

AMRUTANJAN
be ready!



TRUSTED FOR
OVER
15
YEARS

Amrutanjan Health Care Limited
Annual Report 2008 - 09



MISSION

"Enhance the living standards of our customers through innovative products".

VISION

For the division: Pain

To be a Specialist in Pain Management.

For the Group

To be a family oriented health care company - Multi brand

To launch the brand targeting the youth

VALUES

Commitment towards interests of all stakeholders-customers, employees, shareholders and community.

To achieve leadership position in all our businesses.

We never compromise in our ethics and this is reflected in all our actions.

We strive to provide a culture that accepts new ideas, embraces change and rejects bureaucracy and small-mindedness.

CONTENTS

Page No.	Page No.		
Notice	1	Cash Flow Statement	52
Report of the Directors' to the Members.....	4	Statement pursuant to Section 212(3).....	54
Report on Corporate Governance	12	Statement pursuant to Section 212(8)	55
Management Discussion and Analysis Report	25		
Auditors' Report	29	CONSOLIDATED FINANCIAL STATEMENTS	
Balance Sheet	32	Auditors' Report	57
Profit and Loss Account.....	33	Consolidated Balance Sheet	58
Schedules to Balance Sheet and Profit and Loss Account.....	34	Consolidated Profit and Loss Account.....	59
Balance Sheet Abstract and Company's General Business Profile	51	Schedules to Consolidated Balance Sheet and Profit and Loss Account.....	60
		Consolidated Cash Flow Statement	73

COMPANY INFORMATION

Board of Directors

Mr. S. Sambhu Prasad, Managing Director.
 Dr. H.B.N. Shetty
 Mr. D. Seetharama Rao
 Dr. Pasumarthi S.N. Murthi
 Mr. A. Satish Kumar (Since 25.06.2009)

Company Secretary

Mr. N.S. Mohan

General Manager (Finance)

Mr. P. Viswanath

Statutory Auditors

M/s. P.S. Subramania Iyer & Co.,
 Chartered Accountants
 Chennai

Bankers

Indian Overseas Bank
 Punjab National Bank
 HDFC Bank Limited
 IDBI Bank Limited

Registered Office

No.103 (Old No.42-45), Luz Church Road
 Mylapore, Chennai 600 004
 Telephone: 044-24994164 / 24994465 / 24994366
 Fax : 044-24994585
 E-mail : investors@amrutanjan.com
 Website : www.amrutanjan.com

Factories

Mylapore, Chennai
 Uppal, Hyderabad
 Alathur Village, Kancheepuram District (T.N.)

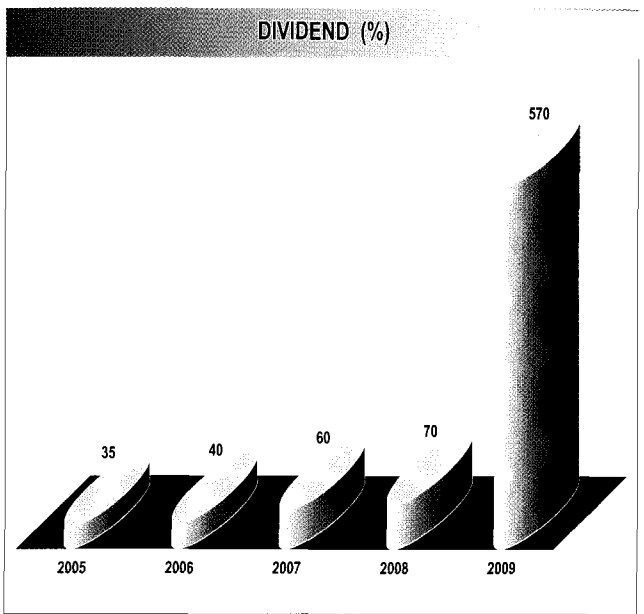
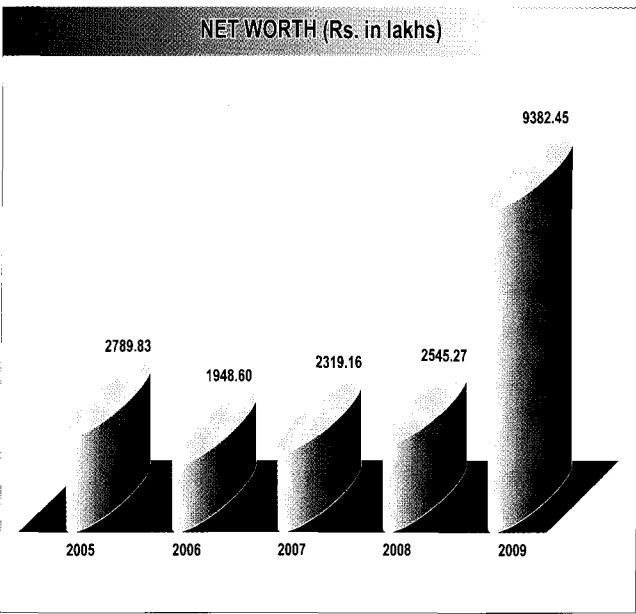
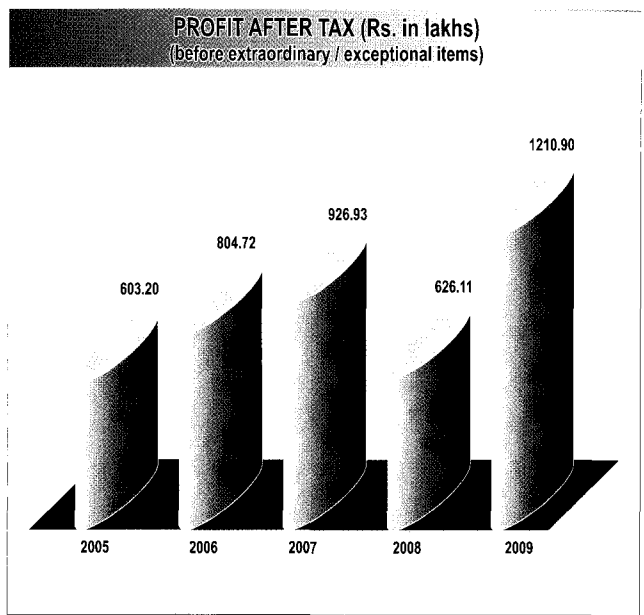
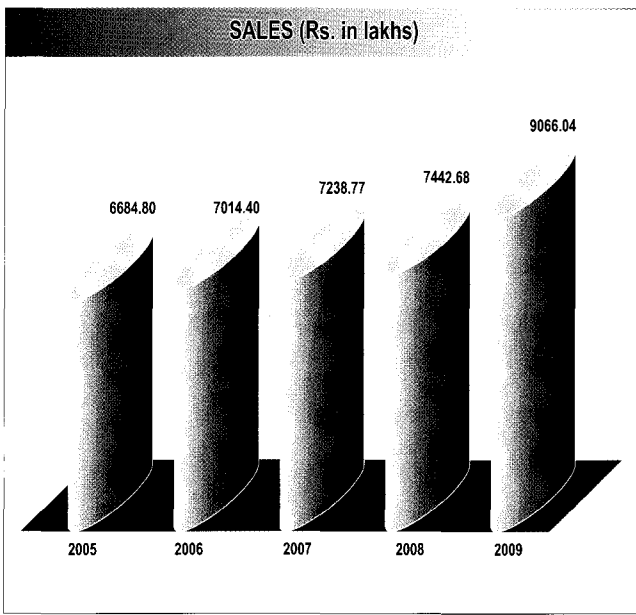
Branches

Bangalore, Mumbai, Kolkata,
 Delhi, Hyderabad & Chennai

Registrars & Share Transfer Agents

M/s. Cameo Corporate Services Limited
 "Subramaniam Building"
 No.1, Club House Road, Chennai 600 002.
 Telephone: 044-28460390
 Fax : 044-24860129
 E-mail : cameosys@cameoindia.com

HIGHLIGHTS



Amrutanjan Health Care Limited

Regd. Office No. 103 (Old No. 42-45), Luz Church Road, Mylapore, Chennai 600 004.



NOTICE

NOTICE is hereby given that the Seventy Second Annual General Meeting of the members of Amrutanjan Health Care Limited will be held on Wednesday, the 30th day of September, 2009 at Kamaraj Memorial Hall, New No.492, (Old No.573-574-A), Anna Salai, Teynampet, Chennai 600 006 at 2.30 p.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2009, the Profit and Loss Account for the year ended 31st March, 2009, and the Reports of the Directors' and Auditors' thereon.
2. To record Special One Time Interim Dividend and Interim Dividend already paid and to declare final dividend on equity shares for the year ended 31st March, 2009.
3. To appoint a Director in the place of Dr. Pasumarthi S.N. Murthi, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

Special Business:

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

"RESOLVED THAT Mr. A. Satish Kumar, whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member proposing the candidature of Mr. A. Satish Kumar for the office of the Director be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

**FOR AND ON BEHALF OF THE BOARD
FOR AMRUTANJAN HEALTH CARE LIMITED**

Chennai
26.06.2009

Dr. H.B.N. SHETTY
Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
2. The Explanatory Statement relating to item No.5 of the Notice as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 18th September, 2009 to 30th September, 2009 (both days inclusive).
4. The final dividend on the Equity Shares as recommended by the Board will be paid on approval of the members of the Company to the eligible equity shareholders whose names appear in the Register of Members of the Company as on 30th September, 2009 and to the eligible beneficial owners whose names appear in the list provided by the Depositories, National Securities Depository Limited and Central Depository Services (India) Limited as on the closing hours of 17th September, 2009.
5. Equity shares of the Company have been placed under Compulsory Demat mode of Trading. Members who have not yet dematerialized their physical holdings in the company are advised to avail the facility of dematerialization of equity shares of the company.
6. As per the regulations of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the company is obliged to print the Bank account details on the dividend warrants as furnished by these depositories to the company and the company cannot entertain any request for deletion/change of bank account details already printed on the dividend warrants as per information received from the concerned Depositories. In this regard, members are advised to contact their Depository Participant (DP) and furnish the particulars of any changes desired by them.

Amrutanjan Health Care Limited

7. Members are advised to avail the facility of Electronic Clearing Service (ECS) for receipt of dividends. The ECS facility is available at the specified locations and covers all major cities. Members are requested to contact their respective Depository Participants (DPs) for availing ECS facility. Members holding shares in physical form and desirous of availing ECS facility are requested to complete the ECS Mandate Form given at the end of this Annual report and forward the same to the Company's Registrars and Share Transfer Agents, M/s. Cameo Corporate Services Limited.
8. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the amount of dividend which remains unclaimed for a period of 7 years from the date of declaration would be transferred to the "Investor Education and Protection Fund" (IEPF) constituted by the Central Government and the shareholders would not be able to make any claims as to the amount of dividend so transferred to the Fund. Accordingly, during the financial year 2008-09 the Company has transferred the unclaimed amount pertaining to Final Dividend for the financial year 2000-2001 & Interim Dividend for 2001-2002 amounting to Rs.1,30,578.80 to IEPF. Members who have not yet encashed their final dividend warrants from the financial year 2001-2002 onwards are requested to make their claims to the Company immediately.
9. Details under Clause 49 of the Listing Agreement entered into with the Madras Stock Exchange Limited in respect of Directors seeking appointment / re-appointment at the Annual General Meeting are given in a separate sheet annexed hereto.
10. *Members desirous of having any information regarding Accounts are requested to address their queries to the General Manager (Finance) at the Registered Office of the Company at least seven days before the date of the Annual General Meeting, so that the requisite information is made available at the meeting. Members are requested to bring their copy of the Annual Report to the Meeting.*

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956

Item No.5

The Board, at its meeting held on 25.06.2009, co-opted Mr. A. Satish Kumar as an Additional Director of the Company. As per Section 260 of the Companies Act, 1956, he will hold office up to the date of this Annual General Meeting. Further, the Company has received a Notice in writing from a member under Section 257 of the Companies Act, 1956, along with the required deposit of Rs.500/- proposing the name of Mr.A. Satish Kumar as a Director of the Company.

Mr. A. Satish Kumar, aged 56 years, is a post graduate in Business Administration (M.B.A.) from the Indian Institute of Management, Ahmedabad. He did Senior Executive Program in Columbia University and also Henkel Executive Program (INSEAD). He held senior positions in SPIC, New Delhi and TPL Limited, Chennai. He has more than 10 years of extensive experience as the Managing Director and Chief Executive Officer, in an FMCG company viz., Henkel India Limited, which is a JV between TPL and Henkel AG & Co. KGaA, Germany and is in the business of Laundry, Homecare, Cosmetics and Toiletries.

The Board feels that the Company would immensely benefit from his appointment as a Director of the Company and therefore, the Board recommends the passing of the Ordinary Resolution as set out in item no.5 of the accompanying notice. The resolution is placed before the members of the Company for their approval.

