

10th ANNUAL REPORT 2002-2003



Bharat Parenterals Ltd.

Registered Office :

Survey No : 144 & 146, Jarod Samlaya Road,
Vill. Haripura, Ta. Savli, Dist : Baroda : 391520(Guj)
Ph. No. : (02667)-251669,251670, Fax : (02667)-251679
e-mail : bplbrd@yahoo.com,



DIRECTOR REPORT

NOTICE

BOARD OF DIRECTORS

Notice is hereby given that the 48th Annual General Meeting of the Company will be held on 11.03.2003 at 11.00 A.M. at the office of the Director, Baroda, to discuss the following matters:-

1. To receive and consider the accounts and reports of the Directors for the year ended 31.03.2003 and to adopt the same.

2. To appoint a Director in place of Shri Pravinlal C. Joshi, who retires by rotation and being eligible for re-election.

- FINANCIAL RESULTS**
- Shri Jagdishbhai H. Shah** Member
- Shri Hasnukhbhai R. Shah** Member
- Shri Hasnukhbhai P. Patel** Member
- Shri Maheshbhai K. Khandani** Member
- Shri Vipulbhai P. Chaudhari** Member
- Shri Shantilal C. Bhayani** Member
- Shri Pravinlal C. Joshi** Member

- ORDINARY BUSINESS**
- Director**
- Director**
- Director**
- Director**
- Director**
- Director**

AUDITORS

M/s. A. C. Shah & Co.
Chartered Accountants
Sapna
G3, Haripura Colony (Extn)
Opp. Rajaxmi Complex,
Opp. Old Padra Road,
Baroda : 390 015

BANKERS

1) **Bank of Baroda**
Indira Park Branch
Kaloj 389 330
Panchmahals

2) **Bank of Baroda**
Sayajigunj, Baroda

3) **HDFC Bank Ltd**
Ankarni, Baroda

REGISTERED OFFICE

Survey No. 144/146,
Village : Haripura,
Ta. Savli,
Dist. Baroda : 391 520

WORKS :

1) Survey No 144 & 146
Vill. Haripura,
Ta. Savli,
Dist. Baroda : 391520

2) 17 G.I.D.C., Kaloj
Panchmahals

For further information, please contact the Director, Baroda.

Date: 14th May 2003



Bharat Parenterals Limited

NOTICE :

Notice is hereby given that the Annual General meeting of the Share Holders of the company will be held on Tuesday, 30th September, 2003 At 11.30 A.M. At Village : Haripura, Ta. Savli, Dist. Vadodara. The Registered office of the Company to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the company as at 31st March 2003 and the Profit and Loss Account for the year ended on that date together with the reports of the Directors and Auditors
2. To appoint a Director in place of Shri Hasmukhbhai R. Shah, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Manohar U. Kundnani, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Shantilal C. Bhayani, who retires by rotation and being eligible, offers himself for re appointment.
5. To appoint Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Next Annual General Meeting and to fix their remuneration.

NOTE :

1. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy instead of himself/herself and the Proxy need not be a member of the company. The Proxy should be deposited at the Registered office of the Company not less than 48 hours before the commencement of the Meeting.
2. Members are requested to notify immediately the change of address, if any to the company.
3. Any members requiring further information on Accounts at the meeting is requested to send their queries at the Registered office of the Company at least before 10 days of the Meeting.
4. The Register of Members and Transfer Books of the Company shall remain closed from 25.09.2003 to 30.09.2003 (both days inclusive).
5. The trading in the equity shares of the company had been made compulsorily in dematerialised form as per SEBI's directions. Necessary arrangements for dematerialisation of equity shares are being made with NSDL and CDSL.

Registered Officer
Vill. Haripura, Ta. Savli,
Dist. Vadodar

By Order of the Board of Directors
For BHARAT PARENTERALS LTD

Sd/-

Dr. Dahyabhai J. Patel
(Chairman)

Date: 5th September 2003

Registered Officer
Vill. Haripura, Ta. Savli,
Dist. Vadodar

By Order of the Board of Directors
For BHARAT PARENTERALS LTD

Sd/-

Dr. Dahyabhai J. Patel
(Chairman)

Date: 5th September 2003



Bharat Parenterals Limited

DIRECTOR REPORT

To,
The Members
Bharat Parenterals Ltd.
Village : Haripura, Tal. Savli,
Dist. Vadodra

The Directors have pleasure in presenting the Annual Report together with Audited Statement of Accounts for the year ended on 31st March 2003.

FINANCIAL RESULTS

The following are the summarised financial results of the company

PARTICULARS

	(Rs. in Lacs)	
	For the Period Ended on 31.03.2003	For the Period Ended on 31.03.2002
Sales and other Income	862.37	720.84
Profit/Loss Before Taxation.	(-)9.46	(-)15.01
Depreciation (Current Year 32.85) (Earlier Year 49.15)	82.00	36.11
Deferred Tax	13.41	2.03
Net Loss	13.95	(-)12.88
Net Loss C/o to B/s	302.68	306.83

PERFORMANCE

The performance of the Company during the year under report was satisfactory. The Sales and other income have increased by about 2.42 Crores resulting in reduction of the loss before taxation. After adjusting deferred tax of Rs. 13.41 Lacs the company has made a profit of Rs. 3.95 Lacs. The Company has also compromised with Bank of Baroda and as against their dues amounting to Rs. 3.11 Crores, the claim has been settled for Rs. 2.65 Crores. It is heartening to mention that the Company has been awarded ISO9001-2000 Series by Benchmark, Australia.

DIRECTORS

Shri Shankil Bhayani, Shri Manohar U. Kundani and Shri Hemulbhai R. Shah retire by rotation but being eligible offer themselves for reappointment.

DIVIDEND

Your Directors have not recommended any payment of Dividend on equity shares of the Company due to the accumulated losses.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

EMPLOYEES

There is no employee of the Company who has received remuneration exceeding Rs. 1200000.00 per annum or Rs. 100000.00 per month if employed for whole or part of the year.

AUDITOR'S REMARK

The remarks of Auditors in their report are self explanatory and do not require any explanation by the directors.

Your Directors further report that:

1. In the preparation of the Annual accounts, the applicable accounting standards have been followed and that there were no material departures.
2. The accounting policies selected by them have been applied consistently. Judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the company as at 31st March 2003 and of the profit/loss of the company for the period ended on 31st March 2003.
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

DEMATERIALIZATION

Your company's equity shares have been under compulsory dematerialised trading. Due to the negative network NSDL has not inclined to enter into agreement for Dematerialisation Negotiations are in progress with CDSL for providing Dematerialisation facility to the shareholders.

LISTING

The Listing fees for the year 2001-2002 have been paid to BSE, ASE and VSE where the shares of the Company are listed.

AUDITORS

M/s. A. C. Shah & Co., Chartered Accountants, retire as Auditors of the company And have given their consent for re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

The prescribed details as required under section 217(1)(g) of the companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988 are set out in the Annexure "A"

INDUSTRIAL RELATIONS

The relations between the employees and the management have remained cordial throughout the year.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their appreciation to Bankers and Investors, company's distributors and consumers and the devoted services given by the employees who have largely contributed to the efficient management of the company.

Sd/-
Dr. Dattatraya J. Patel
 Chairman, Board of Directors
 For BHARAT PARENTERALS LTD
 Dist. Vadodra

Date: 14th May 2003



Bharat Parenterals Limited

ANNEXURE TO DIRECTOR'S REPORT REPORT ON CORPORATE GOVERNANCE

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The company believes in transparency of procedures and reporting system. All matters of strategy, annual budgets, significant developments, etc are routinely placed before the Board. The Audit, share Transfer and Grievance and Remuneration Committees regularly meet to consider aspects relevant to each committee. It is ensured that the Company promptly attend to all shareholders grievances. The company's internal audit department carries out periodic review of internal audit department carries out periodic review of internal control systems. There are comprehensive management reporting system on all aspects of operation and they are reviewed by the Board.

