: Debit Balance in Profit & Loss Account adjusted	4,909.90	4,905.88
	--	--
Total	2,201.39	2,235.91

SECURED LOANS**SCHEDULE 3**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Loans from Banks		
Cash Credit (1)	121.30	113.55
Overdraft Secured by Pledge of FD Rs.	15.08	--
Term Loan (2)	189.57	117.71
	325.95	231.26
Loans from Others including interest accrued and due (3)	542.53	408.05
Total	868.48	639.31

Notes

- 1 Secured by hypothecation of tangible movable assets such as stocks, stores and book debts and also secured by second charge on the fixed assets of the Company.
- 2 Secured by hypothecation of vehicles.
- 3 Secured by charge on one of the properties and pledge of 941975 Equity shares of ORG Informatics Ltd.

UNSECURED LOANS**SCHEDULE 4**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Short Term Loans		
From others	545.66	227.51
Interest Accrued and Due	4.16	17.13
Total	549.82	244.64

Current Liabilities and Provisions**SCHEDULE 5**

	As at 31-3-10 Rs. Lakh	As at 31-3-09 Rs. Lakh
Current Liabilities		
Sundry Creditors:		
Due to Small and Medium Enterprises (Refer Note No:16)	--	--
Due to Others	8,238.51	11,111.60
	8,238.51	11,111.60
Interest accrued but not due	--	6.63
	8,238.51	11,118.23
Provisions		
Accrued Gratuity Liability	1,379.20	1,274.17
Accrued Leave Encashment Liability	290.87	253.47
Provision for Tax	4,894.10	4,372.05
	6,564.17	5,899.69
Total	14,802.68	17,017.92

FIXED ASSETS

SCHEDULE 6

Rs. Lakh

Asset	Gross Block at Cost / Revaluation					Depreciation					Net Block	
	As at 01.04.09	Adjustment on Consolidation	Additions during the year	Deductions during the year	As at 31.03.10	As at 01.04.09	Adjustment on Consolidation	for the year	Adjustment	As at 31.03.10	As at 31.03.10	As at 31.03.09
Goodwill	4,406.75	-	-	-	4,406.75	-	-	-	-	-	4,406.75	4,406.75
Land	2,454.93	-	-	96.50	2,358.43	-	-	-	-	-	2,358.43	2,454.93
Leasehold Land	32.93	-	-	-	32.93	-	-	14.53	-	14.53	18.40	32.93
Buildings	1,494.73	-	749.70	-	2,244.43	782.22	-	65.68	-	847.90	1,396.53	712.51
Plant and Machinery	4,672.82	-	876.49	53.64	5,495.67	3,151.18	-	175.29	19.21	3,307.26	2,188.41	1,521.64
Furniture and Fixture	472.44	-	42.43	-	514.87	367.32	-	29.70	0.05	396.97	117.90	105.12
Vehicles	120.13	-	5.28	8.36	117.05	72.19	-	12.83	8.53	76.49	40.56	47.94
Library	0.10	-	-	-	0.10	0.09	-	-	-	0.09	0.01	0.01
Intangible Assets	5.00	-	-	-	5.00	1.21	-	0.95	-	2.16	2.84	3.79
Total	13,659.83	-	1,673.90	158.50	15,175.23	4,374.21	-	298.98	27.79	4,645.40	10,529.83	9,285.62
Capital Work-in-progress	-	-	-	-	-	-	-	-	-	-	409.75	1,210.64
Total	-	-	-	-	-	-	-	-	-	-	10,939.58	10,496.26
Previous year	16,381.52	193.74	444.93	3,360.36	13,659.83	5,864.37	47.01	262.24	1,799.41	4,374.21	9,285.62	-

Investments

SCHEDULE 7

cost or net realizable value) 428.47 392.28

At cost/Book Value

Goods in transit (at cost) 41.91 --

As at
31-3-10
Rs. Lakh

As at
31-3-09
Rs. Lakh

Sundry Debtors (Unsecured)