None of the Directors of the company is concerned / interested in this resolution except Mr. A. Satish Kumar as it relates to his appointment.

FOR AND ON BEHALF OF THE BOARD FOR AMRUTANJAN HEALTH CARE LIMITED

Chennai
26.06.2009

Dr. H.B.N. SHETTY
Director

Details of Directors seeking appointment / re-appointment in the Annual General Meeting

Name of Director	Dr. Pasumarthi S.N. Murthi	A Satish Kumar
Date of Birth	11.08.1934	18.11.1952
Date of Appointment	05.08.1989	25.06.2009
Qualification	B.Sc, M.B.B.S, FRCS (Edin U.K.) FIMSA	M.B.A.
Expertise in Specific Functional Area	Retd. Consultant Surgeon with wide experience in the field of Medicine. He is the only Medical expert on the Board of Amrutanjan Health Care Limited and advises on any medical issues on the products of the Company.	Marketing & General Management
List of Companies in which outside Directorship held	Holistic Beauty Care Limited	<ul style="list-style-type: none"> ◆ Henkel India Limited ◆ Henkel Marketing India Limited ◆ Royal Soft Services Limited
Chairman/Member of the Committees of Board of Directors of other Companies	-	<p>Henkel India Limited</p> <ul style="list-style-type: none"> • Audit Committee • Share Transfer Committee
Shareholding	64909 Equity Shares of the Company	Nil
Relationship with other Directors	Not related to any directors in the manner indicated in Schedule IA of the Companies Act, 1956.	Not related to any directors in the manner indicated in Schedule IA of the Companies Act, 1956.

Amrutanjan Health Care Limited

REPORT OF THE DIRECTORS' TO THE MEMBERS

Your Directors have pleasure in presenting their report on the financial results of the company for the Seventy Second year, along with the audited Balance Sheet as on 31st March, 2009 and the Profit and Loss Account for the year ended 31st March, 2009.

1. FINANCIAL RESULTS

Your Directors are pleased to furnish below the financial results for the year ended 31st March, 2009.

Particulars	For the Current Year ended 31st March, 2009		For the Previous Year ended 31st March, 2008	
Profit before Interest and Depreciation		20,35,72,200		12,19,08,907
Less: Interest	15,31,802		74,72,185	
Depreciation	1,48,01,221		1,46,63,094	
		1,63,33,023		2,21,35,279
Profit before extraordinary items		18,72,39,177		9,97,73,628
Less : Prior year adjustments (Net)		(4,35,809)		(3,36,662)
Profit for the year before tax		18,68,03,368		9,94,36,966
Provision for taxation				
- Income Tax		(7,00,00,000)		(1,45,00,000)
- Fringe Benefit Tax		(30,00,000)		(25,00,000)
- Deferred Tax		78,57,447		(1,94,77,090)
Short Provision for Income Tax of earlier years		(5,71,177)		(3,49,027)
Profit after tax before extraordinary items		12,10,89,638		6,26,10,849
Extraordinary Items (Net of Tax)		80,75,05,163		(1,27,15,724)
Profit after tax after extraordinary items		92,85,94,801		4,98,95,125
Add: Transfer from Profit & Loss Account				
- Surplus from previous year brought forward		3,36,04,166		2,99,15,921
Profit for Appropriation		96,21,98,967		7,98,11,046
Appropriations:				
General Reserve		50,00,00,000		2,00,00,000
Special One Time Interim Dividend 2008-09		12,80,00,000		-
Tax on Special One Time Interim Dividend 2008-09		2,17,53,600		-
Interim Dividend Paid		1,57,45,265		1,28,00,000
Tax on Interim Dividend		26,75,908		21,75,360
Final Dividend - Proposed		3,63,60,000		96,00,000
Tax on Proposed Final Dividend		61,79,382		16,31,520
Balance Profit carried to Balance Sheet		25,14,84,812		3,36,04,166
		96,21,98,967		7,98,11,046

2. DIVIDEND

Considering the profits projected for the year 2008-09, your directors have declared and paid an interim dividend of 50% (Rs.5/- per share) on the equity share capital of Rs.314.91 lakhs amounting to Rs.157.45 lakhs during the year. Your directors have pleasure in recommending a final dividend of 120% for the year ended 31st March, 2009 amounting to Rs.363.60 lakhs. The Company will bear the dividend distribution tax of Rs.61.79 lakhs.

3. PERFORMANCE OF YOUR COMPANY

During the year under review, total Gross Sales of the Company has increased by 12.2% as compared to the previous year and is at Rs.96.07 crores. The Company's OTC (Over The Counter) segment's Gross Sales is higher by 12.5% at Rs. 88.06 crores while Company's FCD (Fine Chemicals Division) segment's sales is higher by 8.6% at Rs.8.01 crores.

Profit before extraordinary items is at Rs.18.72 crores, which is higher by 88% when compared to the previous year. This achievement was possible on account of higher interest income earned on investment of surplus monies and better operational efficiency achieved during the year.

The Extraordinary income (net of tax) is at Rs.80.75 crores. Out of this, your Company has considered it prudent to provide for Rs. 2.75 crores towards Provision for advances to subsidiaries and value of assets discarded on sale of land and building. Further, the cost of buy back of Rs.20.41 lakhs has also been provided for under the Extraordinary item.

The net profit after Extraordinary items is at Rs.92.86 crores as against Rs 4.99 crores achieved last year.

4. SALE OF EGATTUR LAND AND BUILDINGS

During the year under review, your Company had sold its lands measuring 6.874 acres with old building thereon comprised in Survey No.12-1/D, (Old R.S. No.12), No.37, Egattur Village, Old Mahabalipuram Road, Chinglepet Taluk, Kancheepuram District to Life Insurance Corporation of India for a total consideration of Rs.110 crores (Rupees One Hundred and ten crores only) on 8th July, 2008.

5. SPECIAL ONE TIME INTERIM DIVIDEND IN 2008-09

During the year under review, the company had paid to the shareholders "Special One Time Interim Dividend – 2008-09" of 400% (Rs.40/- per share) on the equity share capital of Rs.3.20 crores on 6th August, 2008 from the realised capital profits made through sale of land and buildings of the Company situated at Egattur, Chinglepet Taluk, Kancheepuram District.

6. BUY-BACK OF SHARES

Your Company, based on the approval obtained from the members through postal ballot on 19th November, 2008, has bought back 1,70,000 equity shares of Rs.10/- each through the stock exchange route. The buy-back of equity shares commenced on 24th December, 2008 and completed on 3rd April, 2009. The average price per share bought was Rs.374.30 and the total cost was Rs. 636.31 lakhs. After completion of buy-back, the paid-up capital of the company has come down from Rs.3.20 crores to Rs.3.03 crores.

7. FIXED DEPOSITS

Your Company has not accepted any deposits nor renewed deposits since September, 2000.

8. DIRECTORS

Mr. R. Vijayaraghavan, Director resigned from the Directorship of the Company with effect from 17th July, 2008 due to personal reasons. Mr. N.V. Nelliappan also resigned from the Directorship of the Company with effect from 8th May, 2009. Yours Directors places on record their deep appreciation of the valuable services rendered by them during their tenure as Directors of the Company.

Dr. Pasumarthi S.N. Murthi retires by rotation and being eligible, offers himself for re-appointment.

Mr. A. Satish Kumar was co-opted as an Additional Director on the Board of the Company in the meeting held on 25th June, 2009 under Section 260 of the Companies Act, 1956. He holds office up to the date of the ensuing Annual General Meeting. Your Company has received a notice from a member pursuant to Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr. A. Satish Kumar.

9. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your directors confirm as under:

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

Amrutanjan Health Care Limited

- ii. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2009 and of the profit of the company for the year ended on that date;
- iii. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. that the directors had prepared the annual accounts on a 'going concern' basis.

10. CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of the Corporate Governance as prescribed in the listing agreement entered into with Madras Stock Exchange Limited. The report on Corporate Governance and Management Discussion and Analysis are attached to this Annual Report.

11. SUBSIDIARY COMPANIES

Since there have been no commercial operations in the subsidiaries viz., ADCL Drugs and Chemicals Limited (formerly Amrutanjan Drugs and Chemicals Limited), Egattur Printing and Packaging Limited and Swas Health Products Limited, the applications under Section 560 of the Companies Act, 1956 for striking off the names of the said subsidiary companies have been submitted to the Registrar of Companies, Chennai, during the year under review.

Data Quest Infotech & Enterprises Ltd:

There were no business operations during the year ended 31st March, 2009.

Holistic Beauty Care Limited:

Holistic Beauty Care Limited offers services which include pain relief for Migraine and Tension headaches, dispensing health and cosmetic products.

Many patients were treated. The company is keen in focusing on this venture by opening more outlets in different locations in the course of time, as logistics and convenience are two important aspects to make this venture a successful one.

The Statement pursuant to the provisions of Section 212 of the Companies Act, 1956, containing details of the Company's subsidiaries is attached.

The Company, on application, has received the approval from the Central Government under Section 212(8) of the Companies Act, 1956, exempting the Company from attaching the accounts, etc., of its subsidiary companies with the Balance Sheet of the Company. Hence the accounts of the subsidiaries viz., Data Quest Infotech and Enterprises Limited and Holistic Beauty Care Limited are not attached. Besides, a statement giving certain information as required under Section 212(8) of the Companies Act, 1956, is attached along with the Consolidated Accounts. The Company will make available the Annual accounts and other documents of its Subsidiary Companies viz., Data Quest Infotech and Enterprises Limited and Holistic Beauty Care Limited to any investor of Amrutanjan Health Care Limited and its Subsidiary Companies viz., Data Quest Infotech and Enterprises Limited and Holistic Beauty Care Limited upon receipt of request by the Company at its Registered Office. The same will also be kept for inspection by any investor at the head office of the Holding and its Subsidiary companies viz., Data Quest Infotech and Enterprises Limited and Holistic Beauty Care Limited.

12. CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the company and its subsidiaries viz., Data Quest Infotech & Enterprises Limited and Holistic Beauty Care Limited have been prepared and presented in the Annual Report.

13. CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

The particulars prescribed by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are furnished in the annexure to this report.

14. PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 is given in the annexure forming part of this report.

15. AUDITORS

The Auditors, M/s. P. S. Subramania Iyer & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and offer themselves for re-appointment. They have confirmed that they are eligible under Section 224(1B) of the Companies Act, 1956, for re-appointment.

16. COST AUDITOR

The Company has received the approval from the Central Government for appointment of Mr. G. Thangaraj, Cost Accountant as the Cost Auditor to conduct the audit of Cost records maintained by the Company in respect of the Formulations and Bulk Drugs business for the year ended 31st March, 2009.

17. ACKNOWLEDGEMENT

The Board expresses its sincere appreciation to all the shareholders, customers and well wishers of the company for their co-operation and support extended to the company and looks forward to their continued patronage in the years to come.

The Board of Directors also expresses its gratitude and places on record its sincere appreciation to Indian Overseas Bank, Punjab National Bank, HDFC Bank Limited, IDBI Bank Ltd. and the concerned departments of State and Central Governments, Employees, the Union for their valuable assistance, support and excellent co-operation extended to the company and looks forward to their continued patronage in the years to come.

Chennai
26.06.2009

S. Sambhu Prasad
Managing Director

Dr. H.B.N.Shetty
Dr. Pasumarthi S.N.Murthi
D. Seetharama Rao
A. Satish Kumar
Directors

Amrutanjan Health Care Limited

ANNEXURE FORMING PART OF THE REPORT OF THE DIRECTORS TO THE MEMBERS

INFORMATION IN ACCORDANCE WITH THE COMPANIES

(DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

The operations of the Company are not energy intensive. However, your company is constantly monitoring energy use and taking necessary energy conservation measures.