2. BOARD OF DIRECTORS

Composition and category of directors and their attendance at Board meetings and Last Annual General Meeting :

Name of Director	Category	Number of Board Meetings Attended	Attendance at the Last AGM held on 28.09.2002
Dr. Dahyabhai Patel	Chairman	4	Yes
Shri Bharatbhai Desai	Managing Director	4	Yes
Shri Jagdishbhai Shah	NED	4	Yes
Shri Hasmukhbhai Patel	NED	Nil	No
Shri Hasmukhbhai Shah	NED	Nil	No
Shri Manoharbhai Kundnani	NED	Nil	No
Shri Vipulbhai Chheda	NED	Nil	No
Shri Shantilal C. Bhayani	NED	1	No
Shri Pravinbhai Joshi	NED	4	Yes

Name of Director	Number of Directorships in Companies other than the Company	Number of Membership in Board Committees other than BPL	Whether Chairman/Member
Dr. Dahyabhai Patel	Nil	Nil	Nil
Shri Bharatbhai Desai	Nil	Nil	Nil
Shri Jagdishbhai Shah	Nil	Nil	Nil
Shri Hasmukhbhai Patel	Nil	Nil	Nil
Shri Hasmukhbhai Shah	Nil	Nil	Nil
Shri Manoharbhai Kundnani	Nil	Nil	Nil
Shri Vipulbhai Chheda	Nil	Nil	Nil
Shri Shantilal C. Bhayani	Nil	Nil	Nil
Shri Pravinbhai Joshi	Nil	Nil	Nil

During the financial year ended 31/03/2003 Board meetings were held on. 31/05/2002, 07/06/2002, 28/09/2002, 10/10/2002, 20/12/2002, 18/01/2003.

3. PARTICULARS OF NEW DIRECTORS RETIRING BY ROTATION AND BEING RE-APPOINTMENT;

NEW DIRECTORS :

There were no new directors appointed during the year.



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DIRECTORS RETIRING BY ROTATION AND BEING ELIGIBLE HAVE OFFERED THEMSELVES FOR RE-APPOINTMENT.

Mr. Haemukhbhai R. Shah (N.R.I.) is a young, dynamic and versatile entrepreneur basically hailing from Baroda and presently residing at U.S.A. and holding Greencard of U.S.A. He is a NRI having about 150 Stores in U.S.A. which are managed & successfully run by him. A founder of a Temple in Pensilviana. As also the founder president of Vikas International in U.S.A. He has recently finalise a very big project in a state of Gujarat for Manufacturing of Benzene, which is to be setup at Jambuser Dist. Bharuch. He is a very well versed businessman having experience of more than 13 years and has adequate knowledge of the pharmaceutical formulations and the WHO GMP Norms. His wide contracts in U.S.A. would certainly be yielding better export potential for the company. Since, basically he is a man from Marketing field.

Mr. Manohar U. Kundhani is looking after Purchase department. He is matriculate but having more than 37 years experience in Purchase department of a multinational pharma company namely Pfizer Ltd.

Mr. Shantilal Bhayani is looking after financial management of the company. He is a matriculate but on account of more than 30 years experience in account department he has a tremendous grip on accountancy.

4. AUDIT COMMITTEE

The Audit Committee comprises Shri Pravinbhai Joshi, Shri Vipulbhai Chheda and Shri Jagdishbhai H. Shah all independent directors. The committee appoints one of its member as Chairman for the meeting. The following are the terms of reference for the Audit Committee :

1. Oversee the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommend the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
3. Discuss with auditors once every year the nature and scope of audit.
4. Review the half yearly and annual financial statements before submission to the Board, primarily focusing on the following points and also ensure compliance of internal control systems :
 1. Any changes in accounting policies and practices.
 2. Major accounting entries based on exercise of judgment by management
 3. Qualification in draft audit report.
 4. Significant adjustments arising out of audit.
 5. The going concern assumption.
 6. Compliance with accounting standards.
 7. Compliance with stock exchange and legal requirement concerning financial statements.
 8. Any related party transactions i.e. transactions of the company of material nature with promoters or the management, their subsidiaries or relatives etc. That may have potential conflict with the interest of company at large.
5. Review with the management, external and internal auditors, the adequacy of internal control systems, significant findings and follow up thereon.
6. Review the company's financial and risk management policies.
7. Look into the reason for substantial defaults, if any, in the payment to the depositors, debenture holders and creditors, if any.

The Audit Committee may

1. Investigate any activity within its terms of reference.
2. Seek information from any employee.
3. Obtain outside legal or other professional advice.
4. Secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee met on 20/02/2003 to discuss inter-alia the internal audit and internal control system, limited review carried out by statutory auditors schedule of statutory audit for year 2002-03 and audit plan for year 2003-04. All members of the committee were present at all the meetings. The Managing Director is regular invitee and attended all the

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Meetings. The head of internal audit and representative of statutory auditors were also present. The Accountant acted as Secretary to the committee.

FOR THE FINANCIAL YEAR ENDED 31/03/2003 THE DIRECTORS WERE PAID REMUNERATION AS UNDER :

NON-EXECUTIVE DIRECTORS

None of the Non-Executive Directors has been paid any remuneration.

EXECUTIVE DIRECTORS

Name	Category	Remuneration	Perquisites	Total
1. Bharat R. Desai	Managing Director	Rs. 22000.00	12 Months	Rs. 270000.00

8. SHARE TRANSFER AND SHAREHOLDERS GRIEVANCE COMMITTEE

The shareholders Grievance committee comprise Dr. Dahyabhai Patel, Shri Bharatbhai R. Desai and Shri Girishbhai U. Machhi, the committee appoints one of its member who is not executive director as chairman of the meeting. Mr. Girishbhai U. Machhi is the Compliance Officer one share holders complaint in general received during the period from 01.04.2002 to 31.03.2003 which was resolved to the satisfaction of the shareholder.

9. GENERAL BODY MEETINGS :

The dates, time and venue of the three previous Annual General Meetings and the Extraordinary General Meeting held during the last three year are given below :

Meeting	Date	Time	Venue
AGM	30.09.2000	11.00 A.M.	Registered Office : Survey No 144/146, Village : Haripura, Ta. Savli, Dist. Vadodara , Gujarat.
AGM	29.09.2001	11.30 A.M.	Registered Office : Survey No 144/146, Village : Haripura, Ta. Savli, Dist. Vadodara , Gujarat.
AGM	28.09.2002	11.00 A.M.	Registered Office : Survey No 144/146, Village : Haripura, Ta. Savli, Dist. Vadodara , Gujarat.

10. DISCLOSURES

During the financial year ended on 31.03.2003 there were no materially significant related party transactions that may have potential conflict with the interests of company at large.

11. MEANS OF COMMUNICATION

Half yearly reports were not sent to each household of shareholders. Apart from furnishing copies of unaudited quarterly and audited full year financial results to all the stock Exchanges where the shares of the company are listed, the company also publishes the results in Chanakya ni Pothi and The News Line



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The company's published financial and other relevant information are being sent to stock exchanges on which the company's shares are listed. The company at present does not have a websites. The management discussion and analysis is part of this annual report.

12. GENERAL SHARE HOLDERS INFORMATION

The Annual General Meeting of the members of the company is scheduled to be held on Tuesday, 30th September, 2003 at 11.30 a.m. at the Registered Office address.

The Company's financial year is divided in to 4 quarters , viz.

1 st Quarter	April to June	2002
2 nd Quarter	July to September	2002
3 rd Quarter	October to December	2002
4 th Quarter	January to March	2003

The share transfer books would remain closed during the period beginning 25/9/2003 and ending 30.09.2003 (both days inclusive)

THE COMPANY'S EQUITY SHARES ARE LISTED AND TRADED ON THE FOLLOWING STOCK EXCHANGES IN INDIA :

The Ahmedabad Stock Exchnages

The Vadodara Stock Exchanges

The Stock Exchnage Mumbai

The listing fees for the year 2002-03 yet to be paid to the stock exchanges.

The Stock code allotted by the Stock Exchanges for identify the company's share are given below in brackets against the names of the respective Stock Exchanges.

	Ahmedabad	Mumbai	Vadodara
Code No	8193	12567	283

Market Price Data of the Company's equity Shares are not available as the shares were not traded on Stock Exchanges during the year.

For any assistance regarding share transfers, transmissions, change of address, non-receipts of dividends duplicate/missing share certificates and other relevant matters, please write to the Company at its registered office address.

13. SHARE TRANSFER SYSTEMS

The requests for share transfer, transmission etc. Are processed by the Company. The Share transfer Committee of the company considers the same once in a fortnight and convey its approval to the request received for transfer etc. And share Certificates sent to shareholders The average time taken for processing share transfer requests including dispatch of share certificates is 30 days.



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As on 31.03.2003 the Company's share holding was distributed as under :

Share or debenture holding of		Share/Debenture holders		Share/Debenture amount	
Nominal value of		Number	% to Total	(In Rs.)	% to Total
Rs.	Rs				
Upto	5000	874420	16.72%	8744200	16.72%
5001	to 10000	240000	4.59%	2400000	4.59%
10001	to 20000	226800	4.34%	2268000	4.34%
20001	to 30000	81450	1.58%	814500	1.58%
30001	to 40000	413400	7.90%	4134000	7.90%
40001	to 50000	639100	12.22%	6391000	12.22%
50001	to 100000	271000	5.18%	2710000	5.18%
100001	and above	2483496	47.49%	24834960	47.49%
TOTAL		5229666	100.00%	52296660	100.00%

The appointment of Depository is under process for providing facilities for dematerialisation of the shares of the Company.