Considered Good

Over six months 176.63 712.53

Others 2,109.25 2,145.48

2,285.88 2,858.01

Considered Doubtful

Over six months 546.33 365.93

Less: Provision for doubtful debts 543.28 349.56

3.05 16.37

2,288.93 2,874.38

Cash and Bank Balances

Cash and Cheques on hand 16.10 68.02

Balance with Scheduled Banks

in Current Accounts 1,091.70 957.55

Margin Money Account 239.62 254.16

Fixed Deposits 333.81 399.85

1,681.23 1,679.58

Loans and Advances

Unsecured and considered good

Amount receivable against sale of land - 1,100.00

Advance recoverable in cash or

kind or for value to be received. 1,506.06 1,967.58

Unsecured and Considered Doubtful

Advances recoverable in cash

or kind or for value to be received 335.16 286.55

Less: Provision for doubtful advances 327.22 286.55

7.94 -

Balances with Customs,

Port Trust etc. 37.67 49.34

Advance payment of Tax 4,114.91 4,136.46

5,666.58 7,253.38

Total 10,589.82 12,765.92

CURRENT ASSETS,
LOANS AND ADVANCES

SCHEDULE 8

As at
31-3-10
Rs. Lakh

As at
31-3-09
Rs. Lakh

Inventories

(as certified by the Management)

Stores and Spares (at cost) 24.64 17.77

Stock-in-trade:

Raw materials and

Packing materials(at lower of

cost or net realizable value) 175.04 298.38

Stock-in-process (at cost) 283.02 250.15

Finished Goods (at lower of

MISCELLANEOUS EXPENDITURE SCHEDULE 9

	As at	As at
	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh
Preliminary Expenses	0.03	0.04
	0.03	0.04

PROFIT AND LOSS ACCOUNT SCHEDULE 10

	As at	As at
	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh
Balance as per last years		
Balance Sheet	(9,207.62)	(9,922.59)
Profit / (Loss) for the year	(25.61)	714.97
	(9,233.23)	(9,207.62)

Less: Adjusted against

General Reserve **4,909.90** 4,905.88Balance carried to
balance Sheet **(4,323.33)** (4,301.74)**OTHER INCOME SCHEDULE 11**

	As at	As at
	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh
Miscellaneous Income	117.91	270.41
Bank and Other Interest (1)	89.51	69.11
Profit on Sale of Assets (Net)	8.39	--
Sundry Balances Written		
Back (Net)	21.64	44.47
Bad Debts Recovered	1.86	--
Scrap Sales	2.52	--
Royalty	9.46	9.82
Exchange Difference	--	51.85
	251.29	445.66
1. Tax Deducted at Source	9.18	12.99

COST OF SALES AND SERVICES SCHEDULE 12

	31-3-10	31-3-09
	Rs. Lakh	Rs. Lakh
Raw and Process		
Materials consumed	851.63	807.16
Trading Products purchased	3,993.07	4,926.45
Salaries, Wages and Bonus	2,384.89	3,692.53
Contribution to provident and other funds	165.05	185.12
Welfare Expenses	124.57	142.83
Remuneration to Directors	53.41	62.26
Stores and Spares	25.06	41.69
Power and Fuel	221.13	135.83

Repairs to Buildings	40.45	37.92
Repairs to Machinery	38.42	57.56
Factory Overheads	162.59	221.25
Selling Commission	57.52	204.01
Wholesalers' / Distributors' Discount	4.34	2.13
Selling Expenses	153.81	500.92
Sales tax	2.42	651.76
Distribution Expenses	38.81	35.33
Travelling	253.63	215.13
Rent	108.96	82.76
Rates and Taxes	67.42	108.69
Miscellaneous Expenses	631.37	584.69
Liqdated Damages	8.91	123.64
Research and Development	1.55	4.56
Insurance	6.60	10.09
Legal Charges	87.75	124.78
Loss on sale of Investments	--	16.46
Investments written off	--	14.45
Loss/(Profit) on sale of Fixed Assets (Net)	--	89.25
Exchange difference (Net)	43.53	--
Audit Fees	8.21	6.89
Directors' Fees	1.80	1.98
Royalty	36.79	13.95
Miscellaneous Expenditure Written off -	0.01	0.01
Excise Duty - Others	18.25	17.11
Bad Debts/Advances	26.70	8,165.93
Provision for Bad and Doubtful		
Debts and advances	234.94	6.82
Donation	0.05	--
	9,853.64	21,291.94
Less:		
Expenses Capitalised	149.19	--
Adjustments for Past Provision	145.74	1,246.85
	9,558.71	20,045.09
(Increase) / Decrease in Stock-in-trade		
Opening Stock:		
Stock in Process	250.15	324.78
Finished Goods	363.37	505.73
	613.52	830.51
Closing Stock:		
Stock in Process	283.02	250.15
Finished Goods	428.47	363.37
	711.49	613.52
Inventory Variance	(97.97)	216.99
Excise duty in value of Stocks (Increase)/Decrease	2.85	--
Total	9,463.59	20,262.08