(A) POWER AND FUEL CONSUMPTION

1. Electricity:	31st March, 2009		31st March, 2008	
	OTC	FINE CHEMICALS	OTC	FINE CHEMICALS
a) Purchased:				
Units	4,42,763	N.A	5,54,945	7,24,195
Total Amount (Rs.)	23,91,626	N.A	28,59,783	36,67,411
Rate/Unit	5.40	N.A	5.15	5.06
b) Own Generation:				
(i) Through Diesel Generator:				
Units	1,51,335	N.A	32,910	49,915
Units per litre of Diesel Oil	3.79	N.A	4.20	3.71
Cost/Unit (Rs.)	9.49	N.A	8.14	8.90
(ii) Through Steam Generator:				
Units	26,907	N.A	24,100	1,11,700
Cost/Unit (Rs.)	-	-	-	33.00
2. Coal:				
Quantity (Tonnes)	-	-	-	-
Total Cost (Rs.)	-	-	-	-
Average Cost (Rs.)	-	-	-	-
3. Furnace Oil:				
Quantity (Tonnes)	-	-	-	-
Total Cost (Rs.)	-	-	-	-
Average Cost (Rs.)	-	-	-	-
4. Others/Internal Generation:				
Quantity	-	-	-	-
Total Cost Rate/Unit	-	-	-	-

(B) CONSUMPTION PER UNIT OF PRODUCTION:

Products (with details) Unit	Standards (if any)	31st March, 2009 Rs.	31st March, 2008 Rs.
Electricity:			
OTC	(Per Ton)	6,433.38	6,132.50
Fine Chemicals	(Per Ton)	-	2,37,881
Furnace Oil, Coal and Others	-	-	-

**ANNEXURE FORMING PART OF THE REPORT OF THE DIRECTORS TO THE MEMBERS
FORM B**

(FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION)

I. RESEARCH & DEVELOPMENT

1. SPECIFIC AREAS IN WHICH R&D CARRIED OUT BY THE COMPANY

Consumer Product Research (OTC)

- Development of formulation of OTC products in various dosage forms such as tablets, capsules, liquid orals and external preparations.
- Conducted experimental trials, validations, scaling up, stability studies and performance tests for the new products developed.
- Formulation development for OTC personal care products.
- Continuous improvement of existing product for its better stability and performance.
- Transfer of Technology to production and to Third Party in case of outsourcing.

Chemical Research

- Process Development of generic API intermediates for cost reduction and for environmentally friendly process via innovative process development.
- New methods of syntheses for an Ultrapure Chiral molecule.

2. BENEFITS OF R&D

Consumer Product Research (OTC)

- Study of Cost-effective formulation without compromising the quality of the products.
- Development of herbal based cosmetics preparation.
- Improving export business with development of customer specific OTC products.
- Trouble shooting, fine tuning and process improvement of the existing products to make it more effective with respect to the cost and quality.

Chemical Research

- The cost effective process developed for several of the products.

3. PLANNING FOR THE FUTURE

Consumer Product Research (OTC)

- Development of OTC products (Non-pain balm category) to avoid the dependency on the pain balm category in future.
- Development and improvement of products in pain category to meet the customer's requirements.

Chemical Research

- Providing service to MNCs in support of their NCE pipeline by way of supplying clinical and preclinical materials.
- Providing cost effective and greener processes as a service to MNCs
- Being the enabler in the attempt of MNCs to add value to their products.

Amrutanjan Health Care Limited

4. EXPENDITURE ON R&D	(Rs. in lakhs)
Capital	76.21
Recurring	164.01
Total	<u>240.22</u>

Total R&D expenditure as a percentage of total turnover 2.65

5. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

Consumer Product Research (OTC)

- Soft consistency formula has been developed for Amrutanjan Pain Balm Yellow and Amrutanjan Strong Pain Balm.
- The existing formula has been improved for Mridul Cough Syrup for its stability.

Chemical Research

The company initiated a new cGMP facility that has all the elements for supply of Clinical scale materials that are auditable by USFDA. This facility will have all glass reactors in the clean room that will be classified as Class 100000.

II. FOREIGN EXCHANGE EARNINGS AND OUTGO	(Rs. in lakhs)
Total foreign exchange earnings	569.30
Total foreign exchange outgo	338.93

INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES AND FORMING PART OF THE REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 2009.

Sl. No.	Name, Age and Nature of Employment	Designation/Nature of Duties	Qualification	Experience (in years)	Gross Remuneration (in Rs.)	Date of Commencement of Employment	Particulars of last employment
1	Mr. S. Sambhu Prasad * (35) (Contractual)	Managing Director (Management of whole affairs of the Company)	B.Tech (USA) M.B.A. (USA)	13	98,64,519	07.08.2005	Warren Industries, Wisconsin, USA.

- Notes :
- a. Remuneration received includes salary, house rent allowance, commission, taxable perquisites, company's contribution to gratuity fund, superannuation and provident fund.
 - b. * Nature of employment and terms and conditions of services are governed by Schedule XIII to the Companies Act, 1956.

Amrutanjan Health Care Limited

REPORT OF CORPORATE GOVERNANCE

Code of Corporate Governance

The company firmly believes in and has been taking steps to implement and practice good Corporate Governance. Attainment of highest levels of transparency, professionalism and accountability, in all facets of operation, and in all interactions with stake holders, including shareholders, employees, the government and lenders has been an ultimate object of the Company and it would endeavour to improve on these aspects on an ongoing basis.

1. Board of Directors

As at 31st March, 2009, the Board of Directors of Amrutanjan Health Care Limited consists of 5 Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with Madras Stock Exchange Limited.

Composition and category of Directors are as follows:

Name	Category
Mr. S. Sambhu Prasad – Managing Director	Promoter / Executive Director
Mr. D. Seetharama Rao	Promoter / Non-Executive Director
Dr. Pasumarthi S.N. Murthi	Promoter / Non-Executive Director
Dr. H.B.N. Shetty	Non-Executive and Independent Director
Mr. N.V. Nelliappan @	Non-Executive and Independent Director

Attendance of each Director at the Board Meetings, last Annual General Meeting & Number of other Boards or Board Committees in which he is a member or Chairperson.

Name of the Director	Attendance particulars		No. of other Directorships and Committee Memberships / Chairmanships		
	Board Meeting	Last AGM	Other Directorship excluding Private Companies	Other Committee Membership	Other Committee Chairmanship
Mr.S. Sambhu Prasad	6	Yes	2	-	-
Mr. D. Seetharama Rao	6	Yes	-	-	-
Dr Pasumarthi S.N. Murthi	6	Yes	1	-	-
Mr. R. Vijayaraghavan *	1	N.A.	N.A.	N.A.	N.A.
Dr. H.B.N. Shetty	6	Yes	3	-	-
Mr. N.V. Nelliappan @	4	Yes	-	-	-
Mr.A..Satish Kumar #	NA	NA	NA	NA	NA

* Resigned w.e.f. 17th July, 2008

@ Resigned w.e.f. 8th May, 2009

Co-opted on 25th June, 2009

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2009 have been made by the Directors.

Number and the dates on which the Board Meetings were held:

During the financial year 2008-09, six Board Meetings were held as against the requirement of four meetings. The meetings were held on (i) 30th June, 2008, (ii) 17th July, 2008, (iii) 18th September, 2008, (iv) 11th October, 2008, (v) 30th October, 2008 and (vi) 30th January, 2009. The maximum time gap between any two meetings was not more than four months.

Information Supplied to the Board

The Board has complete access to all information with the Company inter-alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings and is tabled in the course of the Board meetings:

- ◆ Annual Operating Plans & Budgets and any updates thereof.
- ◆ Capital Budgets and any updates thereof .
- ◆ Quarterly results of the Company and its Operating Divisions and Business Segments.
- ◆ Minutes of the meetings of the Audit Committee and other Committees of the Board.
- ◆ Information on recruitment and remuneration of senior officers just below the level of the Board, including the appointment or removal of *Chief Financial Officer and Company Secretary*.
- ◆ Materially important show cause, demand, prosecution notices and penalty notices.
- ◆ Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- ◆ Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the Company.
- ◆ Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- ◆ Details of any Joint Venture Collaboration agreements.
- ◆ Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- ◆ Significant labour problems and their proposed solutions. Any significant development in human resources/ industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- ◆ Sale of material nature of investments, subsidiaries, assets, which are not in the normal course of business.
- ◆ Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- ◆ Non-compliance of any regulatory, statutory nature of listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc.

Committees of the Board

Amrutanjan Health Care Limited has four Board level Committees viz., Audit Committee, Remuneration Committee, Shareholders/Investors Grievance Committee and Share Transfer Committee.

All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of service for the committee members are taken by the Board of Directors.

The details on the role and composition of these committees, including the number of meetings held during the financial year and related attendance are given below:

a. Audit Committee

The Audit Committee consists of two Independent Directors viz., Mr. N.V. Nelliappan, and Dr. H.B.N. Shetty and one Non-Executive Director, Mr. D. Seetharama Rao. The Chairperson of the Audit Committee is Dr. H.B.N. Shetty. The constitution of the Audit Committee is in line with the provisions of Clause 49 of the Listing Agreement entered into with Madras Stock Exchange Limited read with Section 292A of the Companies Act, 1956.

During the year under review, the Committee met four times on 30th June, 2008; 16th July, 2008; 30th October 2008 and 30th January, 2009. The gap between any two meetings was not more than four months. Attendance of each member at the Committee meeting was as follows:

Amrutanjan Health Care Limited

Name of the Member	Status	No. of Meetings Attended
Mr. R. Vijayaraghavan *	Independent Director	2
Mr. N.V. Nelliappan @	Independent Director	2
Dr. H.B.N. Shetty	Chairman & Independent Director	4
Mr. D. Seetharama Rao	Non-Executive Director	4

* Resigned w.e.f. 17th July, 2008

@ Resigned w.e.f. 8th May, 2009

The functions of the Audit Committee include:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment / re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
- Reviewing the appointment, removal and terms of remuneration of the Internal Auditor.
- Reviewing the Management Discussion and Analysis of Financial condition and results of operations.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non payments of declared dividends) and creditors.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

b. Remuneration Committee

During the year under review, the Remuneration Committee was reconstituted with Dr. Pasumarthi S.N. Murthi, a Non-Executive Director as a member of the Remuneration Committee following the resignation of Mr. R. Vijayaraghavan. Other Committee Members include Dr. H.B.N. Shetty, Independent Director and Mr. D. Seetharama Rao, Non-Executive Director. The Chairperson of the Remuneration Committee is Dr. H.B.N. Shetty.

The Remuneration Committee has been constituted to recommend / review the remuneration package of the Managing Director. The remuneration policy is in consonance with the existing industry practice and also with the provisions of the Companies Act, 1956.

During the year under review, the Remuneration Committee met on 18th September, 2008 to review the remuneration package of the Managing Director. Dr. H.B.N. Shetty, Chairman and Independent Director and Mr. D. Seetharama Rao, Non-Executive Director were present.

i) Details of remuneration paid to Managing Director for the year 2008-09: (Rs. In lakhs)

Name	Salary, H.R.A & Perquisites	Gratuity	Super annuation	Provident Fund	Commis- sion	Total
Mr.S.Sambhu Prasad	52.16	1.66	5.18	4.14	35.51	98.65

ii) Remuneration to Non-Executive Directors:

No remuneration is paid to Non-executive directors except sitting fees for attending the meeting of the Board and Committees thereof.

The Company pays sitting fees payable to all the Non-Executive Directors at the rate of Rs.15,000/- for each meeting of the Board and Rs.7,500/- for committee meeting attended by them. The sitting fees paid for the year ended 31st March, 2009 to the Directors are as follows:

Name of the Director	Amount (in Rs.)
Mr. D. Seetharama Rao	1,95,000
Dr Pasumarthi S.N. Murthi	1,27,500
Mr. R. Vijayaraghavan	30,000
Dr. H.B.N. Shetty	1,95,000
Mr. N.V. Nelliappan	75,000

iii) Shareholding of Non-Executive Directors:

Name of the Director	Status	No. of Shares held
Mr. D. Seetharama Rao	Promoter / Non-Executive Director	48,240
Dr Pasumarthi S.N. Murthi	Promoter / Non-Executive Director	64,909
Dr. H.B.N. Shetty	Non-Executive & Independent Director	250
Mr. N.V. Nelliappan	Non-Executive & Independent Director	-

Amrutanjan Health Care Limited

c. Shareholders' / Investors' Grievance Committee

The Shareholders / Investors Grievance Committee consists of Dr. H.B.N. Shetty, Chairman and Mr. D. Seetharama Rao. Dr. H.B.N. Shetty is heading the Committee. The Committee met four times during the year under review on 30th June, 2008; 17th July, 2008; 30th October, 2008 and 30th January, 2009. Attendance of each member at the Committee Meeting was as follows:

Name of the Member	Status	No. of Meetings Attended
Dr. H.B.N. Shetty.	Chairman & Independent Director	4
Mr. D. Seetharama Rao	Non-Executive Director	4

The Committee reviews redressal of shareholders' / investors' complaints like transfer of shares, non-receipt of declared dividends, etc., besides complaints from SEBI, stock exchanges, court and various investor forums. The committee also oversees the performance of Registrars and Share Transfer Agents and recommend measures for overall improvement in the quality of investors services.

Compliance Officer: Mr. N. S. Mohan, Company Secretary.

The total number of complaints received and resolved to the satisfaction of shareholders during the year under review was 21 nos. No request for transfer is pending as on 31st March, 2009, except those that are pending in various Courts.

d. Share Transfer Committee

The Committee consists of four members, Dr. H.B.N. Shetty, Mr. D. Seetharama Rao, Dr. Pasumarthi S.N. Murthi and Mr. S. Sambhu Prasad.