The Company has not issued and GDRs/ADRs/Warrants or any convertible Instruments
The Company's manufacturing facilities are located at the following places.

1. Survey No 144 & 146
Jarod Samalaya Road,
Vill. Haripura, Ta. Savli, Dist. Baroda
2. 17, G.I.D.C, Kalol, Panchmahal,

15. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

1. The company is not maintaining a separate office in India for the Chairman
2. The Board has established a Remuneration Committee which comprise of non executive directors. The members of the Remuneration Committee have attended all the committee meetings in the year under review.
3. The Companies Amendment Act, 2000 has introduced the concept of postal ballot in respect of certain items. The Company will comply with these requirements as and when necessary.
4. The announcement of half yearly results does carry information on important developments for the benefit of Share holders.

For BHARAT PARENTERALS LTD

Place : Baroda

Date : 14th May 2003

(Chairman)



Bharat Parenterals Limited

AUDITORS REPORT

To
The members of
BHARAT PARENTERALS LTD.

We have audited the attached Balance Sheet of **Bharat Parenterals Ltd.** as at 31st March 2003 and the Profit and Loss Account annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

We have 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 statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

As required by the manufacturing and other companies report (Auditor's Reports) order, 1988 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to in paragraph above, we report that:

1. 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.

2. In our opinion, the Company has kept proper books of account as required by law so far, as appears from our examination of these books.
3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
4. In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in Section 211(3C) of the Act.
5. Based on the representations made by all the directors of the company as on 31st March, 2003 and taken on records by the Board of Directors of the Company and in accordance with the information and explanations as made available, the Directors of the Company do not, prima facie, have any disqualification as referred to in clause (g) of sub-section (1) to Section 274 of the Act.
6. Subject to above in our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Notes thereon in the Schedule- Q forming part of the Balance Sheet & Profit and Loss Account, give in the prescribed manner the information required by the Companies Act, 1956, and present a true and fair view in conformity with the accounting principles generally accepted in India :
 - A. In the case of the Balance Sheet, of the state of affairs of the Company, as at 31st March, 2003; and
 - B. In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - C. In case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Place: Vadodara
Date: 14th May 2003

For A.C. Shah & Co.
Chartered Accountants

Alkesh J Shah



Bheret Parenterals Limited

Annexure to Auditors' Report

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report that:

1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, the management at the reasonable intervals during the year has physically verified all the assets. According to information & explanation given to us, no material discrepancies have been noticed in respect of assets verified as compared to book records.
2. The fixed assets of the company have not been revalued during the year.
3. The stock of Raw Material, Finished Goods, Spares Parts, Stores and Components have been physically verified by the management during the year and in our opinion frequency of verification of stock is reasonable.
4. In our opinion, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
5. The discrepancies noticed on physical verification of stocks compared with books records were not material in relation to the size of the company's operation and the same have been properly dealt with in the books of accounts of the company.
6. In our opinion, the valuation of stock is fair and proper in accordance with normally accepted accounting principle and on the same basis as accepted in the preceding year.
7. In our opinion, the company has adequate internal audit system commensurate with the size and nature of its business.
8. The company has not taken unsecured loans from parties listed in the register maintained u/s 301 of the Companies act 1956 except unsecured loans from directors. As informed to us there is no stipulation regarding its repayment and rate of interest and interest payment. There was no company under the same management as defined under sub-section 370 (1B) of the companies act, 1956.
9. The company has not granted unsecured loans to companies, firms or other parties listed in the register maintained under section 301 of the companies act, 1956. As explained to us, there is no company under the same management within the meaning of section 370 (1B) of the companies act, 1956.
10. The parties to whom loans or advances in the nature of loans have been made by the company are repaying as stipulated and are also regular in payment of interest if any.
11. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchases of stores, raw material including components and material, plant and machinery equipment, and other assets and for the sale of goods.
12. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and services and sale of goods and services made in pursuance of contracts or arrangements entered in the register maintained under section 301 and aggregating during the year to Rs. 50,000/- and more in respect of each party have been made at prices which are reasonable having regard to prevailing market price for such goods, or services and the prices at which transactions for similar goods or services have been made with other parties.
13. The company has a system of determining unserviceable or damaged stores, raw materials including components or finished goods on the basis of technical evaluation and on such basis, in our opinion adequate provision has been written off of such stocks in the accounts.
14. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of section 58 A, of the Companies act, 1956 and the companies (Acceptance of Deposits) Rules, 1975.
15. In our opinion, proper records have been maintained by the company for the sale of disposable realizable waste, by products and scrap.
16. We are informed by the management that there are no undisputed amounts payable in respect of Income-Tax, Wealth-Tax, Service-Tax, Custom Duty, Excise Duty which have remained outstanding at on 31st March, 2003 for a period of more than 6 months from the date they become payable.
17. Provident fund dues have been deposited with the appropriate authority during the year.
18. The maintenance of cost records has not been prescribed by the central governments under section 209 (1) (d) of the companies act, 1956, for any of the products of the company.
19. On the basis of (i) the examination of books of account of the company, (ii) the vouchers examination on a test check basis by us and (iii) the explanations given to us against our inquiries, no personal expenses have been charged to revenue accounts other than those payable under contractual obligations or in accordance with generally accepted business practice. The management has also confirmed that no personal expenses have been charged to the revenue account.
20. The sick industrial companies (Special Provision) Act, 1985 is not applicable to the company as the company is S. S. I.
21. In respect of services rendered:
 - A. In our opinion, the company has a reasonable system of recording receipts, issues and consumption of stocks and allocating stores consumed to the relative jobs, commensurate with its size and nature of its business.
 - B. In our opinion, the company has a reasonable system of allocating man-hours utilized, where applicable, to the relative jobs, commensurate with its size and nature of its business.
 - C. In our opinion, there is a reasonable system of authorization at proper levels with necessary controls on the issue of stores and labour to various jobs. The related system of internal control of the company is commensurate with the size of the company's operations and the nature of its business.
22. In respect of trading activities, damaged goods have been determined pursuant to the company laid down procedure and consequential adjustments have been made in the books of accounts.

Place: Vadodara
Date: 14th May 2003

For A.C. Shah & Co.
Chartered Accountants

Sd/-
Aakash J Shah
(Partner)
Mem.No.38932



Bharat Parenterals Limited

BALANCE SHEET AS AT 31.03.2003

Sources of Funds	Schedule	31.03.2003	31.03.2002
Share Holders funds			
Share Capital	A	52296660	37704000
Loan Funds	B		
A. Secured Loans		18645412	31066477
B. Unsecured Loans		17556350	19102155
Total		88498422	87872632

Application of Funds	Schedule	31.03.2003	31.03.2002
Fixed Assets	C		
Gross Block		47643641	49980172
Less : Depreciation		8200432	3610933
TOTAL		39443209	46369239
Investments	D	10000	35000
Net Current Assets			
(a) Current Assets, Deposits, Loans. & Advances	E	38821325	28891678
(b) Less : Current Liabilities & Provisions	F	28119140	27204189
TOTAL		10702185	1687489
Deffered Tax Asset		1544549	203408
Miscellaneous Expenditure (to the extent not written off)	G		
- Preliminary and pre-operative exps.		4038105	4055455
- Product Development Expenses		2429654	4859307
- Deferred Revenue Expenses		63107	-
Profit & Loss Account (Dr. Balance)	H	30267613	30662734
TOTAL		88498422	87872632
Notes on Accounting part of the Balance Sheet	R		

For Bharat Parenterals Ltd.

Sd/-
(Bharat R. Desai)
Managing Director

Sd/-
(Dahyabhai J. Patel)
Chairman
Date : 14.05.2003

As per our Report of Even Date
For A. C. Shah & Co.
Chartered Accountants

Sd/-
A. J. Shah
(Partner)
Mem.No : 38932
Date : 14th May 2003



Bharat Parenterals Limited

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2003

INCOME	Schedule	31.03.2003	31.03.2002
Sales	I	80790284	66509791
Increase/Decrease in Stock	J	1370539	2999422
Miscellaneous Income	K	15446673	5545296
	Total-A	<u>97607496</u>	<u>75054509</u>

EXPENDITURE	Schedule	31.03.2003	31.03.2002
Material Consumed	L	68904129	59540837
Manufactured Expenses	M	5872478	3601142
Employees Cost	N	5179037	4948405
Financial Charges	O	616524	467453
Administrative & Selling Expenses	P	6984150	4387441
Loss due to fire		229669	
Miscellaneous Expenses w/off	Q	2567097	
Depreciation Current Year	C		
Earlier Year (1997-1998)	C	8200432	3610933
	TOTAL-B	<u>98553516</u>	<u>76556211</u>
Profit/Loss before Taxation	Total A-B	<u>(946020)</u>	<u>(1501702)</u>

Deffered Tax		1341141	203408
Balance Transfer to Balance Sheet		395121	(1298294)
Notes on Account forming part of the Profit & Loss A/c	R		
Earning per Share		0.076	(0.340)

For Bharat Parenterals Ltd.