SCHEDULE 13**Significant Accounting****Policies and Notes to****Accounts of Consolidated Accounts:****A. Basis of Consolidation**

1. The consolidated Financial Statements relate to Ambalal Sarabhai Enterprises Limited, its Subsidiaries and Joint Venture Company. The Subsidiaries/ Joint Venture company considered in consolidated financial statements are hereunder:

- I.

Subsidiary Companies & Country of Incorporation	% of ownership as on 31.03.2010
---	---------------------------------

a) Synbiotics Limited, India	100%
b) Haryana Containers Limited, India	100%
c) Mautik Exim Limited, India	100%
d) Asence Inc., USA	100%
e) Asence Pharma Pvt. Ltd., India	100%
f) Systronics India Ltd, India	100%
g) Suvik Hitek Pvt. Ltd., India	100%

- II. Joint Venture Company & Country of Incorporation

Vovantis Lab Pvt. Ltd. India	50%
------------------------------	-----

2. The consolidation is in accordance with the Accounting Standard 21 (Consolidated Financial Statements) notified by Companies (Accounting Standards) Rules, 2006.

3. Principles

- (i) The financial statements of the Company, its subsidiary companies and Joint Venture Company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits or losses are fully eliminated.
- (II) The difference between cost to the Company of its investment in the subsidiary companies/ Joint Venture company and its share of the equity of the subsidiary companies/ Joint Venture company, at the dates on which the investment in the subsidiary companies are made, is recognized as Goodwill or Capital Reserve as the case may be.
- (iii) In case of Foreign Subsidiaries, revenue items are consolidated at the average rate

prevailing during the year. All assets and Liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on translation is charged to Profit & Loss Account.

Significant Accounting Policies and Notes to Accounts**I. SIGNIFICANT ACCOUNTING POLICIES:****(A) ACCOUNTING CONVENTION**

The Company follows the accrual method of accounting. The financial statements have been prepared in accordance with the historical cost convention (except so far as they relate to revaluation of fixed assets and providing for depreciation on revalued amounts) and accounting principles generally accepted in India.

The preparation of financial Statements requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(B) INFLATION

Assets and liabilities are recorded at historical cost to the Company (except so far as they relate to revaluation of fixed assets and providing for depreciation on revalued amounts).

(C) REVENUE RECOGNITION

(C.1) Sales are recognized based on passage of title to goods which generally coincides with dispatch. Revenue from export sales are recognized on shipment basis. Sales are stated inclusive of excise duty and net of returns & Sales Tax/VAT.

(C.2) Revenue from job work services is recognized based on the services rendered in accordance with the terms of contracts.

(D) VALUATION OF INVENTORY

(D.1) The stock of Raw Materials and finished

goods have been valued at the lower of cost and net realizable value. The cost has been measured on weighted average cost basis and includes cost of materials and cost of conversion.

(D.2) All other inventories of stores and consumables are valued at cost. Cost is measured on weighted average cost basis. Excise duty wherever applicable is provided on finished goods lying within the factory.

(E) FIXED ASSETS & DEPRECIATION

(E.1) Fixed assets are stated at their original cost of acquisition/revalued cost wherever applicable less accumulated depreciation. Cost comprises of all costs incurred to bring the assets to their location and working condition.

(E.2) Depreciation on Revalued Fixed Assets is calculated on Straight Line Method based on their expected life as determined by the valuers or lives as determined on Straight Line Method as per Schedule XIV to the Companies Act, 1956 whichever is lower.