During the year under review, the Committee met five times viz., on 30th June, 2008; 17th July, 2008; 18th September, 2008; 30th October, 2008 and 30th January, 2009. Attendance of each member at the Committee Meeting was as follows:

Name of the Member	Status	No. of Meetings Attended
Dr. H.B.N. Shetty.	Chairman & Independent Director	5
Mr. D. Seetharama Rao	Non-Executive Director	5
Mr. Pasumarthi S.N. Murthi.	Non-Executive Director	5
Mr. S. Sambhu Prasad	Managing Director	5

The Committee approves the transfer, transmission, transposition of shares, issue of duplicate share certificates and allied matters. The Company's Share Transfer Agents, Cameo Corporate Services Limited has adequate infrastructure to process the above matters.

2. General Body Meetings

a) Location and time of the last three Annual General Meetings held:

Year	Location	Date and Time
2005-06	Rani Seethai Hall, Anna Salai, Chennai - 6	14.07.2006 at 10.15 a.m
2006-07	Rani Seethai Hall, Anna Salai, Chennai - 6	16.08.2007 at 03.15 p.m
2007-08	Rani Seethai Hall, Anna Salai, Chennai - 6	18.09.2008 at 10.30 a.m

b) Details of Special Resolutions passed in the last three Annual General Meetings:

Year 2005 - 06

Special Resolution was passed under Section 163 of the Companies Act, 1956 for placing of Register of Members, Index of Members & Copies of all returns at the Office of the Registrars and Share Transfer Agents.

The Resolution was carried unanimously.

Year 2006 - 07

Special Resolution was passed under Section 21 of the Companies Act, 1956 for Change of name of the Company from "Amrutanjan Limited" to "Amrutanjan Health Care Limited".

The Resolution was carried unanimously.

Year 2007 – 08

Special Resolution under Section 372A of the Companies Act, 1956 for Inter-corporate Investments mentioned in the notice of the Annual General Meeting, was not taken up for consideration at the Annual General Meeting.

c) Special resolutions passed through postal ballot during the year from 1st April, 2008 to 31st March, 2009.

Special Resolutions were passed on 19th November, 2008 by means of postal ballot for the following items.

- i) Alteration of the Article 55A of the Articles of Association of the Company
- ii) Buy-back of the equity shares.

The notice of the postal ballot dated 11th October, 2008, as approved by the Board of Directors of the Company containing the special resolutions together with the relevant explanatory statement and the postal ballot form were sent to all the shareholders of the Company.

Mr. V. Suresh, Practising Company Secretary, was appointed as Scrutinizer for conducting the postal ballot process in a fair and transparent manner. The scrutinizer submitted his report to the Chairman on 19th November, 2008. The results of the Postal Ballot were announced by the Chairman at the Registered Office of the Company on 19th November, 2008, published in the newspaper and displayed on the website of the Company.

The details of voting pattern for the special resolutions are given below:

SI No.	Description	No. of valid ballots	In favour of the Resolution		Against the Resolution	
			Number of Votes cast	%	Number of Votes cast	%
1.	Alteration of Article 55A of the Articles of Association of the Company	390	1540828	99.25	4688	0.30
2.	Buy-back of Equity Shares of the Company	390	1540092	99.20	5424	0.35

Amrutanjan Health Care Limited

32 Ballots were invalid for various reasons as certified by the Scrutinizer

The Special Resolutions were passed with the requisite majority

The procedure prescribed under Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 had been followed for the Postal Ballot conducted during the year for the resolutions mentioned above.

d) Proposal to pass any special resolution to be conducted through postal ballot.

Till the date of signing this report, there is no proposal to pass any Special resolution to be conducted through postal ballot.

3. Disclosures

a. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the company at large.

Details of transactions of material nature with any of the related parties as specified in Accounting Standards 18 issued by the Institute of Chartered Accountants of India have been reported in the notes to accounts.

b. Details of non-compliance by the company, penalties, strictures imposed on the company by the stock exchanges or SEBI, or any statutory authority on any matter related to capital markets, during the last three years.

The Company has complied with all the requirements of regulatory authorities and no penalties / strictures were imposed on the Company by the Stock Exchanges or SEBI, or any Statutory Authority on any matter related to capital markets, during the last three years.

c. The Company has not adopted any Whistle Blower policy. However, the Company has not denied access to any personnel to approach the Management of the Audit Committee on any issue.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:

Mandatory Requirements

(i) Code of Conduct:

The Company has laid down procedures to be followed by the Members of the Board and Senior Management Personnel for ethical professional conduct. A declaration signed by the Managing Director to this effect is attached to the report.

(ii) CEO/CFO Certification:

The CEO / CFO Certification of the Financial Statements and the Cash Flow Statement for the year are attached and form part of the Annual Report

Non-Mandatory Requirements

(i) Remuneration Committee:

The Board has re-constituted a Remuneration Committee comprising of three Directors to determine and fix remuneration packages for executive directors.

4. Means of Communication

The quarterly, half yearly and the annual results of the Company are published in THE FINANCIAL EXPRESS [National Daily] and DINAMANI [Regional Newspaper]. The same are sent to Stock Exchanges and also displayed on the website of the Company viz., www.amrutanjan.com

5. General Shareholder Information

a. Annual General Meeting:

Date : Wednesday, 30th September, 2009
 Time : 2.30 p.m.
 Venue : Kamaraj Memorial Hall,
 No.492 (Old No.573-574-A), Anna Salai,
 Teynampet, Chennai 600 006

b. Financial Year : 1st April to 31st March

For the year ending 31st March, 2010, the results will be announced for:

First quarter : Last Week of July, 2009
 Second quarter : Last Week of October, 2009
 Third quarter : Last Week of January, 2010
 Fourth quarter : Last Week of June, 2010

c. Book Closure date : From 18th September, 2009 to 30th September, 2009 (both days inclusive)

d. Dividend Payment date : One time Special Interim Dividend 2008-09 @ 400% (Rs.40/- per share) was declared on 17th July, 2008 and paid on 6th August, 2008. An Interim Dividend of 50% (Rs. 5/- per share), was declared on 30.01.2009 and paid on 12.02.2009. The final dividend, if approved, by the members of the company at the forthcoming Annual General Meeting will be paid after 30th September, 2009 but within the Statutory time limit of 30 days.

e. Listing of Equity Shares : Madras Stock Exchange Limited and being traded under IndoNext Trading Platform ('S' Group) on Bombay Stock Exchange Limited. Listing fee for 2008-2009 has been paid to Madras Stock Exchange Ltd where the company's equity shares are listed.

f. Stock Code/ Scrip Code

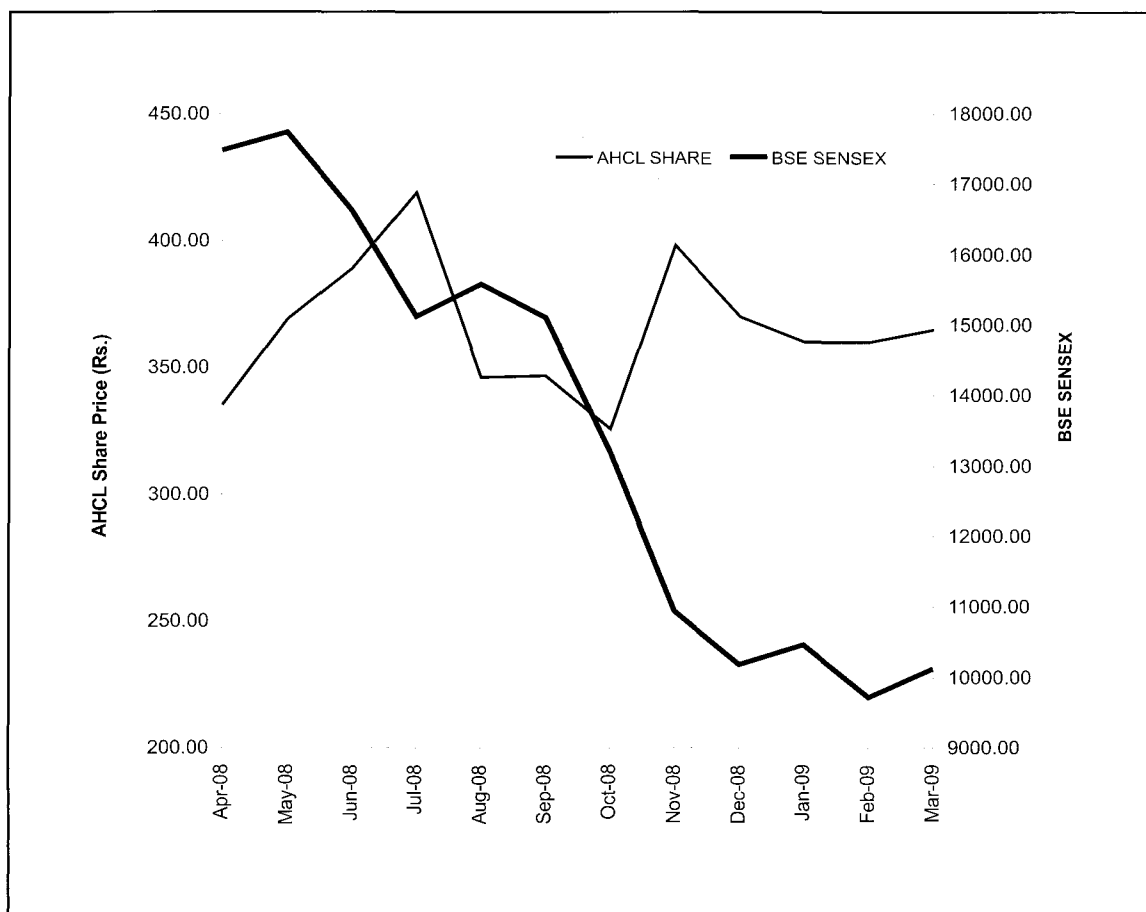
Bombay Stock Exchange Limited : 590006
 Demat ISIN Nos. in NSDL and
 CDSL for Equity Shares : INE098F01015

Amrutanjan Health Care Limited

g. Market Price Data (face value of Rs.10/- each)

Month	Bombay Stock Exchange Ltd. (BSE)	
	Month's High Price (Rs.)	Month's Low Price (Rs)
April, 2008	335.00	252.50
May, 2008	369.00	303.10
June, 2008	389.00	270.00
July, 2008	418.00	250.00
August, 2008	346.00	301.25
September, 2008	346.60	261.00
October, 2008	325.50	236.00
November, 2008	397.90	270.00
December, 2008	370.00	320.05
January, 2009	359.95	308.25
February, 2009	360.00	326.50
March, 2009	364.90	331.00

Amrutanjan's Share Price Performance versus BSE Sensex



- h. Registrars and Share Transfer Agents** : Cameo Corporate Services Ltd.,
(Share Transfer and communication 'Subramaniam Building'
regarding Share Certificates, Dividends No.1, Club House Road
and Change of Address) Chennai 600 002.
Telephone No.: (044) 28460390
Fax No.: (044) 28460129
Email: cameosys@cameoindia.com

i. Share Transfer System

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within the stipulated period from the date of receipt, if the documents are clear in all respects.

j. (a) Distribution of Shareholding as on 31st March, 2009:

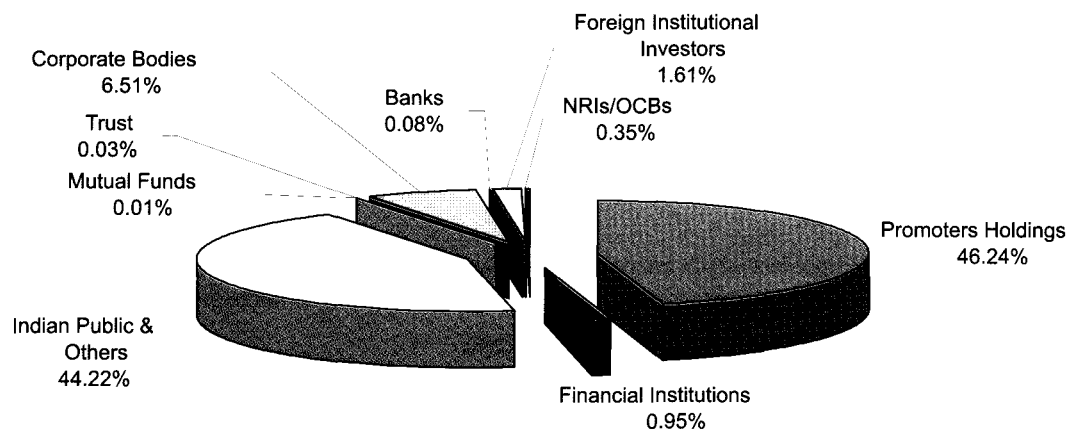
Shareholding Rs.			Shareholders		Share Amount	
			Numbers	% to Total	Rs.	% to Total
10		5000	7608	94.58	52,18,300	16.82
5001	-	10000	218	2.71	16,64,050	5.37
10001	-	20000	93	1.16	13,62,560	4.39
20001	-	30000	37	0.46	9,72,130	3.13
30001	-	40000	17	0.21	6,01,650	1.94
40001	-	50000	13	0.16	5,87,840	1.90
50001	-	100000	27	0.33	18,98,650	6.12
100001		and above	31	0.39	1,87,11,420	60.33
Total			8044	100.00	3,10,16,600	100.00