Sd/-
(Bharat R. Desai)
Managing Director

Sd/-
(Dahyabhai J. Patel)
Chairman
Date : 14.05.2003

As per our Report of Even Date
For A. C. Shah & Co.
Chartered Accountants

Sd/-
A. J. Shah
(Partner)
Mem.No : 38932
Date : 14th May 2003



Bharat Parenterals Limited

SCHEDULE A		31.03.2003	31.03.2002
Share Capital			
Authorised Share Capital			
5300000 Equity Share of Rs. 10/- each		53000000	45000000
		53000000	45000000
Issued, Subscribed & Paid up Share Capital			
5229666 Equity Share of Rs. 10/- each		52296660	37704000
Fully paid up out of which			
1459266 Equity Shares issued during the year		52296660	37704000
		52296660	37704000
SCHEDULE B		31.03.2003	31.03.2002
Loan Funds			
Secured Loan			
Term Loan from Bank of Baroda (Secured against Mortgage & Hypothecation of Land, Building & Machinery)		6929871	10488042
Cash Credit (Secured against hypothecation of Raw Material, Finished Goods & Work-in-progress)		1455592	8563800
Book Debts (Sales Govt. Dept) (Secured Against Sundry Debtors)		10006331	10006329
Bank of Baroda adj A/c.			1000000
ABN Amro Over Draft			1008306
HDFC Car Loan (Secured Against Car)		253618	
		18645412	31066477
Unsecured Loan			
Loan from Directors & Others			
Desai Shares & Stocks Pvt. Ltd.		594076	594076
Shri P. J. Patel Brothers HUF		54174	54174
Shri S. H. Patel		232176	232176
Asoj Soft Caps. Pvt. Ltd.		6408079	6408079
Anchor Electricals Pvt. Ltd.		2505410	-
M.J. Pharmaceuticals Ltd		-	114326
Shikhar Leasing & Trading Ltd.		-	5800000
Sales Tax Deffered Payment		3003278	2558543
C.S.T. Deffered Payment		4703817	3285441
Shri Dahyabhai J. Patel		55340	55340
		17556350	19102155
SCHEDULE D		31.03.2003	31.03.2002
Investments			
Vepar Vikas Co-op. Bank Shares			
Kishan Vikas Patra		5000	5000
National Savings Certificates		5000	5000
		10000	35000



Bharat Parenterals Limited

SCHEDULE E		31.03.2003	31.03.2002
Current Assets, Deposits, Loans & Advances			
Current Assets			
Inventories			
- Raw Material, Packing Material (At Cost)		6474744	4799299
- Work-in-progress (At Cost)		1741970	3962890
- Finished goods (At cost or market price whichever is less)		4896152	1304693
		13112885	10066882
Sundry Debtors			
Unsecured Considered goods			
	Exceeding six months	794320	338805
	Less than six months	9470999	3130236
Govt. Debtors			
	Exceeding six months	453907	62008
	Less than six months	11436835	12307054
		22156060	15838103
Cash & Bank Balances			
Cash on Hand		11527	5900
Bank Balance with Schedule Banks		14698	19698
Bank of India		4290	-
HDFC Bank Ltd		49976	83843
Bank of Baroda		85460	-
Fixed Deposit with Co-op Bank		-	4000
Fixed Deposit with Dena Bank		997641	-
Fixed Deposit with Bank of Baroda		110500	287121
		1274092	400562
Deposits, Loan & Advances			
Deposits			
Deposit with G.E.B.		288785	288785
Deposit with G.I.D.C., Kalol		1243	1243
Tender Deposit (CMSO)		-	93000
Prabhuta Gas Services Deposit		1150	1150
Tender Deposit (TNMSC)		20000	20000
Security Deposit for (TNMSC)		500000	1000000
Security Deposit for RC (CMSO)		150000	-
Security Deposit Hindustan Latex(New Delhi)		149060	-
Security Deposit with Uttranchal Govt		9000	-
H.A.P.L. – Cylinder Deposit		8000	8000
Karnataka Govt. Security Deposit		75000	-
Earnest Money Deposit CMSO		10000	-
Fixed Deposit with Central Excise		-	30000
Fixed Deposit CMSO		-	15000
Fixed Deposit Sales Tax		-	5000
Fixed Deposit MCGB		60000	60000
CMSO Bank Guarantee		-	75000



Bharat Parenterals Limited

SCHEDULE E	31.03.2003	31.03.2002
Loan & Advances		
Imprest Money	56969	-
Staff & Worker Advances	56200	25390
Tax Deducted at Source	206362	356643
Pre-paid Expenses	74108	-
Advance to Suppliers	316419	20897
Income Tax	-	15000
Excise Balance		
PLA	280205	169863
RG-23 Part II	3913	1040
RG-23 A & C Part II	3220	400120
Convnt Receivable (Capital Goods)	8673	-
	2278308	2586132
TOTAL	38821325	28891678

SCHEDULE F	31.03.2003	31.03.2002
Current Liabilities & Provisions		
- Sundry Creditors for Goods and Exps.	24502889	25798414
- Security Deposit	800000	-
- Advance from Customers	1445137	309988
- Other Liabilities	9480	426538
- Provisions for Expenses & Others	1361634	669249
	28119140	27204189

SCHEDULE G	31.03.2003	31.03.2002
Preliminary & Pre-operative Expenses		
Company registration fees & charges paid for increase in authorised share capital to Register of Companies.	273500	175000
Public Issue Expenses	3503969	3503969
Pre-Operative Expenses	588486	588486
	4365955	4267455
Less : Written off till date	327850	212000
	4038105	4055455
Product Development Expenses		
Product Development Expenses	2429654	4859307
	2429654	4859307
Deferred Revenue Expenses		
Drug License	39840	-
ISO Certification Expenses	23267	-
	63107	-

SCHEDULE H	31.03.2003	31.03.2002
Profit & Loss Account		
Balance B/f	30662734	29263658
Adjustment of Previous Year	-	100782
Less : Current Year's profit Transferred From Profit & Loss A/c	395121	1298294
	30267613	30662734



Bharat Parenterals Limited

SCHEDULE I	31.03.2003	31.03.2002
Sales	90869465	70420866
Less : Goods Return	(12880)	(243439)
Less : Excise Duty	(10158600)	(6676851)
Raw Material Resale	92299	3009215
	80790284	66509791

SCHEDULE J	31.03.2003	31.03.2002
Increase/Decrease in Stock of work-in-progress and finished goods		
Opening Stock	5267583	2268161
Closing Stock	6638122	5267583
	1370539	2999422

SCHEDULE K	31.03.2003	31.03.2002
Miscellaneous Income		
Labour Charges	8694989	4426305
Misc. Income	315782	334285
Scrap Sales	80530	72750
Sale of DEPB License	88864	688646
Interest Received	140900	23310
Testing Charges for Job work	100000	-
Dividend on Shares (Co-op Bank)	5000	-
Product Development Charges	294001	-
Interest on Income Tax Refund	24013	-
Excess Provision of Sales Tax written Back	1095751	-
DRT Settlement of Bank Dues Liability written Back	4566377	-
Profit on Sale of Lab Equipments	3000	-
Foreign Exchange Rate Difference	22629	-
Profit on Sale of Car	14837	-
	15446673	5545296

SCHEDULE L	31.03.2003	31.03.2002
Material Consumed		
Opening stock	4799299	1626797
Add : Purchase of Raw Materials Packing material & laboratory Materials	70579574	62713339
Less : Closing Stock	6474744	4799299
	68904129	59540837

SCHEDULE M	31.03.2003	31.03.2002
Manufacturing Expenses		
Electric Power	2626327	1755421
Kerosene & Lubricant Oil	998966	489724
Repair & Maintenance	718394	414481
Factory Expenses	506708	281992
Consumable Stores	55620	37737
Labour Charges	88265	74711
Service Charges	3363	101261
Testing Charges	636033	252874
Freight , Octroi and Carting	238802	192941
	5872478	3601142