(E.3) Depreciation on additions other than vehicles and few other assets is calculated on Straight Line Method as per Schedule XIV to the Companies Act, 1956. Depreciation on vehicles and few other assets is calculated on Written Down Value Method as per Schedule XIV to the Companies Act, 1956.

(E.4) Difference between depreciation calculated on revalued cost and historical cost of assets is withdrawn from capital reserve.

(E.5) Individual assets costing less than Rs. 5,000/- have been fully depreciated in the year of purchases.

(F) IMPAIRMENT OF ASSETS

An Asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable value.

(G) INVESTMENTS

Long Term investments are stated at cost/book value. Fall in the value, other than temporary, has been charged to Profit & Loss Account.

(H) FOREIGN CURRENCY TRANSACTIONS

(H.1) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

(H.2) Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(H-3) Non monetary foreign currency items are carried at cost / book value

(H.4) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

(I) EMPLOYEE BENEFITS

(I.1) The Company has Defined Contribution Plans for post employment benefits namely (a) Superannuation Fund which is administered through trustees and (b) Provident Fund which is administered through trust and / or to the Government. The Company's contributions thereto are charged to revenue every year The Company's Contribution to State Plans namely Employee's State Insurance Fund and Employee's Pension Scheme are charged to revenue every year.

(I.2) The Company has Defined Benefit Plans namely leave encashment / compensated absences and Gratuity for all the employees, the liability for which is determined on the basis of an actuarial valuation at the year end and incremental liability, if any, is provided for in the books. Gratuity scheme is unfunded.

(I.3) Actuarial Gains and Losses comprise of experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Profit and Loss Account as income or expense.

(J) TAXES ON INCOME

(J.1) Tax expense consists of both current as well as deferred tax liability. Current tax represents amount of income tax payable in respect of taxable income for the year.

(J2) Deferred tax is recognized on timing difference between the accounting income and the taxable income for the year that originates in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

(J.3) Deferred tax asset is recognised and carried forward to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(K) EARNING PER SHARE

The company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year.

II. NOTES TO ACCOUNTS

1. Figures for the previous year have been re-grouped wherever necessary and are shown below those of current year or in brackets in the 'Notes' and are not comparable on account of one subsidiary is changed to Joint Venture Company.
2. 941,975 Ordinary Shares of Rs. 10 each fully paid of ORG Informatics Limited and 35,000 Ordinary Shares of Rs.1, 000, each Rs. 100 paid up of Synbiotics Limited have been pledged for financial assistance and 300000 shares of Rs. 10 each fully paid of ORG Informatics Ltd. are pledged with a bank on behalf of another company.
3. (a) Transfer of Rs.30.50 lakh (Rs. 38.93 lakh) from Capital Reserve to Profit and Loss Account represents the difference between depreciation charged on "revalued amount" of assets and depreciation calculated on "historical cost" of assets.
- (b) Further a sum of Rs. 4.02 Lakhs (Rs. 752.00) lakh) has been transferred to general reserve from capital reserve on account balance of Revaluation Surplus in respect of assets sold / otherwise disposed off during the year.

4. Remuneration to Directors

	2009-10	2008-09
	Rs. Lakh	Rs. Lakh
Salary	44.08	49.92
Contribution to Provident		
Fund and Superannuation Fund	4.26	5.29
Benefits including perquisites	5.07	7.05
	53.41	62.26
Sitting fees	1.80	1.98
	55.21	64.24

5. Hon'ble Supreme Court has allowed Company's Civil Appeals against the judgment and order of the Division Bench of Gujarat High Court vide which Division Bench by its order had set aside the order of the Single Judge sanctioning Scheme of Arrangement relating to Company's erstwhile Swastik Division and Electronics Division. While allowing the appeals, Hon'ble Supreme Court has directed that Company shall execute a guarantee favouring the Central Bank of India and Bank of Baroda in respect of their dues in the suit filed by them which is pending before the Debts Recovery Tribunal. The Company has accordingly given the guarantee. BIFR passed an order for winding up of Swastik Surfactants Limited (SSL) since the Revival Scheme had failed. However, SSL appealed this order in AAIFR, which has remanded the case to BIFR with appropriate directives.