(b) Distribution of shares by category as on 31st March, 2009:

Category	No. of shares held	Percentage (%)
Promoters Holdings	14,34,171	46.24
Financial Institutions	29,545	0.95
Indian Public & Others	13,71,479	44.22
Mutual Funds	400	0.01
Trusts	859	0.03
Corporate Bodies	2,01,865	6.51
Banks	2,546	0.08
Foreign Institutional Investors	50,000	1.61
NRIs/OCBs	10,795	0.35
Grand Total	31,01,660	100.00

Amrutanjan Health Care Limited

(c) Shareholding Pattern as on 31st March, 2009



k. Dematerialisation of Shares and Liquidity

The shares of the Company are in compulsory demat mode of trading. As on 31st March, 2009, 13,55,811 shares representing 43.71% of the total number of shares are in dematerialized form.

l. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity : Nil

m. Plant Locations : OTC Division

No.103 (Old No.42-45),
Luz Church Road,
Mylapore, Chennai 600 004. (T.N)

Plot No.14,
Industrial Development Area,
Uppal, Hyderabad 500 039 (A.P)

Fine Chemicals Division

: Plot No.37-39,
SIDCO Industrial Estate,
Alathur, Kancheepuram District,
Tamil Nadu. 603 110.

n. Address for correspondence

For transfer / dematerialisation of shares, payment of dividend and other queries relating to the shares may be addressed to:

: For shares held in physical form
Cameo Corporate Services Ltd.
'Subramaniam Building'
No.1, Club House Road
Chennai 600 002
Telephone: (044) 28460390
Fax: (044) 28460129
Email : cameosys@cameoindia.com

For shares held in Demat form
To the respective Depository Participant
of the Beneficial Owners.

The above report was adopted by the Board of Directors at its meeting held on 26.06.2009.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Amrutanjan Health Care Limited,

We have examined the compliance of conditions of Corporate Governance by Amrutanjan Health Care Limited, for the year ended on March 31, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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 representations 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.

As required by the Guidance Note issued by The Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended/pending for more than 30 days.

We further 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.

Chennai
26.06.2009

For **P.S Subramania Iyer & Co.**
Chartered Accountants
N.Srinivasan
Partner
Membership No.200330

Amrutanjan Health Care Limited

The Board of Directors
Amrutanjan Health Care Limited,
No.103 (Old No.42-45),
Luz Church Road,
Mylapore,
Chennai 600 004.

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We hereby certify that for the financial year ended 31st March, 2009, on the basis of the review of the financial statements and the cash flow statements and to the best of our knowledge and belief,

- i. These statements do not contain any materially untrue statement or omit to state a material fact or contain statement that might be misleading.
- ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- iii. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2008-09 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- iv. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
- v. We further certify that:-
 - a) there have been no significant changes in internal control over financial reporting during the year.
 - b) There have been no significant changes in accounting policies during the year.
 - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the company's internal control system over financial reporting.

Chennai
26.06.2009

S. Sambhu Prasad
Managing Director

P. Viswanath
General Manager (Finance)

DECLARATION

It is declared

- a) that the Company has laid down a Code of Conduct for all its Board Members and Senior Management Personnel in terms of Clause 49(1)(D)(i) of the Listing Agreement entered into with Madras Stock Exchange Limited where equity shares of the Company are listed.
- b) that all the Board Members and Senior Management Personnel have affirmed compliance with the said code for the period from 1st April, 2008 to 31st March, 2009.

Chennai
26.06.2009

S. Sambhu Prasad
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I Industry Structure And Developments

OTC

OTC industry is a part of large Fast Moving Consumer Goods industry. (FMCG). It is classified into categories like Rubefacients, Digestives, Inhalers, Acne preparations, Analgesic, etc., In spite of global economic recession and of the fact that many other industries are facing severe crisis, the Indian OTC industry has been growing steadily.

With the globalization, India is emerging as one of most potential markets.

Amrutanjan Health Care Ltd (AHCL) is a leader in the Rs. 900 crores Rubefacient market that constitutes a major part of the OTC industry. The company has strong brand name and distribution network of over 1650 distributors, across the country, which caters to both pharma and non-pharma outlets (general stores, groceries, paan plus, etc.,) in addition to modern trade.

New brands viz., Cutis Extra Virgin Olive Oil and Hot & Cold Gel and the product 'Orange Guard' Natural Home Insecticide, which were introduced and test marketed during the last year under review, have been well received by the Consumers and the company plans to market these brands aggressively during this year by introducing smaller packs and variants.

Be Ready Campaign

"Pain Can happen anytime so Be Ready with Amrutanjan". The strategic intent behind this campaign was to position the brand as a specialist in pain treating all pains not just headaches. This process over a period of time, would ensure higher market share in the fast growing pain market in addition to balm.

New Packaging

As part of the strategy to position Amrutanjan as a specialist in pain and to attract young customers, it was decided to standardize packaging across the balm and pain range. A indirect benefit was reduction in spurious products due to addition of complicated design elements like aluminium foiling on the face of the carton.

Project Connect to control Supply Chain and improve Distribution

In order to further enhance the responsiveness of the company's supply chain, company has taken a new initiative called "Project Connect" in its one of the important markets, Tamil Nadu State, where the important distributors are connected and the data have

been received on daily basis. This initiative will help the company to reduce the costs and facilitate sales and inventory management in a better manner. After Tamil Nadu, it will be extended to other major markets across the country over a period of time.

R&D Herbal is a back bone of the company, recognized by DSIR, Delhi. The R&D team is continuously putting its efforts for the improvement of the existing products and development of new products and it is an instrumental in adding innovative products from time to time.

CHEMICALS

The global pharmaceutical industry has been at the cross roads for some time now. With many of the blockbuster drugs getting off-patented and with increasing R&D costs, it's hard by the companies to maintain their bottom-line and remain unaffected. This has led to the growth of Contract Research and manufacturing services or CRAMS making the companies in India to rejoice.

The labour cost advantage and growing pool of skilled talent in the country are critical factors driving growth in CRAMS. Some of the big names in CRAMS include Nicholas Piramal, Dishman Pharma, Jubilant Organosys, Divi's Laboratories, Syngene etc.

The growing pie

According to analysts, global pharmaceutical manufacturing was estimated to be at \$50 billion in 2004, out of which 30 per cent was outsourced. India has the potential to garner at least 35-40 per cent global market share in this segment.

Thus it is obvious that CRAMS - Contract Research and Manufacturing Services, has emerged as a huge opportunity for a low-cost manufacturer like India. "Pharmaceutical outsourcing ranges from a one-time supply to a partnering agreement."

This is the domain where Amrutanjan sees a great opportunity ahead and become one of the key globally active facilitators in enabling Major Pharma companies around the world, to find a viable, and sustainable therapeutic solutions for the ills of mankind.

II Opportunities And Threats

OTC

With over one billion population, fast growing economy and rapid urbanization, the company foresee an excellent opportunities to enhance the brand portfolio.

Amrutanjan Health Care Limited

As the Indian population is comprising of youth and house hold income is increasing, consumers are becoming more and more health conscious. The company has tremendous potential to grow in OTC segment.

However increase in competition from both National and MNC companies and their capabilities to invest in brand building and market expansion might pose a big threat for the company to grow.

CHEMICALS

An Emerging Trend

Since 2005, when the country began compliance with the World Trade Organization's (WTO) Intellectual Property Rules (TRIPS), the CRAMS business model began to emerge out of the ether in India.

Advantage India

A large pool of scientific manpower, discovery chemistry capabilities, liberal government policies with introduction of patent regime, reverse engineering skills, fast ANDA and DMF filings with USFDA and cGMP plants, and respect for IPR have made India a cost-competitive supplier of quality pharmaceutical products. A United Nations Conference on Trade and Development (UNCTAD) investment report said that drug companies could reduce costs 20 to 30 percent by moving R&D activities to India.

With Amrutanjan's proven history of scientific excellence and its operating philosophy primarily based on the scientific diligence will serve as the basis of a sustainable growth opportunity that will enable us to reap good dividends in this positive climate.

III Segment-wise or Product-wise Performance

<u>OTC</u>	2008-09	2007-08
	(Rs. in lakhs)	
Sales	8289.91	6780.35
Segment Result	1757.70	1554.13
Capital Employed	1907.46	1232.26
Fine Chemicals	2008-09	2007-08
	(Rs. in lakhs)	
Sales	776.13	662.33
Segment Result	(128.03)	(168.48)
Capital Employed	940.71	992.88

IV Outlook

OTC

India is emerging as one of the top potential market for consumer goods after China and USA. With the increase in disposable income and employment opportunities and more importance given both for agriculture and industrial growth, the demand for OTC products is increasing both in rural and urban markets.

The companies foresee these opportunities and making right investments will reap good benefits. It is also important to note that as Indian consumers started giving utmost importance for the health care, the companies dealing with these products can aim to achieve bigger volumes.

CHEMICALS

With the Business of CRAMS becoming as a boon to the mid-cap pharma companies in India, the company is positioning itself to take full advantage of the features enjoyed by India as a country of diverse scientific talent and strong manufacturing base in pharma for years, coupled with the very high Brand Equity and the high Trust Quotient enjoyed by our company among all of our customers.

With a favorable analyses by several Financial Pundits, of a bright future and a clear opportunity, it is considered worthwhile for Amrutanjan to enter this segment with a renewed focus not only for its financial advantage but also for its possible support as another vertical, from the fore front of the Pharma outsourcing paradigm, to its core business of OTC segment.

V Risks and Concerns

OTC

The raw materials used for the formulations are obtained from natural sources only. The cost of raw materials is not consistent and very fluctuating and there is also a possibility of non-availability of raw materials.

CHEMICALS

While China also enjoys most of the cost advantages that India does, the latter scores over China in terms of advanced chemistry knowledge, regulatory capabilities, language skills, transparency and financial infrastructure. However, India could face strong competition from Eastern Europe, China and Korea.

"In order to sustain the competitive edge, Indian companies need to take a structured effort at avoiding beating down prices in the market and focus on projecting a more quality service and scientific diligence oriented approach," Indian Pundits say.

The key risks in offshore outsourcing are enlisted below:

1. Increased management complexity: Lot is said about technology making the world a smaller place, while this may be true, what is also true is the need for key management to be "on-site" for a project to be successful.
2. Reduce effectiveness and increasing time to completion due to communication difficulties.
3. Lower quality of output: Though there is an expected quality of output, in reality there might be a gap between the documented processes and the actual processes followed in practice leading to lower quality.

Nearshoring can offer significant economic advantages with lower risks in terms of regulatory and IPR compliance, and greater geographic and cultural accessibility. Given the language and cultural affinity to nearby destinations, companies may find it an attractive alternative to outsourcing to offshore destinations.

However, it is the experts' view that "The current short-to medium-term view held by most firms needs to be changed to transcend to a medium-to long-term view." This exactly is the model over which the Vision and Mission of the newly rejuvenated FCD is approaching its Business imperatives.

This earnings model is also thought to carry a lower risk, given the fact that it will mainly be driven by growth that is based on the fact that "CRAMS is a long-term Business and high yielding. Since most of the players in the segment have entered into long-term agreement with their partners abroad, earnings volatility is likely to be less of an issue going forward,"

VI Internal Control Systems and their adequacy

Proper and adequate internal control systems are put in place by the Company. By following those systems, the Company safeguards and protects all its assets against loss from unauthorized use or disposition and further ensures that the transactions are authorized, recorded and reported correctly. The Company follows a system of internal control including suitable monitoring procedures. All the issues and observations raised/made by the internal auditors are suitably addressed to, acted upon and followed up properly.

The Company also has a number of Internal control systems to monitor the performance right from the procurement of the raw-materials, processing and conforming to the standards. Production Review meetings, Sales & Marketing Review meetings and general review meetings are held regularly.

VII Discussion on Financial Performance with respect to Operational Performance

The Company's financial performance with respect to operational performance can be enumerated as below.