Bharat Parenterals Limited

SCHEDULE N	31.03.2003	31.03.2002
Employees Cost		
Salary & Wages	2933424	2702180
Worker & Staff Allowances	1102132	905344
Staff welfare	67967	127055
Salary To Apprentice	25268	20904
PF & FPF	305938	609198
Bonus	226996	207323
Leave Salary	5439	-
Over Time	189436	123552
Director's Remuneration	270000	185000
Director Sitting Fees	500	3000
Labour Welfare fund	948	118
Medical Expenses	4989	64731
Retrenchment Compansation	46000	-
	5179037	4948405

SCHEDULE O	31.03.2003	31.03.2002
Financial Charges		
Bank Interest	61990	275682
Bank Charges	82359	68980
Interest on Car Loan	10618	-
Other Interest	461557	122791
	616524	467453

SCHEDULE P	31.03.2003	31.03.2002
Administrative & Selling Expenses		
Administrative Expenses		
Auditors Remuneration	43200	44000
Books and Periodicals	21859	35117
Repair & Maintenance-Factory Building	332101	35968
Professional Charges	199000	97450
Conveyance	120366	81859
Diwali Expenses	66915	34750
Donation	6556	2600
Electrical Expense	215755	126389
Garden Maintenance Expenses	4700	25957
Vehicle Hiring Charges	354146	349120
Handling Charges	336168	391774
Sales Tax (Assessment)	93322	
Sales Tax Penalty	27153	
Insurance charges	50414	83132
Laboratory Expenses		44620
Rent, Rates & Taxes	21960	11686
Legal Expenses	90203	89891
Licence & Registration Fees	42935	11060
Listing Fees	12500	10000
Office Expenses	5114	31714



Bharat Parenterals Limited

SCHEDULE P	31.03.2003	31.03.2002
Late Supply Deductions	632209	1243348
Procurement Charges	642657	-
Post & Telegram	90903	42856
Printing & Stationery	309608	99348
Professional Tax	1000	1000
Security Services Charges	147133	200500
Sundry Expenses	42014	22958
Telephone Charges	192687	233258
Travelling Expenses	340204	249138
Tax Deducted at source	380656	-
Income Tax paid	35000	-
Vehicle Running Expenses	66073	31749
Repair & Maintenance - Vehicles	13791	25443
Washing Charges	22959	64410
Selling, Marketing & Publicity Expenses		
Tender Fees	50550	10000
Sales Commission	398452	295042
Sales Promotion	707814	-
Advertisement & Publicity	77869	13680
Discount (On Sales & Others)	239562	12661
Freight Outward & Transportation	497042	344963
Seminar Expenses	51700	-
	5984150	4387441

SCHEDULE Q	31.03.2003	31.03.2002
Miscellaneous Expenditure W/off		
Preliminary & Pre-operative Expenses	115850	
Product Development Expenses	2420054	
Deferred Revenue Expenses	21593	
	2567097	

Sub Schedule to Schedule - F	31.03.2003	31.03.2002
Liabilities for Exps & Provisions		
Telephone Charges	29024	25000
Electricity Expenses	144871	176990
Director's Remuneration	22500	22500
Auditor's Remuneration	43200	42000
Salary & Wages	337473	274741
P.F. & FPF	47961	41050
Professional Taxes	-	1800
Sales Tax (Assessment)	12030	-
Overtime to workers	35191	14272
Salary to Apprentice	2000	1088
Listing Fees	72500	60000
Purchase Tax Payable	445126	-
TDS Payable	169758	9808
	1381634	669249

Bharat Parenterals Limited

Schedule-R to the Balance Sheet & Profit and Loss Account **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Policies (GAAP), and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the Provisions of the Companies Act, 1956. All income and expenditure having a material bearing on the financial statements are recognized on the accrual basis.

2. Fixed Assets & Depreciation

- Fixed assets are stated at the historical cost (net of CENVAT) of acquisition.
- Depreciation on Fixed Assets is provided for under W.D.V. method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.
- Depreciation on additions to Gross Block is calculated on pro-rata basis.

3. Investments

Investments are stated at cost of acquisition.

4. Foreign Currency Transactions

Transactions in foreign currency are recorded in the reporting currency by applying currency rate at the date of transaction. Receivables and payables involving foreign currency are translated at the rates of exchange prevalent on the Balance Sheet date. Variations arising on account of fluctuation in foreign exchange rates are treated as Revenue except relating to the fixed assets, which are adjusted in the carrying amount of the respective assets.

5. Inventories

- ❖ Raw material, packing Material and Work-in-progress are valued at cost.
- ❖ Finished goods are valued at cost or net realizable value whichever is lower.

6. Revenue Recognition

- ❖ Sales (net of return) are shown exclusive of excise duty & taxes, wherever applicable.
- ❖ Accrued Interest on Kissan Vikas Patra & National Savings Certificates have not been accounted for.

7. Retirement Benefits to Employees

Company's contribution to Provident Fund is accounted for on accrual basis.

8. Miscellaneous Expenditure

❖ **Preliminary Expenses & Pre-operative Expenses**

The company has written off 1/10th of its total preliminary expenses during the year. During the year, the company has incurred expenses for increase in authorized share capital at Registrar of Companies, Ahmedabad. These are also to be written off 10% per year starting from this financial year i.e. 2002-2003.

❖ **Deferred Revenue Expenses-Drug License Fees**

20

The company has treated Drug License Expenses as Deferred Revenue Expenses as the life of the whole license is 5 years, and decided to write it off over the life of the license. For the year, the company has written off 20% of total deferred revenue expenses.

❖ **Deferred Revenue Expenses-ISO Certification Expenses**

The company has treated ISO Certification Expenses as Deferred Revenue Expenses as the validity of the Certificate is 3 years, and decided to write it off over the validity period. For the year, the company has written off 1/3rd of total deferred revenue expenses.

❖ **Product Development Expenses**

The company has written off 50% of product development expenses this year.

9. Contingent Liabilities

There are no contingent liabilities.

B. NOTES TO ACCOUNTS

1. Previous year's figures are regrouped wherever necessary.



Bherat Parenterals Limited

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous Year Rs. Nil)
3. Contingent liabilities in respect of following items are as below:
 - i. The claims against the company the company not acknowledged as debt Rs. Nil (Previous Year Rs. Nil).
 - ii. Bill of exchange discounted with banks Rs. Nil (Previous Year Rs. Nil).
 - iii. Counter guarantee given to bank on behalf of others Rs. Nil (Previous Year Rs. Nil).
 - iv. Demand under Excise, Custom, Sales Tax, Income Tax and other proceedings disputed Rs. Nil (Previous Year Rs. Nil).
 - v. Letter of Credit Rs. Nil (Previous Year Rs. Nil).
4. The company has opted for the Deferred Payment Scheme of Sales Tax for the period from 1997 to 2005.
5. The Balances under Sundry Creditors, Other Liabilities, Liabilities of Financial Institution, Sundry Debtors, and Loans & Advances are subject to confirmation, wherever applicable.
6. The company does not hold any security against balances receivable from Sundry Debtors, Advances to Suppliers and Advances to Staff other than personal security given by the respective parties.
7. **Directors' Remuneration:**

Particulars	Current Year	Previous Year
Remuneration	Rs. 2,70,000.00	Rs. 1,85,000.00

8. **Auditors' Remuneration:**

Particulars	Current Year	Previous Year
As Statutory Auditors	Rs. 20,000.00	Rs. 20,000.00
As Tax Auditors	Rs. 15,000.00	Rs. 15,000.00
In other Capacity	Rs. 5,000.00	Rs. 5,000.00
Service Tax	Rs. 3,200.00	Rs. 2,000.00

9. Details of expenditure incurred on employees who were in receipt of remuneration of not less than Rs. 3,00,000.00 per year, if employed for full year or Rs. 25,000.00 per month if employed for part of the year Rs. Nil (Previous Year Rs. Nil).
10. In the opinion of the Board of Directors, the value on realization of Current Assets, Loans & Advances, in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
11. The working capital facility from banks is secured by first charge on the stock, stores, and book debts and by second charge over the immovable and movable properties of the company, both present and future.
12. Term loans are secured by first mortgage on immovable & immovable properties of the company including movable machinery, spares, tools and accessories and second charge over all the remaining assets subject to prior charge created or to be created in favour of the bank for working capital facility.
13. During the year, the company has compromised with its Bankers, Bank of Baroda in the Debt Recovery Tribunal, Ahmedabad. As per the order of the said recovery tribunal dated 22nd November 2002, all the said bank dues in total amounting to Rs. 3.11 Crores were settled for Rs. 2.65 Crores. The company has credited the differential amount to Profit & Loss Account under the head of *Settlement of Bank Dues A/c* under Miscellaneous income.
14. Out of total paid up equity share capital, 14, 59,266 equity shares of Rs. 10 each are issued on preferential basis during the year and these are yet to be listed.
15. **Deferred Tax Assets Effect as at 31st March 2003**
Deferred tax assets of the company shown in the Balance Sheet as at 31st March 2003 have been determined as follows:



Bharat Parenterals Limited

Particulars of Deferred Tax Assets	Amount (In Rs.)
Effect on Taxation due to difference in Depreciation as per Companies' Act, 1956 & Depreciation as per Income Tax Act, 1961.	1,99,418.00
Effect on Taxation due to disallowable expenditure u/s 43B of the Income Tax Act, 1961[i.e. Sales Tax Collected but not paid]	11,41,723.00
Total Effect on account deferred taxation	13,41,141.00

7. **Earning Per Share as at 31st March 2003**

Particulars	As at 31 st March 2003	As at 31 st March 2002
Net Profit After Tax Available for Equity Shareholders	3,95,122.00	(-)12,98,294.00
No. of Equity Shares of Rs. 10 Each Fully Paid up	52,29,666 Shares	37,70,400 Shares
Basic & Diluted Earning Per Share (In Rs.)	0.076	(-)0.34

8. **Related Party Disclosure & Transaction with them**

For the year ended on 31st March 2003, following is the list of Related Parties:

Particulars	Position in the Company
Dr. Dahyabhai J Patel	Chairman & Managing Director
Shri Bharat R.Desai	Managing Director
Shri Jagdishbhai H Shah	Director
Shri Hasmukhbhai R Shah	Director
Shri Hasmukhbhai P Patel	Director
Shri Manohar U Kundnani	Director
Shri Vipul Popatlal Cheda	Director
Shri Shantilal C Bhayani	Director
Shri Pravinbhai C Joshi	Director

During the year, the company has done following transactions with the stated related parties as below:

Particulars	Nature of Transaction	Amount Involved (In Rs.)
Mr. Bharat R Desai	Remuneration paid	Rs. 2,70,000.00 (Previous Year Rs. 1,85,000.00)

9. **Additional information pursuant to Clause 3 & 4 of part II of Schedule VI of the Companies Act, 1956:**

- Licensed & Installed Capacity:
 - a. **Licensed Capacity**
Not Applicable



Bharat Parenterals Limited

b. **Installed Capacity**
Installed Capacity per Shift is as follows:

Items Specified	Unit	No. of Items
Tablets		
- Plain Tablets	Numbers	37,50,000
- Coated Tablets	Numbers	22,50,000
- Kid Tablets	Numbers	5,00,000
Capsules		
- General Capsules	Numbers	2,70,000
- Penicillin Capsules	Numbers	2,70,000
Ointments		
- General Ointments	Tubes	30,000
- Sterile Ointments	Tubes	15,000
Liquid Orals		
- General Liquids	Bottles	68,000
- Dry Syrup	Bottles	17,000
Injections		
a. General Parentals		
1. Ampoules	Numbers	88,000
2. Vials	Numbers	66,000
3. Ophthalmic	Numbers	22,000
b. Penicillin Dry Sterile Powder		
-D.F.S.	Numbers	55,000

Quantitative Details in respect of Raw Materials and Finished Goods in terms of quantity and value is shown in Annexure-A.

Consumption of Raw Material:

Particulars of Raw Material Consumed	Amount (In Rs.)	% age of Total Raw Material Consumed
Imported Raw Material Consumed	28,59,326.30	4.15%
Indigenous Raw Material Consumed	6,60,54,802.70	95.85%
Total Raw Material Consumed	6,89,14,129.00	100.00%

Amount remitted in foreign currency on account of dividend is Rs. Nil.

- ❖ Earning in foreign exchange is Rs. Nil.
- ❖ Value of imports calculated on CIF basis by the company during the financial year in respect of:

Raw Material Rs. 28,59,326.30

- ❖ Expenditure incurred in foreign currency during the financial year on account of royalty, know-how, professional, consultation fees, interest, and other matters Rs. Nil.

Place: Vadodara

Date: 14th May 2003

For A.C. Shah & Co.
Chartered Accountants

Akesh J Shah
(Partner)
Mem.No. 38932



MATERIAL CONSUMPTION (2002-2003)

CURRENT YEAR PREVIOUS YEAR

SR. NO.	NAME OF MATERIALS	QTY. (KG)	VALUE (LAC)	QTY. (KG)	VALUE (LAC)
1	AMOXICILLIN TRIHYDRATE IP	3073.77	60.71	4794.08	109.74
2	AMPICILLIN TRIHYDRATE IP	1936.95	28.16	319.12	10.01
3	AMPICILLIN SODIUM STERILE I.P.	283.00	7.61		
4	ASCORBIC ACID I.P.	68.00	0.33	954.26	4.25
5	CEFALEXIN MONO HYDRATE IP	780.00	26.36	325.00	12.62
6	CEFIXIME TRIHYDRATE IP	24.00	0.48	52.00	24.44
7	CEFOTAXIME SOD. STERILE IP	937.74	99.05	347.26	37.06
8	CHLORPROMAZINE IP	700.00	13.47	495.00	12.20
9	CIPROFLOXACIN I.P.	7265.00	83.62	7170.59	108.13
10	ETHAMBUTOL HCL I.P.	862.00	7.49	1065.00	10.68
11	FERONIL IRON	249.00	3.01	158.92	2.30
12	OFLOXACIN USP	205.00	7.34	195.66	10.22
13	PARACETAMOL IP	48758.00	53.15	39995.00	57.99
14	RIFAMPICIN	640.00	23.69	170.03	6.82
15	SULPHAMETHOXAZOLE I.P.	850.00	2.77	13762.30	46.10
16	TINIDAZOLE IP	615.00	3.24	500.00	3.15
17	TRIMETHOPRIME I.P.	170.00	1.52	2782.44	25.04
18	VITAMIN A I.P.	16.74	0.34	66.96	1.67
19	CLOXACILLIN SODIUM I.P.	980.00	16.41		
20	IBUPROFEN I.P.	2634.00	8.42		
21	SODIUM VALPROATE IP	198.00	2.50		
22	PYRAZINAMIDE I.P.	158.00	2.95		
23	METHYL PREDNISOLONE SODIUM SUCC	8.75	17.50		
24	CARBAMAZEPINE I.P.	670.00	12.06		
25	SEPTRIAZONE SODIUM STERILE	70.00	8.26		
26	HYDROCORTISONE SODIUM SUCC.	20.00	9.40		
27	OTHER BULK DRUGS/PACKING EXCIPIENTS, SOLVENTS & ADDITIVES		88.50		112.96
			588.34	595.40	



Bharat Parenterals Limited

SALES (2002-2003)

SR. NO.	NAME OF MATERIALS	CURRENT YEAR		PRIVIOUS YEAR	
		QTY. (LAC)	VALUE VALUE (LAC)	QTY. (LAC)	VALUE VALUE (LAC)
1	Amoxycilline caps. i.p. 500 mg	52.85	73.37	27.45	36.59
2	Ampicillin Capsules IP 500mg	22.49	26.52		
3	Ampicillin Injection B.P. 1 gm	2.62	15.25	2.50	14.00
4	Axiom Injection 1 gm	1.24	24.33		
5	Becox RH Tablets	7.73	21.45		
6	Becox-Forte Tablet	6.57	11.93	1.62	12.32
7	Carbamazepine Tablets IP 200mg	33.12	15.66		
8	Cefotaxime sodi. Inj. 1 gm	6.96	11.54	2.50	43.72
9	Cefotaxime Sodium for Injection 250mg	2.15	12.37		
10	Cephalexin Capsules IP 250mg	31.34	33.95	8.62	9.68
11	Chlorpromazine Tabs i.p.	72.81	23.22	34.40	11.45
12	Ciprofloxacin Tablets 500 mg	124.49	116.41	104.00	108.12
13	Cloxacillin Capsules IP 500mg	17.24	21.87		
14	Ethambutol Tablets	20.24	19.41	17.50	15.66
15	Hydrocortisone Sodium Succinate Injection BP 100mg	1.38	14.49		
16	O.T. Tabs	10.39	17.65	7.70	15.42
17	Paracetamol Tablets	224.25	24.77	532.40	36.25
18	Paracol Tablets bp 500mg	779.16	66.28		
19	Vetosa Tablets	27.77	31.88	17.91	21.10
20	Others (Including Resales)		225.55		340.79
TOTAL =====>			807.90		665.10



Bharat Parenterals Limited

PRODUCTION (2002-2003)