In all the earlier Revival Schemes, SSL had acknowledged liabilities of banks as well as liabilities towards ASE. In view of this, ASE had approached BIFR and AAIFR to be imp leaded in the matter, which has been allowed by AAIFR.

With regard to the Guarantee given by the Company favouring Central Bank of India and Bank of Baroda, the Company has received on 31.12.2010, a notice from Kotak Mahindra Bank Limited, Mumbai, invoking the guarantee dated 16.12.2003 on behalf of Bank of Baroda in its capacity as trustee of IARC – BOB – 01/07 trust on behalf of International Assets Reconstruction Company Pvt. Ltd. The Company has not accepted the demand made of Rs. 3770.51 Lakhs and based on legal advice, the Company is taking necessary action required in the matter.

6. No provision is considered necessary for following contingent liabilities:

	2009-10 Rs. Lakh	2008-09 Rs. Lakh
(i) Customs and Excise	128.03	2.44
Income Tax	216.11	216.11
Sales Tax	21.96	9.20
(ii) Claims not acknowledged as debt	39830.68	1554.65
(iii) Claims by Government for payment into DPEA	745.51	745.51
(iv) Guarantee given by banks on behalf of the company	321.45	496.59

7. Contracts on Capital Account remaining to be executed amount to Rs.84.77 Lakh (Rs 316.77 Lakh)

8. 'Sales and Services' comprise of Sales Rs. lakh 7399.39 (Rs.8283.92 lakh) and recovery of share in cost of various utilities, expenses, etc. Rs. 280.22 lakh (Rs. 372.62 lakh).

9. Miscellaneous expenses include fees to Auditors for other services of Rs. 6.93 lakh (Rs. 4.66 lakh) and reimbursement of out of pocket expenses of Rs. 1.75 lakh (Rs. 1.63 lakh).

10. Deferred Tax

In terms of the provisions of the Accounting Standard – 22 "Accounting for Taxes on Income" notified by Companies (Accounting Standard) Rules 2006, there is a net deferred tax asset on account of accumulated business losses and unabsorbed depreciation.

In compliance with provisions of Accounting Standard and based on General Prudence, the Company has not recognized the deferred tax asset, while preparing the accounts of the year under review.

11. Extra ordinary income mainly represents profit on sale of part of factory land and other fixed assets and extra ordinary expenses represents expenses incurred in connection with the sale of factory land.

12. Segment Reporting

Segment information for the year ended 31.03.2010

Particulars	2009-10 Rs. Lakh	2008-09 Rs. Lakh
Segment Revenue		
a) Pharmaceuticals	4458.38	5093.93
b) Electronics	3221.23	3562.61
Total Sales	7679.61	8656.54
Less: Inter Segment Revenue	--	--
Net Sales	7679.61	8656.54
Segment Results		
Segment Result before Interest & Finance Cost		
a) Pharmaceuticals	(2462.18)	(12193.07)
b) Electronics	251.11	126.28
Total Segment Results	(2211.07)	(12066.79)
Less: Interest & Finance Cost	195.20	1154.80
Profit/(Loss) from Ordinary Activities	(2406.27)	(13221.59)
Extra Ordinary Items (Net)	2886.93	14942.58
Profit/(Loss) before tax	480.66	1720.99
Other Information		
Segment Assets		
a) Pharmaceuticals	19012.50	20879.02
b) Electronics	2761.07	2626.11
c) Unallocable	--	--
Total Assets	21773.57	23505.13
Segment Liabilities		
a) Pharmaceuticals	14147.49	16463.42
b) Electronics	655.19	554.50
c) Unallocable	--	--
Total Liabilities	14802.68	17017.92
Segment Depreciation		
a) Pharmaceuticals	229.57	196.28
b) Electronics	38.91	27.03
c) Unallocable	--	--
Total Depreciation	268.48	223.31
Capital Expenditure		
a) Pharmaceuticals	1669.05	425.57
b) Electronics	5.31	19.36
c) Unallocable	--	--
Total Capital Expenditure	1674.36	444.93

Non Cash Expense other than Depreciation		
a) Pharmaceuticals	197.27	8001.38
b) Electronics	64.38	185.83
c) Unallocable	—	--
Total Non cash expenses other than Depreciation	<u>261.65</u>	<u>8187.21</u>