	2008-09	2007-08
	(Rs.in lakhs)	
Sales from Operations	9066.04	7442.68
Other Income	695.57	39.76
Total Income	9761.61	7482.44
Total Expenditure	7730.25	6266.72
PBDIT	2031.36	1215.72
Depreciation	148.01	146.63
PBIT	1883.35	1069.09
Interest	15.32	74.72
PBT	1868.03	994.37
Current Tax/earlier year		
Income Tax adjustments	735.71	173.49
Deferred Tax	78.57	(194.77)
PAT (before Extraordinary Item)	1210.89	626.11
Extraordinary Item	8075.05	(127.15)
PAT (after Extraordinary Item)	9285.94	498.96

Key Financial Ratios (%)

PBDIT / Sales	22.44	16.31
PBIT / Sales	20.80	14.34
PBT/Total Income	20.60	13.27
PAT/Total Income (before Extraordinary Item)	12.40	8.35
PAT/Total Income (after Extraordinary Item)	95.13	6.66

Consequent upon the sale of Land and Building at Egattur, your Company has repaid all the long term debts. With effective management of working capital, your Company was able to reduce the inventories substantially. However, debtors is higher on account higher sales in the month of March 2009.

VIII Material Developments in Human Resources / Industrial Relations Front, Including Number of People Employed

The Human Resource Development (HRD) played a key role in the year 2008-09 to drive the aspirational goals across the organization. The pillars for people processes revolve around two critical imperatives viz., building high performance culture and best in class talent. The present employee strength in the company was 352 as on 31.03.2009. During the year 2008-09, the company's focus was towards the following initiatives:

Amrutanjan Health Care Limited

Performance Management System

The Performance Management System has been used as a strong lever to change the performance culture in the organization. All the key areas (i.e., objective setting process, review mechanisms, rating distribution, coaching and counseling process and the final appraisal rating and payout) were revisited and reviewed extensively by HR and the leadership team.

Goal Alignment Workshops were held for all functions. These workshops had the involvement and support of all functional heads including State Heads in order to get the necessary alignment required to meet the objectives. Performances Management Workshops were held in reinforcing the understanding and philosophy of the performance management process. A key area identified for improvement was the skill in performance coaching and counselling. Your company has been successful in bringing about a more normally distributed performance rating across the organization, which focuses on differentiating between High and Low Performance levels.

Rewards, Recognition and Retention

It was felt by the management that an extraordinary contribution by colleagues should be recognized and rewarded in a very distinct manner and these contributions are linked to pre-determined organizational goals and their impact on business performance. During August, 2008, your company had introduced the new initiatives of identifying the best performers in Sales and they were suitably rewarded with awards and certificates by the Management. On an overall basis, the entire Reward and Recognition Program has had a very positive impact on Amrutanjan and will continue to be a strong tool to build colleague engagement.

Your company also had introduced unique Sales Incentive scheme with a focus on addressing the attrition and retention challenges in the Field. There were a number of initiatives which were planned and implemented by the Team resulting in a strong downward trend in attrition. As HR initiative, HR Team met all the field force individually and documented

their past three years performance and also they were assessed through various HR assessment tools and developed Individual Development Plan. This will facilitate the company to review their performance in future, as this document will be kept in their personal files.

ERP Implementation

During the year under review, your company had implemented "Ramco ERP" with enhanced capabilities and applications for Payroll processing and HRM. A lot of focus is given to ensure the data integrity in the Ramco ERP system, as it provides data for all people processes in the organization.

Employees and Industrial Relations

The Overall Employees Relations environment was healthy and worked well towards aligning colleagues across the organization, with the company's business goals and mission.

Industrial Relations in the Company continue to be cordial and the excellent support extended by all our employees deserves a special mention in promoting a harmonious and growth oriented work environment. The Company has one Trade Union under the Trade Union's Act and the Trade Union was recognized by the Company. The Management and the Union have strong belief in the non-violent approach to and mutual understanding of problems and in solving all differences and disputes through peaceful negotiations.

Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the ambit of applicable laws and regulations. Actual results, performance and achievements might differ substantially or materially from those expressed or implied. The Company's performance could also be affected due to the failure of monsoon which in turn may increase the input costs, major political and economic changes in India and tax laws.

AUDITORS' REPORT

To the Members of Amrutanjan Health Care Limited,

1. We have audited the attached Balance Sheet of Amrutanjan Health Care Limited as at 31.03.2009, 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 misstatements. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003, as amended by the Companies (Auditors Report) (Amendment) Order, 2004 issued by the Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to 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 have been prepared, in compliance with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the Directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 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, give the information required by the Companies Act, 1956 in the manner so required and give a true and a fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2009;
 - ii) In the case of Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **P.S.Subramania Iyer & Co.**
Chartered Accountants

N. Srinivasan
Partner

Chennai
26.06.2009

Membership No.200330

Amrutanjan Health Care Limited

Annexure to the Auditors' Report referred to in paragraph 3 of our report of even date to the members of Amrutanjan Health Care Limited on the financial statements for the year ended March 31,2009

- 1) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) The fixed assets are being physically verified by the management as per a phased programme of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies have been noticed on such verification.
c) The Company has not disposed off any substantial fixed assets during the year.
- 2) a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
b) In our opinion, the procedures of physical verification of inventories followed by the management are generally 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. The discrepancies notified on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
- 3) a) The Company has granted unsecured loan to a subsidiary company covered in the register maintained under Section 301 of the Companies Act, 1956, and the amount outstanding as on 31st March, 2009 is Rs.64,70,128/-.
b) The rate of interest and other terms and conditions of the loan given by the Company, are not prima-facie prejudicial to the interest of the company.
c) There is no stipulations as to repayment of principal and for payment of interest.
d) Not applicable.
- e) The company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, clauses (f) and (g) are not applicable.
- 4) In our opinion and according to the information and explanation 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 and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal controls.
- 5) According to the information and explanations given to us, we are of the opinion that the contracts or arrangements that need to be entered in the register required to be maintained under Section 301 of the Companies Act, 1956 have been so entered. Sub-clause (b) is not applicable.
- 6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Act.
- 7) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- 8) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by Central Government for the maintenance of cost records u/s 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records.
- 9) a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, investor education and protection fund, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other statutory dues with the appropriate authorities. No undisputed amount payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty were outstanding, at the year end for a period

of more than six months from the date they became payable.

- b) According to the information and explanations given to us, details of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess, which have not been deposited on account of any dispute are given below :

Statute	Amount Rs.	Period	Forum where dispute is pending
Central Excise	8,89,155	2000 - 2001 to 2002 - 2003	CESTAT
Service Tax	85,364	2006 - 2007	CESTAT

- 10) The Company does not have any accumulated losses at the end of financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- 11) In our opinion, and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution / bank
- 12) As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statute applicable to the chit fund and nidhi/mutual benefit fund/societies.

- 14) The Company is not dealing in or trading in shares, securities, debentures and other investments.
- 15) There are no guarantees outstanding as at the year end that are given by the company for loans taken by subsidiary company from bank.
- 16) As informed to us, the term loans were applied for the purpose for which they were obtained.
- 17) On the basis of an overall examination of the financial statements of the Company, in our opinion, and according to the information and explanation given to us, no funds raised on short-term basis have been used for long-term investment.
- 18) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 19) The Company has not issued any debentures during the year.
- 20) The Company has not raised any money through a public issue during the year.
- 21) According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the company has been noticed or reported during the course of our audit.

For **P.S.Subramania Iyer & Co.**
Chartered Accountants

N. Srinivasan

Partner

Chennai
26.06.2009

Membership No.200330

Amrutanjan Health Care Limited

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule No.	31 st March, 2009		31 st March, 2008	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	3,10,16,600		3,20,00,000	
Reserves and Surplus	2	90,72,28,298		22,25,26,712	
			93,82,44,898		25,45,26,712
Loan Funds					
Secured Loans	3	20,64,425		6,46,70,588	
Unsecured Loans	4	—		2,00,00,000	
			20,64,425		8,46,70,588
Deferred Tax Liability (net)			3,21,61,252		4,00,18,699
TOTAL			97,24,70,575		37,92,15,999
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	5	24,71,78,595		33,52,95,631	
Less: Depreciation		8,81,38,708		14,25,35,377	
Net Block		15,90,39,887		19,27,60,254	
Capital Work-in-Progress		2,28,62,552		2,58,57,304	
			18,19,02,439		21,86,17,558
Investments	6		42,71,692		42,71,692
Current Assets, Loans and Advances					
Inventories	7	5,31,12,689		9,40,31,360	
Sundry Debtors	8	12,93,67,332		7,59,63,066	
Cash & Bank Balances	9	67,51,03,645		2,69,19,920	
Interest Accrued		79,53,039		2,26,384	
Loans & Advances	10	5,83,85,079		5,44,39,838	
		92,39,21,784		25,15,80,568	
Less: Current Liabilities and Provisions					
Current Liabilities	11	8,31,49,137		8,07,61,169	
Provisions	12	5,44,76,203		1,44,92,650	
		13,76,25,340		9,52,53,819	
Net Current Assets			78,62,96,444		15,63,26,749
TOTAL			97,24,70,575		37,92,15,999
Notes on Accounts	20				

Schedules referred to and the accompanying notes form an integral part of the Balance Sheet

As per our Report of even date		S. Sambhu Prasad	Dr. H.B.N. Shetty
For P.S. Subramania Iyer & Co.,		Managing Director	Dr. Pasumarthi S.N. Murthi
Chartered Accountants		N.S. Mohan	D. Seetharama Rao
		Company Secretary	A. Satish Kumar
Chennai	N. Srinivasan	P. Viswanath	Directors
26.06.2009	Partner	General Manager (Finance)	

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule No.	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
INCOME			
Sales	13	90,66,04,349	74,42,67,916
Other Income	14	6,95,56,635	39,76,000
		97,61,60,984	74,82,43,916
EXPENDITURE			
Cost of Materials Consumed	15	36,95,45,761	29,20,60,497
Employee's Remuneration and Benefits	16	10,93,59,967	9,39,65,993
Interest	17	15,31,802	74,72,185
Other Expenses	18	29,36,83,056	24,03,08,519
Depreciation		1,48,01,221	1,46,63,094
		78,89,21,807	64,84,70,288
Profit before extraordinary items		18,72,39,177	9,97,73,628
Prior Year Adjustments (net)		(4,35,809)	(3,36,662)
Profit before tax		18,68,03,368	9,94,36,966
Provision for Tax			
Income Tax		(7,00,00,000)	(1,45,00,000)
Fringe Benefit Tax		(30,00,000)	(25,00,000)
Deferred Tax		78,57,447	(1,94,77,090)
Short Provision for Income Tax of earlier years		(5,71,177)	(3,49,027)
Profit after tax and before extraordinary items		12,10,89,638	6,26,10,849
Extraordinary Items (net of tax)	19	80,75,05,163	(1,27,15,724)
Net Profit		92,85,94,801	4,98,95,125
Surplus from previous year brought forward		3,36,04,166	2,99,15,921
Profits available for appropriation		96,21,98,967	7,98,11,046
APPROPRIATIONS			
General Reserve		50,00,00,000	2,00,00,000
Special One Time Interim Dividend - Paid		12,80,00,000	—
Tax on Special One Time Interim Dividend		2,17,53,600	—
Interim Dividend - Paid		1,57,45,265	1,28,00,000
Tax on Interim Dividend		26,75,908	21,75,360
Final Dividend - Proposed		3,63,60,000	96,00,000
Tax on Proposed Dividend		61,79,382	16,31,520
		71,07,14,155	4,62,06,880
Balance Profit carried to Balance Sheet		25,14,84,812	3,36,04,166
		96,21,98,967	7,98,11,046
Basic and Diluted Earnings per share			
Before extraordinary items		38.07	19.57
After extraordinary items		291.98	15.59
Notes on Accounts	20		

Schedules referred to and the accompanying notes form an integral part of the Profit and Loss Account.