SR. NO.	NAME OF MATERIALS	(Quantity in Lacs)	
		CURRENT YEAR	PRIVIOUS YEAR
1	PARACOL TABLETS 500MG	716.95	
2	PARACETAMOL TABLETS 500MG	254.79	532.90
3	CIPROFLOXACIN HCL TABLETS IP 500MG	129.54	104.00
4	CHLORPORMAZINE TABLETS	72.81	34.40
5	AMOXYCILLIN CAPSULES I.P. 500mg	52.83	100.00
6	CARBAMAZEPINE TABLETS I.P. 200MG	33.24	
7	CEPHALEXIN CAPSULES IP 250MG	31.34	8.62
8	VETOSA TABLETS	27.77	17.91
9	AMPICILLIN CAPSULES 500MG	22.49	
10	ETHAMBUTOL TABLETS 800MG	20.24	17.50
11	CLOXACILLIN CAPSULES 500MG	17.57	
12	O.T. TABLETS	10.39	7.70
13	BECOX RH TABLETS	7.73	
14	CEFOTAXIME INJECTION 1 GM	7.05	2.50
15	BECOX FORTE TABLETS	6.57	1.62
16	AMPICILLIN INJECTION 1 GM	2.62	2.50
17	CEFOTAXIME SODIUM FOR INJECTION 250MG	2.15	
18	HYDROCORTISONE SODIUM SUUC. INJECTION	1.51	
19	AXIOM INJECTION 1GM	1.24	
17	OTHER TABLETS, CAPSULES, OINTMENTS, LIQUID ORALS & INJECTIBLES	714.37	542.52



Bherat Parenterals Limited

CLOSING STOCK OF FINISHED PRODUCTS (2002-2003)

SR. NO.	NAME OF MATERIALS	OPENING STOCK	VALUE	PRODUCTION QTY. (nos)	SALES QTY. (Nos)	EXP. STOCK	CLOSING STOCK	VALUE
1	Ibuprofen Tablets IP 400mg	0	0.00	8421000	0		8421000	1684200
2	Ciprofloxacin Tablets IP 500mg	0	0.00	12954000	12449000	35000	470000	423000
3	Nu Axiom Injection 1 gm	0	0.00	44741	28085		16656	420231
4	Paracetamol Tablets IP 500mg	0	0.00	5054000	2000000		3054000	259590
5	Fortified Proc. Peni. 4 mega	0	0.00	25000	0		25000	243000
6	Methyldopa Tablets IP 250mg	65300	130000.00	0	0		65300	137054
7	Hydrocortisone Sod.Succ.Injection BP100mg	0	0.00	150800	137800		13000	130000
8	Metronidazole Suspension 5mg	0	0.00	33653	20800		12853	116000
9	Mebendazole Tablets USP 100mg	277000	26315.00	1250000	500000	27000	1000000	95000
10	Grisofulvin Tablets IP 125mg	0	0.00	1021800	910000		111800	61490
11	Amilorate Tablets BP 5mg	75000	46875.00	175000	175000		75000	47000
12	Quinine Dihydrochloride Inj. 600mg/2ml	0	0.00	17663	8675		8988	43000
13	Cloxacillin Capsules Ip 500mg	0	0.00	1756700	1724200		32500	41000
14	Acitaminophen Oral Susp. 60ml	0	0.00	10280	5000		5280	41000
15	Verapamil Tablets IP 40mg	0	0.00	249200	150000		99200	39000
16	Metronidazole Tablets 250mg	0	0.00	810000	600000		210000	38000
17	Diflox Injection 3 gms Vials	0	0.00	20221	14021		6200	241000
18	Paradec Bolus	0	0.00	116352	39600		76752	95000
19	Molex Injection 3gm Vials	0	0.00	16282	12300		3982	135000
20	Albenda Bolus 1500mg	0	0.00	73008	43200		29808	86000
21	Others	0.00	0.00					520587
TOTAL ----->			203190.00					4896152



GOODS UNDER PROCESS AS ON 31.03.2003

SR. NO.	NAME OF MATERIALS	QTY.	RATE	VALUE
1	OMED CAPSULES (10X10)	120	60.00	7200
2	ETHAMBUTOL TABLETS (10X10)	400	80.00	32000
3	CHLORPROMAZINE TABLETS (10X10)	190	30.00	5700
4	AMOXYCILLIN CAPSULES IP 500MG(10X10)	250	140.00	35000
5	ACYCLOVIR INJ. 250MG	15900	33.00	524700
6	METHYL PREDNISOLONE SODIUM SUC. INJ. 1GM	1850	350.00	647500
7	METHYL PREDNISOLONE SODIUM SUC. INJ. 500MG	1850	185.00	342250
8	FRUSEMIDE INJ. 2ML AMP	47619	1.50	71429
9	METOCLOPRAMIDE INJ. 2ML AMPOULE	47619	1.60	76191
Total				1741970



Bharat Parenterals Limited

MATERIAL CONSUMPTION STATEMENT FROM APRIL-2002 TO MARCH-2003

SR.NO.	PARTICULARS	B.P.L.
1	OP. STOCK OF R. M	3,042,231
2	OP. STOCK OF P.M.	1,757,068
	TOTAL - A	4,799,299
1	PURCHASE OF R.M.	60,145,794
2	PURCHASE OF P.M.	9,228,999
	TOTAL - B	69,374,794
	TOTAL A + B =C	74,174,093
	CLOSING STOCK OF R.M.	4,351,615
	CLOSING STOK OF P.M.0	2,123,128
	TOTAL AMOUNT D	6,474,744
	MATERIAL CONSUMPTION	67,699,349

MATERIAL CONSUMPTION AS STOCK STATEMENT

	RAW MATERIAL	58834526
	PACKING MATERIAL	8862939
	TOTAL	67697465

DETAILS OF CLOSING STOCK AS ON 31-03-2003

1	RAW MATERIAL	4351615
2	PACKING MATERIAL	2123128
	TOTAL - [A]	6474744
1	WORK IN PROCESS -[B]	1741970
1	FINISH GOODS-[C]	4896152
	TOTAL A + B +C	13112865



Bharat Parenterals Limited

(A.Y. 2003-2004)

(P.Y. 2002-2003)

(Rs. in THOUSANDS)

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2003**30**

PARTICULARS	Amt.	Amt.	Amt.
A. CASH FLOW FROM OPERATING ACTIVITIES			(2906)
Net Profit Before tax & Extra ordinary Items		(946)	
Adjustments for			
Depreciation	8200		
Interest & Financial Charges	617		
Preliminary Expenses w/off	2567		
Miscellaneous Expenses w/off			
Deferred Revenue Expenses w/off			
Profit on sale of Fixed Assets	(18)		
Excess Provision of Sales Tax Liabilities	(1096)		
Settlement of Bank Dues	(4566)		
Dividend on Shares	(5)		
Interest Received	(141)		
Tax Deducted At Source	381		
Income-Tax	35		
Loss Due to Fire	230	6204	
Cash Flow from operation before working capital Adjustment		5258	
Working Capital Adjustment			
Increase in Stock	(3046)		
Increase in Debtors	(6318)		
Decrease in Loans & Advances	308		
Increase in Current Liabilities	915	(8141)	
Adjustments for			
Foreign Exchange Rate Difference – Gain/Loss		(23)	
CASH FLOW FROM OPERATING ACTIVITIES		(2906)	
B. CASH FLOW FROM INVESTING ACTIVITIES			(1124)
Purchase of Fixed Assets	(1325)		
Sale of Fixed Assets	30		
Sale of Investments	25		
Dividend on shares of Co-operative Bank	5		
Interest Received	141		
CASH FLOW FROM INVESTING ACTIVITIES	(1124)	(1124)	
C. CASH FLOW FROM FINANCING ACTIVITIES			(281)
Interest & Financial Charges	(617)		
Increase (Decrease) in Loans & Long Term Liabilities	(12421)		
Increase in other loans	1863		
Receipt of Loan	12706		
Repayment of Loans	(1714)		
Repayment of Loan through Issue of Shares	(14593)		
Issue of Share Capital	14593		
Expenses on Account of Increase in Authorised Share Capital	(99)		
CASH FLOW FROM FINANCING ACTIVITIES	(281)	(281)	
INCREASE/DECREASE IN CASH & CASH EQUIVALENT [A+B+C]			(4311)
Opening Cash & Cash Equivalents [As on 1 st April 2002]			401
Increase/Decrease in Cash & Cash Equivalent			(4311)
Adjustments on account of extra Ordinary Items			
Deferred Revenue Expenses incurred			(85)
Excess Provision of Sales Tax Liability			1096
Income-Tax and TDS			(416)
Settlement of Bank Dues			4566
Foreign Exchange Rate Difference			23
Closing Cash & Cash Equivalent [As on 31 st March 2003]			1274