(B) Secondary Segment**(Geographical by customers)**

Particulars	2009-10	2008-09
	Rs. Lakh	Rs. Lakh

Segment Revenue		
a) In India	6266.78	6806.74
b) Out side India	1412.83	1849.80
Total Sales	<u>7679.61</u>	<u>8656.54</u>

Carrying Cost of Assets by location of assets

a) In India	21685.28	23385.73
b) Out side India	88.26	119.40
Total	<u>21773.54</u>	<u>23505.13</u>

Addition to assets

a) In India	1673.33	444.93
b) Out side India	1.03	—
Total	<u>1674.36</u>	<u>444.93</u>

Notes :

1. The Company has disclosed business segments as the primary segment.

Segments have been identified taking into account the nature of the products, differential risks and returns, the Organizational structure and internal reporting system. The Company's operation predominantly relate to manufacturing of Drugs, Formulation, Electronics Instruments & Services.

2. Types of Products and Services in each business segment:

Pharmaceuticals : Drugs, Formulations

Electronics : Electronics Instruments and Services

3. Inter-segment Revenues are recognized at sales price.

13. Related Party Disclosures:

As per the Accounting Standard on "Related Party

Disclosures (AS 18)" notified by the Companies (Accounting Standards) Rules 2006, the related parties of the Company are as follows:

Key Management Personnel:

Name of the related party	Nature of relationship
Mr. Kartikeya V. Sarabhai	Chairman
Mr. K Mohandas	Whole time Director
Mr. A.H. Parekh	Whole time Director
Mr. L Ramaswamy	Whole time Director
	(up to 29.09.2009)

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

Transaction with Key management Personnel:

Particulars	Key Management Personnel
	Rs. Lakh
Remuneration to key management personnel	53.41
	(62.26)

14. Sundry Debtors, Sundry Creditors and Loans and Advances include certain accounts which are subject to confirmation/reconciliation and consequential adjustments if any, the effect of which is not ascertainable.

15. Earning Per Share

Particulars	2009-10	2008-09
Profit / (Loss) available to Equity Shareholder before Extra Ordinary Item	(Rs. (2660.30)	(13781.95)
Profit / (Loss) available to Equity Shareholder after Extra Ordinary Item	(Rs. (25.61)	714.97
Weighted average no. of Equity Shares for Basic and Diluted EPS	Nos. 76633296	76633296
Nominal value of Equity Shares	Rs. 10	10
Basic and Diluted Earning per Equity Share before		

Extra Ordinary Item	Rs.	(3.47)	(17.98)
Basic and Diluted Earning per Equity Share after Extra Ordinary Item	Rs.	(0.03)	(0.93)
(A) Reconciliation of the profit/(loss) for the year, used for calculating Earning per Share		2009-10	2008-09
Profit / (Loss) for the year before Extra Ordinary Items		(2660.30)	(13781.95)
Net Extra Ordinary Income		2634.69	14496.92
Profit / (Loss) available to Equity Shareholder after Extra Ordinary Item		(25.61)	714.97

16. Small and Small and Medium Enterprises Dues
- The Company has not received any intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosures, regarding:
- Amount due and outstanding to suppliers as at the end of accounting year,
 - Interest paid during the year
 - Interest payable at the end of the accounting year
 - Interest accrued and unpaid at the end of the accounting year, has not been provided.
- The Company is making efforts to get the confirmation from the suppliers as regards their status under the Act.

17. No provision is made for doubtful debts of Rs. 3.05 lakh (Previous year Rs. 16.37 lakh) and doubtful advances of Rs. 7.94 lakh (Previous year Rs. Nil)

Signature to schedules 1 to 13

As per our report attached

As per our Report attached
For, Sorab S. Engineer & Co.
Chartered Accountants
M. P. Antia
Partner
Membership No. 7825