<p>As per our Report of even date For P.S. Subramania Iyer & Co., Chartered Accountants Chennai 26.06.2009</p>	<p>N. Srinivasan Partner</p>	<p>S. Sambhu Prasad Managing Director N.S. Mohan Company Secretary P. Viswanath General Manager (Finance)</p>	<p>Dr. H.B.N. Shetty Dr. Pasumarthi S.N. Murthi D. Seetharama Rao A. Satish Kumar Directors</p>
---	---	--	---

Amrutanjan Health Care Limited

SCHEDULES TO BALANCE SHEET

	31 st March, 2009 Rs.	31 st March, 2008 Rs.
SCHEDULE - 1		
SHARE CAPITAL		
Authorised		
50,00,000 Equity Shares of Rs.10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued, Subscribed & Paid-up		
32,00,000 Equity Shares of Rs.10/- each fully paid-up (Previous year 32,00,000)	<u>3,20,00,000</u>	<u>3,20,00,000</u>
Of the above Shares:		
25,000 Equity Shares were issued as fully paid-up to the vendors without payment being received in cash and 31,45,000 Equity Shares were allotted as fully paid-up Bonus Shares by capitalisation of Reserves		
Less : 98,340 Equity Shares bought back during the year (Refer Note 22 of Schedule 20)	<u>(9,83,400)</u>	<u>-</u>
	<u>3,10,16,600</u>	<u>3,20,00,000</u>

SCHEDULE - 2

RESERVES AND SURPLUS

	As at 31/03/2008 Rs.	Additions during the year Rs.	(Deductions) Rs.	As at 31/03/2009 Rs.
General Reserve	18,89,22,546	50,00,00,000	3,41,62,460*	<u>65,47,60,086</u>
Capital Redemption Reserve *	-	9,83,400	-	<u>9,83,400</u>
Profit & Loss Account Surplus	<u>3,36,04,166</u>	<u>21,78,80,646</u>	<u>-</u>	<u>25,14,84,812</u>
	<u>22,25,26,712</u>	<u>71,88,64,046</u>	<u>3,41,62,460</u>	<u>90,72,28,298</u>

* (Refer Note 22 of Schedule 20)

SCHEDULE - 3

SECURED LOANS

Term Loan from Bank (Secured by creation of equitable mortgage by way of deposit of title deeds of specific immovable property)	-	2,29,91,543
Interest accrued on Term Loans	-	2,25,546
Cash Credit from Banks (Secured by hypothecation of raw & packing materials, finished goods, book debts of the Company, personal guarantee of Managing Director, equitable mortgage by deposit of title deeds of specific immovable property on pari passu basis)	<u>(22,02,428)</u>	<u>4,14,53,499</u>
Over Draft facility from Bank (Secured by Lien on Fixed deposit of Rs. 4,75,00,000/-)	<u>42,66,853</u>	<u>-</u>
	<u>20,64,425</u> *	<u>6,46,70,588</u> *

* includes Rs. Nil (Rs. 125.04 lakhs) due for repayment within one year

SCHEDULE - 4

UNSECURED LOANS

Short Term Loan - Bank	-	2,00,00,000
	<u>-</u> *	<u>2,00,00,000</u> *

* due for repayment within one year Rs. Nil (Rs. Nil)

SCHEDULES TO BALANCE SHEET

SCHEDULE - 5 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31-03-2008 Rs.	Addition Rs.	Deletion Rs.	As on 31-03-2009 Rs.	As on 31-03-2008 Rs.	Addition Rs.	Deletion Rs.	As on 31-03-2009 Rs.	As on 31-03-2009 Rs.	As on 31-03-2008 Rs.
Goodwill	25,000	-	-	25,000	-	-	-	-	25,000	25,000
Land(*)	2,28,21,857	10,27,388	64,653	2,37,84,592	-	-	-	-	2,37,84,592	2,28,21,857
Buildings	3,12,49,171	24,80,858	-	3,37,30,029	1,10,88,650	12,97,539	-	1,23,86,189	2,13,43,840	2,01,60,521
Leasehold Property	4,50,000	-	-	4,50,000	1,46,209	15,190	-	1,61,399	2,88,601	3,03,791
Plant & Machinery	3,96,10,471	10,96,883	-	4,07,07,354	1,73,79,800	17,62,252	-	1,91,42,052	2,15,65,302	2,22,30,671
Computers	1,64,36,466	20,35,748	-	1,84,72,214	1,15,39,224	23,00,520	-	1,38,39,744	46,32,470	48,97,242
Furniture, Fixture & Equipment	1,76,54,136	4,24,956	-	1,80,79,092	1,00,00,681	11,40,466	-	1,11,41,147	69,37,945	76,53,455
Vehicles	92,78,297	16,77,486	15,50,288	94,05,495	50,19,152	12,56,763	12,71,455	50,04,460	44,01,035	42,59,145
	13,75,25,398	87,43,319	16,14,941	14,46,53,776	5,51,73,716	77,72,730	12,71,455	6,16,74,991	8,29,78,785	8,23,51,682
Fine Chemicals Block										
Buildings	59,11,613	-	59,11,613	-	31,27,004	69,424	31,96,428	-	-	27,84,609
Plant & Machinery	3,46,68,171	-	2,63,03,351	83,64,820	1,77,94,711	13,54,027	1,34,10,806	57,37,932	26,26,888	1,68,73,460
Computers	3,07,308	-	3,07,308	-	2,56,469	5,070	2,61,539	-	-	50,839
Furniture, Fixture & Equipment	41,88,982	-	20,88,627	21,00,355	21,26,867	1,84,305	11,32,788	11,78,384	9,21,971	20,62,115
	4,50,76,074	-	3,46,10,899	1,04,65,175	2,33,05,051	16,12,826	1,80,01,561	69,16,316	35,48,859	2,17,71,023
Research & Development Block										
Buildings	3,64,50,228	11,01,196	1,26,12,090	2,49,39,334	67,17,194	12,89,142	66,00,936	14,05,400	2,35,33,934	2,97,33,034
Plant & Machinery	6,99,49,594	42,92,451	2,35,12,417	5,07,29,628	2,01,96,745	25,16,739	1,50,83,525	76,29,959	4,30,99,669	4,97,52,849
Pilot Plant	3,70,95,066	-	2,56,28,062	1,14,67,004	3,08,66,331	6,95,986	2,34,25,868	81,36,449	33,30,555	62,28,735
Computers	8,91,106	58,035	5,91,970	3,57,171	8,06,154	1,14,843	5,77,155	3,43,842	13,329	84,952
Lab Equipment - Furniture & Fixtures	83,08,165	11,41,556	48,83,214	45,66,507	54,70,186	7,98,955	42,37,390	20,31,751	25,34,756	28,37,979
	15,26,94,159	65,93,238	6,72,27,753	9,20,59,644	6,40,56,610	54,15,665	4,99,24,874	1,95,47,401	7,25,12,243	8,86,37,549
Total	33,52,95,631	1,53,36,557	10,34,53,593	24,71,78,595	14,25,35,377	1,48,01,221	6,91,97,890	8,81,38,708	15,90,39,887	19,27,60,254
As Per Last Balance Sheet	25,50,89,793	8,23,95,903	21,90,065	33,52,95,631	12,95,11,012	1,46,63,094	16,38,729	14,25,35,377	19,27,60,254	12,55,78,781

Capital Work-in-Progress including Capital Advances of Rs.1,88,11,104 /- (Rs.1,88,11,104/-)

2,28,62,552 2,58,57,304

* Sale deed yet to be registered for SIDCO Lands - Rs. 96,89,239/- (Rs.1,12,47,346/-)

Amrutanjan Health Care Limited

SCHEDULES TO BALANCE SHEET

SCHEDULE - 6	Face Value Rs.	31 st March, 2009 Rs.	31 st March, 2008 Rs.
INVESTMENTS (AT COST)			
LONG TERM INVESTMENTS			
Non-Trade Investments (Unquoted):			
National Savings Certificates			
(Deposited with the Collector of Central Excise, Chennai)	5,500	5,500	5,500
5 Equity Shares in Capexil (Agencies) Ltd. of Rs.1,000/- each fully paid	5,000	5,000	5,000
60,800 Equity Shares of Re.1/- each in Madras Stock Exchange Ltd. (after sub-division and issue of 57,600 bonus shares during the year)	60,800	1,60,000	1,60,000
Non-Trade Investments (Quoted) :			
21,450 Equity Shares in Saha Keil Ltd. of Rs.10/- each fully paid	2,14,500	2,14,500	214,500
1,006 Equity Shares in NTPC Ltd. of Rs. 10/- each fully paid	10,060	62,372	62,372
38 Equity Shares in Punjab National Bank of Rs. 10/- each fully paid	380	14,820	14,820
100 6 % Cumulative Preference Shares in Metal Box Limited of Rs.100/- each fully paid	10,000	11,684	11,684
Investments in Subsidiaries (Unquoted) :			
29,04,407 Equity Shares in Data Quest Infotech & Enterprises Ltd. of Rs.10/- each fully paid	2,90,44,070	3,00,11,428	3,00,11,428
52,400 Equity Shares in ADCL Drugs & Chemicals Limited of Rs.10/- each fully paid, out of which 300 fully paid-up equity shares are held in the name of its nominees	5,24,000	5,24,000	5,24,000
9,98,800 Equity Shares in Egattur Printing and Packaging Limited of Rs.10/- each fully paid	99,88,000	99,88,000	99,88,000
2,24,240 Equity Shares in Swas Health Products Limited of Rs. 10/- each fully paid, out of which 60 shares are held in the name of its nominees.	22,42,400	22,42,400	22,42,400
3,50,000 Equity Shares in Holistic Beauty Care Limited of Rs. 10/- each fully paid	35,00,000	35,00,000	35,00,000
		4,67,39,704	4,67,39,704
Less : Provision for Investments		4,24,68,012	4,24,68,012
		42,71,692	42,71,692
Quoted Investments - Cost		77,192	77,192
- Market Value		1,96,564	2,17,169
Unquoted Investments - Cost		41,94,500	41,94,500

SCHEDULES TO BALANCE SHEET

	31 st March, 2009 Rs.	31 st March, 2008 Rs.
SCHEDULE - 7		
INVENTORIES		
Raw Materials	1,72,57,895	2,78,45,073
Packing Materials	81,69,661	80,09,351
Process Stock	26,58,210	87,10,643
Finished Stock	<u>2,50,26,923</u>	<u>4,94,66,293</u>
	<u>5,31,12,689</u>	<u>9,40,31,360</u>
SCHEDULE - 8		
SUNDRY DEBTORS (UNSECURED)		
Exceeding Six months:		
Considered good	1,72,18,158	2,00,44,402
Considered doubtful	36,94,822	-
Less: Provision for doubtful debts	<u>36,94,822</u>	-
Others - considered good	<u>11,21,49,174</u>	<u>5,59,18,664</u>
	<u>12,93,67,332</u>	<u>7,59,63,066</u>
SCHEDULE - 9		
CASH AND BANK BALANCES		
Cash in hand	6,68,009	2,32,355
Cheques in hand	1,00,97,154	4,30,292
Balance with Scheduled Banks:		
In Current Accounts	1,35,94,639	2,06,18,794
In Unclaimed Dividend Accounts	40,38,896	18,87,731
In Deposit Accounts [including Rs.6,15,81,313 /- (Rs. 32,10,863/-) under lien with banks]	<u>64,67,04,947</u>	<u>37,50,748</u>
	<u>67,51,03,645</u>	<u>2,69,19,920</u>
SCHEDULE - 10		
LOANS AND ADVANCES		
(Unsecured, considered good unless otherwise stated)		
Loan to subsidiary companies :		
Considered good	64,70,128	20,81,041
Considered doubtful	22,48,03,892	22,15,15,921
Less : Provision made	<u>22,48,03,892</u>	(22,15,15,921)
Advances recoverable in cash or in kind for value to be received	2,77,67,365	2,81,77,833
Deposits and Balances with excise authorities	2,07,29,016	1,78,58,062
Deposits - Others	34,18,570	27,77,728
Advance Tax / TDS (net off provisions)	-	35,45,174
	<u>5,83,85,079</u>	<u>5,44,39,838</u>

Amrutanjan Health Care Limited

SCHEDULES TO BALANCE SHEET

	31 st March, 2009 Rs.	31 st March, 2008 Rs.
SCHEDULE - 11		
CURRENT LIABILITIES		
Creditors for Purchases	3,11,14,649	3,95,30,129
Creditors for Expenses (includes Rs. 35,51,043/- (Rs. 2,72,323/-) due to Managing Director)	3,86,06,023	2,12,01,225
Creditors for Capital Goods	5,31,938	15,11,522
Unclaimed Dividend	40,38,896	18,87,731
Other Liabilities	88,57,631	1,66,30,562
	<u>8,31,49,137</u>	<u>8,07,61,169</u>
 SCHEDULE - 12		
PROVISIONS		
Provision for Taxation (net off Advance Tax / TDS)	79,26,156	-
Proposed Dividend	3,63,60,000	96,00,000
Tax on Dividend	61,79,382	16,31,520
Provision for Employee Retirement Benefits	40,10,665	32,61,130
	<u>5,44,76,203</u>	<u>1,44,92,650</u>