SCHEDULE - C FIXED ASSETS & DEPRECIATION AS PER BOOKS FOR THE YEAR ENDED 31ST MARCH 2003

PARTICULARS	GROSS BLOCK				Total Assets	Dep. For the year 2002-2003	Dep. For Year 1997-98	Dep. For Year 1998-99	Closing Balance As on 31.03.2003
	Balance as As on 01.04.2002	Addition	Deduction Sold out	Subsidy Received					
Land & Site Development	2742880	.	.	.	2742880				2742880
Building	17116227	.	.	.	17116227	1094761	1754828		14266638
Plant and Machinery including									
Utilities/Services	17728193	141281	.	.	17869474	1397295	2030881		14441298
Furniture & Fixture	1030130	94750	.	.	1124880	87176	190584		847120
Lab-Equipment	319119	82800	.	.	401919	32688	37150		332081
Air Conditioner and Refrigerator	104699	.	.	.	104699	10464	5040		89195
Car-Ne	16914	.	12164	.	4750	.	4750		.
Car-Indica	.	419252	.	.	419252	55327	.		363925
Computer	225850	73500	.	.	299350	51595	7335		240420
Xerox Machine	113216	.	.	.	113216	12394	.		100822
Electric Installation	2280685	.	.	.	2280685	158392	351988		1770305
Dies & Tools	328922	513067	38084	.	803905	61225	36903		705777
Fax, Telephone & EPBX	73006	.	.	.	73006	10928	2236		59842
Building (R & D)	1765961	.	.	.	1765961	111600	188996		1465365
Plant and Machinery (R & D)	1353505	.	.	.	1353505	96399	203848		1053258
Lab-Equipment (R&D)	478447	.	.	.	478447	34503	69735		374209
Electric Installation(R&D)	204595	.	.	.	204595	14572	30813		159210
Weight Scale, Trolly and Carrate	486890	.	.	.	486890	56026	.		430864
Total	46369239	1324650	50248		47643641	3285345	4915087	-	39443209



Bharat Parenterals Limited



Bharat Parenterals Limited

COMPANY PROFILE



1. General Information

Bharat Parenterals Ltd. is a Public Limited Company and was incorporated on 3rd September 1992. The plant is located on a pollution free zone at Survey No. 144 & 146, Village Haripura, on Jarod Samlaya Road which is approximately 30 k.m. from Baroda. Baroda is well connected with rail, road and air. The company is managed by the Board of Directors. The day to day affair of the plant is looked after by the Managing Director, Mr. Bharat R. Desai. The Company engaged in the manufacturing of various dosage forms i.e. Tablets, capsules, Liquid Orals and Injectables (Small volume Parenterals and Dry Powder). The Company employees approximate 120 persons which includes technical as well as skilled employees. The Company is committed to total quality management. The Various raw and packing materials are procured from approved vendors and are received at store with all the necessary documentation and are recorded and kept in quarantine. The sampling is done as per the laid down procedure and are tested as per the laid down specifications and is approved or rejected by Quality control after the completion of testing. The approved materials are labeled with complete information and shifted to approved area. The approved materials are dispensed as per FIFO system. The production process is carried out exactly as per the laid down procedure. The in-process checks are carried out by the quality Assurance during the processing of the batch. The semi-finished/finished products are tested as per the laid down specifications and testing methods. The testing methods are validated. Instruments and equipments are calibrated at regular intervals and records are maintained. The self inspections are carried out by internal team.

2. Pharmaceutical Manufacturing Activities as Licensed by the Food and Drugs Control Administration of Govt. of Gujarat

The company has manufacturing license issued by the Commissioner, Food & Drugs Control Administration, Govt. of Gujarat. The copy of certificate of renewal of license to manufacture for sale drugs which is valid up to 31.12.2000 (Annexure I)

Manufacturing License in form 25 no. G/1289
Manufacturing License in Form 28 no. G/925

The plant has been approved by WHO vide letter no. MFG/Bharat/P/1098/21293 dated 29.04.98 to manufacture various dosage form. (Annexure. II) and Subsequently renewed vide Cert. No. MFG/Bharat/P/32882/B/J-2 dtd 24.05.2001.

The company also has a manufacturing unit Bharat Chem Laboratories situated at 17 GIDC Estate, Kalol, where it manufactures Ayurvedic Products in the form of Tablets, Capsules and ointments.

In addition to above the company has loaned its manufacturing facilities to various pharmaceuticals company for the manufacturing of their products under loan licence at our premises. The details of name of the firm and licence granted by Food & Drugs control Administration, Govt. of Gujarat to manufacture their products at our plant are as under.

Name of the firm	License No.
Alferez Pvt. Ltd.	G/1851-A
	G/2040-A
M. J. Pharmaceuticals Ltd.	G/2006-A
	G/2242-A
Sun Pharmaceuticals Ltd.	G/2005-A
	G/2241-A
Unimed Technologies Ltd.	G/2191-A
	G/2470-A
Asoj Soft Caps Pvt. Ltd.	G/1951-A
	G/1774-A
Corned Chemicals Ltd.	G/2714-A
	G/3136-A
Mission Pharmaceuticals Ltd.	G/2750-A
	G/3179-A

3. Site Size, Location, environment, No. of Employees.

The Plant is located at Survey No. 144 & 146, Village Haripura, on Jarod Samlaya Road. The plant is about 25 km from Baroda City. Baroda is well connected by Air, Rail and Road Transport. The total land area measured

approximately about 0.3 million sq. ft. which is a fully developed and fairly leveled. The surrounding of the plant is green. The area is developed recently as industrial area and free from air and water pollution and having all the benefits of category -1 backward area. The surrounding industries are non-polluting and mostly engineering industries.

The total built up area constructed is 40,000 sq. ft. Out of this 25,000 sq. ft. built up area is a production area. The services of Utility have been provided on first floor for easy handling and monitoring. The whole production area has complete R.C.C. slab at the height of 3 mts., and above which the area is covered with A.C. sheet at the height of 3 mts. On the first floor we have provided the A.C. ducting, piping, A.H.U's, electrical services, power cables, panels, lighting fixtures (recessed mounted) and other service lines like Reverse Osmosis Plant, D.M. water plant, Ultra Filtration Plant, Distillation Plant, compressed air, vacuum, Dust Collection System. We have installed SS316L piping with loop for the continuous flow of D.M. Water. This helps to eliminate the stagnation of D.M. water during the circulation. The facilities on the service floor are such that this can be easily maintained, monitored and validated.

The company has employed approximate 120 personnel which includes Technically and skilled employees.

4. Quality Management System

The company is committed to quality management system. The raw and packing material are procured from approved vendors. These are received at store with all the necessary documents, which are properly scrutinized and the materials received are recorded. The materials received are kept under quarantine.

The sampling is done as per the sampling plan. The samples are tested as per the laid down specification and testing methods. The approved materials are appropriately labeled and stored at the approved area. The approved materials are dispensed as per FIFO system and checked by quality assurance at the time of dispensing.

The production process is carried out exactly as per the written procedure. In-process checks are carried out at each stage by production as well as by Quality Assurance and Quality Control and are recorded in batch records.

The semi finished and finished products are tested as per the laid down specifications and testing methods. Instruments and equipment are calibrated at regular intervals for which records are maintained.

Self-inspections are carried out at regular intervals by internal teams. The quality management system is monitored by the head of Quality Operations and assisted by Quality Control Manager and Quality Assurance Manager. The regular training programmes are conducted and records are maintained.

The discrepancies observed during the audit are rectified. We have well defined procedure for the product complaint.

The Quality Control Department is well equipped to carry out the stability studies of the product as well as trend analysis so that constant quality monitoring is done for better quality management system.



Bharat Parenterals Limited

Registered Office :

Survey No : 144 & 146, Jarod Samlaya Road,
Vill. Haripura, Ta. Savli,
Dist : Baroda : 391520(Guj)
Ph. No. : (02667)-251669,251670, Fax : (02667)-251679

Name and Address of the

ATTENDANCE SLIP
8th , Annual General Meeting
on..... 30th day of Sept... 2003
at Survey No : 144 & 146, Jarod Samlaya Road,
Vill. Haripura, Ta. Savli, Dist : Baroda : 391520(Guj)
Ph. No. : (02667)-251669,251670, Fax : (02667)-251679

.....
Signature of the Shareholder/Proxy

Note :

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.



Bharat Parenterals Limited

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Dist : Baroda : 391520(Guj)
Ph. No. : (02667)-251669,251670, Fax : (02667)-251679

I/We..... ofbeing a
member/members of Bharat Parenterals Limited hereby appoint of
..... of or failing him
my/our behalf at the 10th ANNUAL GENERAL MEETING of the company to be held on 30th,
September 2003 at 11.30 A.M. and at any adjournment thereof.

Signed this day of2003

Folio No

Address :

.....
.....

Signature



Note :

The Proxy duly signed across the revenue

Stamp of Rs. 1.00 to the company's Registered office atleast 48 hours before the Meeting.