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Secretary

Ahmedabad : 03-03-2011

Ahmedabad : 03-03-2011

Consolidated Cash Flow Statement for the year ended 31.03.2010

Particulars	2009-2010 Rs. Lakhs	2008-2009 Rs. Lakhs
A Cash Flow From Operating Activities		
Net Profit / (Loss) after tax & extraordinary items	(25.61)	714.97
Adjustments for :		
Provision for taxation	505.32	1006.02
Bad debts / Advances written off	26.70	8165.93
Depreciation	268.48	223.31
Miscellaneous Expenses written off	0.01	0.02
Provision for Doubtful debts & advances	234.94	6.82
Interest (Net)	105.69	1085.69
(Profit)/Loss on assets discarded/sold (Net)	(8.39)	89.25
Investment Written off	-	14.45
Extra ordinary income	(2634.69)	(14496.92)
Operating Loss before working capital changes	(1527.55)	(3190.46)
Adjustments for :		
Trade and other receivables	1889.06	43.89
Inventories	5.50	458.49
Trade Payables	(2730.66)	(6875.10)
Cash generated from Operations	(2363.65)	(9563.18)
Direct Taxes paid including Fringe Benefit Tax	43.72	(212.20)
Net Cash Flow in From Operating Activities	(2319.93)	(9775.38)
B Cash Flow from Investing Activities		
Sale of fixed assets	139.10	1471.70
Interest received	89.51	69.11
Extra-ordinary Income	2634.69	14496.92
Purchase of fixed assets	(873.01)	(1655.11)
Purchase of investments	(1.23)	(0.48)
Net Cash Flow From Investing Activities	1989.06	14382.14
C Cash Flow from Financing Activities		
Interest paid	(214.80)	(1332.90)
Increase / (Repayment) of borrowings	547.32	(2928.74)
Net Cash Flow From Financing Activities	332.52	(4261.64)
Net increase in Cash & Cash equivalents	1.65	345.12
Cash & Cash equivalents at the beginning of the year	1679.58	1334.46
Cash & Cash equivalents at the end of the year	1681.23	1679.58

Note: (1) Figures of the previous year have been regrouped wherever necessary. (2) All figures in brackets are outflow.

As per our Report attached

For, Sorab S. Engineer & Co.
Chartered Accountants
M. P. Antia
Partner
Membership No. 7825

Kartikeya V. Sarabhai
Chairman
V. C. Shah
Director
Ketan Adhvaryu
Company Secretary

Ahmedabad : 03-03-2011

Ahmedabad : 03-03-2011

ase**Ambalal Sarabhai Enterprises Limited**

Regd. Office : Sarabhai Campus, Gorwa Road Vadodara-390 023

PROXY FORM

DP Id*	
Client Id*	

No. of Shares	
Folio No.	

I / We _____
of _____

being a member(s) of the above named Company hereby appoint

_____ of _____ or failing him

_____ of _____ or failing him

_____ of _____

as my / our proxy to vote for me/us on my/our behalf at the Adjourned Annual General Meeting of the Company (which is in continuation of the Annual General Meeting held on 31.12.2010) to be held on 28.3.2011 and at any adjournment thereof.

Signed this _____ day of _____ 2011

Signature _____

*Applicable for investors holding shares in electronic form.

Affix
0.15 Paise
Revenue
Stamp
here

Note: This instrument of Proxy shall be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before the time of holding the meeting.

ase**Ambalal Sarabhai Enterprises Limited**

Regd. Office : Sarabhai Campus, Gorwa Road Vadodara-390 023

ATTENDANCE SLIP**Adjourned Annual General Meeting****(in continuation of the Annual General Meeting held on 31.12.2010)****10.00 A.M. Monday, 28th March 2011****at****Prof. C. C. Mehta Auditorium, General Education Centre,****The Maharaja Sayajirao University of Baroda****Vadodara-390002**

DP Id*	
Client Id*	

No. of Shares	
Folio No.	

Name of Shareholder/Proxy Holder

Signature

*Applicable for investors holding shares in electronic form.

Only shareholders or their proxies are allowed to attend meeting.

Shareholders are requested to bring their Annual Reports along with them to the Meeting, as extra copies will not be supplied due to high cost of paper and printing.

Book-Post

If undelivered please return to :
Ambalal Sarabhai Enterprises Limited
Share Department,
Sarabhai Campus, Gorwa Road,
Vadodara - 390 023.