SCHEDULES OF PROFIT AND LOSS ACCOUNT

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
SCHEDULE - 13		
SALES		
OTC Products	88,06,33,689	78,28,62,198
Less : Excise Duty	<u>5,16,42,468</u>	<u>10,48,27,089</u>
	82,89,91,221	67,80,35,109
Chemicals	8,01,26,891	7,37,57,500
Less : Excise Duty	<u>25,13,763</u>	<u>75,24,693</u>
	7,76,13,128	6,62,32,807
	<u>90,66,04,349</u>	<u>74,42,67,916</u>
SCHEDULE - 14		
OTHER INCOME		
Dividend receipts	13,697	21,067
Interest - Bank Deposits - TDS Rs. 1,35,77,136/- (Rs. 2,42,870/-)	6,14,19,056	5,06,359
Interest - Others - TDS Rs. 81,157/- (Rs. 19,662/-)	4,23,040	87,286
Insurance Claims	23,25,577	-
Rent receipts - TDS Rs. 78,264/- (Rs.29,555/-)	6,65,675	5,49,050
Scrap sales	12,71,702	11,81,950
Profit on sale of assets	1,46,167	3,64,441
Sundry balances written back (net)	4,43,016	2,92,522
Excess provision written back	12,15,014	7,93,041
Exchange Difference (net)	11,00,574	-
Miscellaneous Receipts	5,33,117	1,80,284
	<u>6,95,56,635</u>	<u>39,76,000</u>
SCHEDULE - 15		
COST OF MATERIALS CONSUMED		
Opening Stock		
Raw Materials	2,78,45,073	3,15,17,828
Packing Materials	80,09,351	1,15,05,405
	<u>3,58,54,424</u>	<u>4,30,23,233</u>
Add : Purchases		
Raw Materials	16,45,58,680	17,29,43,919
Packing Materials	13,27,83,425	10,68,39,645
	<u>29,73,42,105</u>	<u>27,97,83,564</u>
	<u>33,31,96,529</u>	<u>32,28,06,797</u>
Less : Closing Stock		
Raw Materials	1,72,57,895	2,78,45,073
Packing Materials	81,69,661	80,09,351
	<u>2,54,27,556</u>	<u>3,58,54,424</u>
Consumption of Raw & Packing Materials	<u>30,77,68,973</u>	<u>28,69,52,373</u>
Add : Processing Charges	85,07,172	-
Add : Products Purchased	2,31,89,784	1,89,09,906
Stock Adjustments	3,00,79,832	(1,38,01,782)
	<u>36,95,45,761</u>	<u>29,20,60,497</u>

Amrutanjan Health Care Limited

SCHEDULES OF PROFIT AND LOSS ACCOUNT

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
(INCREASE) / DECREASE IN STOCK		
Opening Stock		
Finished Goods	4,94,66,293	4,06,60,862
Process Stock	87,10,643	49,37,379
	<u>5,81,76,936</u>	<u>4,55,98,241</u>
Closing Stock		
Finished Goods	2,50,26,923	4,94,66,293
Process Stock	26,58,210	87,10,643
	<u>2,76,85,133</u>	<u>5,81,76,936</u>
(INCREASE) / DECREASE IN STOCK	3,04,91,803	(1,25,78,695)
Excise Duty on Increase / (Decrease) of Finished Goods	(4,11,971)	(12,23,087)
SCHEDULE - 16		
EMPLOYEE'S REMUNERATION AND BENEFITS		
Salaries, Wages and Bonus	8,26,98,745	7,04,15,344
Managing Director's Remuneration	98,64,519	52,65,498
Contribution to Employees Provident, Gratuity and Other Funds	1,11,45,426	1,27,34,419
Welfare Expenditure	56,51,277	55,50,732
	<u>10,93,59,967</u>	<u>9,39,65,993</u>
SCHEDULE - 17		
INTEREST		
- Fixed Loans	9,87,592	36,39,493
- Others	5,44,210	38,32,692
	<u>15,31,802</u>	<u>74,72,185</u>
SCHEDULE - 18		
OTHER EXPENSES		
Power & Fuel	69,79,180	1,31,17,281
Repairs & Maintenance :		
Building	14,73,040	23,93,865
Machinery	25,94,086	45,42,573
Others	45,97,914	33,00,691
Freight and Transport Charges	1,57,53,138	1,27,51,071
Advertisement	8,41,35,724	5,88,00,783
Selling Expenses	4,81,48,458	3,06,97,745
Commission on Sales	15,54,964	16,37,443
Bad debts written off	82,82,643	-
Sales Tax	3,63,34,970	3,46,45,710
Rates and Taxes	20,33,227	19,08,415
Insurance	25,59,672	26,05,025
Travelling Expenses	2,16,42,881	1,97,78,892

SCHEDULES OF PROFIT AND LOSS ACCOUNT

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
Conveyance	16,88,054	14,65,841
Retainer & Consultancy	88,57,436	79,44,959
Security Charges	23,43,119	31,68,321
Rent	13,69,665	19,95,589
Printing & Stationery	18,62,798	23,12,510
Postage & Telegrams	12,60,463	9,98,702
Communication Expenses	60,78,948	59,67,906
Legal Expenses	14,86,600	5,80,395
Research & Development Expenses	1,64,01,172	1,61,59,306
Bank Charges	26,04,539	22,90,213
Advances written off	17,35,199	-
Donations	12,09,726	33,600
Auditor's Remuneration :		
Audit Fees	5,00,000	3,75,000
Tax Audit	60,000	50,000
Other services	1,50,000	1,15,000
Out of Pocket expenses	13,467	9,095
Cost Audit Fees	1,20,000	1,20,000
Directors Sitting Fees	6,22,500	6,07,500
Lease Rent	20,90,505	20,48,420
Loss on fixed assets sold / discarded	-	10,327
Exchange difference (net)	-	5,35,972
Provision for doubtful debts	36,94,822	-
Miscellaneous Expenses	34,44,146	73,40,369
	<u>29,36,83,056</u>	<u>24,03,08,519</u>

SCHEDULE - 19

EXTRAORDINARY ITEMS

Profit realised on Sale of Land & Building	1,07,88,49,408	-
Cost in relation to Buy-back of Equity Shares	(20,40,865)	-
Value of Assets discarded on Sale of Land & Building	(2,42,15,409)	-
Provision for Advances given to subsidiary companies	(32,87,971)	(1,27,15,724)
	<u>1,04,93,05,163</u>	<u>(1,27,15,724)</u>
Income Tax on above	(24,18,00,000)	-
EXTRAORDINARY ITEMS (NET OF TAX)	80,75,05,163	(1,27,15,724)

Amrutanjan Health Care Limited

20. NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

1. ACCOUNTING POLICIES

- a. Accrual system of accounting is followed to record income and expenditure, excepting in the areas herein specifically mentioned.
- b. Fixed Assets are stated at cost less accumulated depreciation. Cost comprises of direct costs and in the case of Plant & Machinery interest on loan taken for the acquisition of assets upto the date of commissioning of the assets. Depreciation is provided on written down value method except on Plant & Machinery acquired after April 1, 1992, which is provided on straight line method at the rates prescribed under schedule XIV to the Companies Act, 1956. Additions made during the year are depreciated pro-rata from the date of addition. Freehold / Leasehold Lands and Goodwill are not depreciated.
- c. Raw Materials and Packing Materials are valued at weighted average cost. Finished Stock and Process Stocks are valued at lower of cost or net realisable value.
- d. Investments in Subsidiary Companies are long term investments and are carried at cost. Other investments are carried at lower of cost or realisable value. Provision for diminution in value is made wherever necessary in accordance with the mandatory Accounting Standard.
- e. Research & Development costs not resulting in any tangible property / equipment are charged as an expense in the year in which they are incurred. Capital expenditure is shown as additions to Fixed Assets.
- f. Insurance on Company's properties, immovable and movable is on reinstatement value basis.
- g. Insurance claims and scrap sales proceeds are accounted on cash basis.
- h. Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Gains / losses, if any, arising therefrom are recognised in the Profit & Loss Account.

- i. Employee Benefits :
Liability for Gratuity to employees determined on the basis of actuarial valuation as on balance sheet date is funded and is recognised as an expense in the year incurred. Contribution to defined contribution schemes such as provident fund, employees pension fund, superannuation fund and cost of other benefits are recognised as an expense in the year incurred
- j. Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods

2. MONIES FOR WHICH THE COMPANY IS CONTINGENTLY LIABLE :

- a. Bonds executed in favour of Collector of Central Excise, Chennai - Rs. 8,00,000/- (Rs. 8,00,000 /-)
- b. Guarantees/Letter of Credit issued on behalf of the Company by Banks - Rs. 1,55,00,146/- (Rs. 1,89,25,296/-)
- c. Contingent liability in respect of Income Tax Rs. 16,04,113/- (Rs. 16,04,113/-). However, the said amount has been paid under protest.
- d. Appeals filed in respect of disputed demands:

	2008 - 2009 Rs.	2007 - 2008 Rs.
Excise Duty	8,89,155	8,89,155
E S I	3,96,545	3,96,545
Service Tax	85,364	—

3. Lease rent in respect of leasehold land has been revised by the Government of Tamil Nadu with retrospective effect from November, 2001 and the arrears on this account up to 31st March, 2009 is Rs. 2,93,23,898/-. Since the enhancement of the rent is exorbitant, the Company has contested the said revision before the appropriate forum. The matter is also pending before The Madras High Court in a writ petition. Based on the legal advice, the Company is hopeful of a favourable decision and hence no provision for the said liability is considered in this year.

4. Estimated amount of capital expenditure commitments Rs. 6,35,00,000/- (Rs. 25,00,000/-)
5. Amount of Rs. 32,87,971/- (Rs. 1,27,15,724/-) net has been provided for advances given to subsidiary companies since the said companies are not continuing the business operations.
6. The Company has transferred Rs.1,30,579/- (Rs.1,72,715/-) of unclaimed dividends and Rs. 48,000/- (NIL) of unclaimed matured deposits to Investor Education and Protection Fund during the year.

7. MANAGING DIRECTOR'S REMUNERATION

	2008-2009 Rs.	2007-2008 Rs.
Salary	34,50,000	27,00,000
House Rent Allowance	11,25,000	9,00,000
Other Perquisites (net)	6,41,111	4,39,175
Contribution to Gratuity Fund	1,65,865	2,25,000
Contribution to Super - annuation Fund	5,17,500	4,05,000
Contribution to Provident Fund	4,14,000	3,24,000
Commission as per computation below	35,51,043	2,72,323
	<u>98,64,519</u>	<u>52,65,498</u>

Computation of Commission payable to Managing Director under Section 349 of the Companies Act, 1956

	Rs.	Rs.
Profit before extraordinary items and before tax as per Profit & Loss A/c		18,68,03,368
Add: Depreciation as per Profit & Loss A/c	1,48,01,221	
Directors Sitting Fees	6,22,500	
Remuneration to Managing Director	<u>98,64,519</u>	
		<u>2,52,88,240</u>
		21,20,91,608
Less: Depreciation as per Section 350 of Companies Act, 1956		1,48,01,221
Profit available for payment of commission		<u>19,72,90,387</u>
Commission restricted to overall ceiling limit u/s 198 of Companies Act, 1956		35,51,043

8. DETAILS OF RAW MATERIALS CONSUMED

Particulars	2008 - 2009		2007 - 2008	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
Karpoor Powder (Tons)	33.730	61,35,065	33.288	39,31,383
Pudina Ka Phool (Tons)	62.731	5,29,29,643	56.893	4,20,75,945
Nilgiri Ka Tel (Tons)	43.691	1,51,64,973	45.223	1,53,20,582
Winter Green Tel (Tons)	29.007	36,49,636	28.240	35,62,885
Chaha Ka Tel (Tons)	14.806	69,34,330	14.973	65,45,569
Chemicals (Tons)	336.129	4,31,55,057	457.937	6,38,90,924
Others		4,71,77,154		4,12,89,386
		<u>17,51,45,858</u>		<u>17,66,16,674</u>

9. RAW MATERIALS CONSUMED

	2008 - 2009		2007 - 2008	
	%	Value (Rs.)	%	Value (Rs.)
Imported	13.32	2,33,20,853	12.26	2,16,59,904
Indigenous	86.68	15,18,25,005	87.74	15,49,56,770
		<u>17,51,45,858</u>		<u>17,66,16,674</u>

Amrutanjan Health Care Limited

10. Production, Purchases, Turnover & Stock

Class of Goods	Unit	Opening Stock				Closing Stock				Turnover (net of sales returns & including free samples)				Production/ Purchases	
		As at 01-04-2008		As at 01-04-2007		As at 31-03-2009		As at 31-03-2008		2008-09		2007-08		2008-09	2007-08
		Qty	Value (Rs.)	Qty	Value (Rs.)	Qty	Value (Rs.)	Qty	Value (Rs.)	Qty	Value (Rs.)	Qty	Value (Rs.)	Qty	Qty
AMRUTANJAN PAIN BALM	(Tons)	35.465	2,11,21,275	34.897	2,53,12,215	14.517	90,19,463	35.465	2,11,21,275	566.708	81,01,87,288	524.727	71,14,36,549	545.760	525.295
INHALER & OTHERS	(Tons)	10.661	40,11,343	10.209	76,88,909	1.855	14,86,750	10.661	40,11,343	58.036	2,96,69,740	55.407	2,84,22,580	49.230	55.859
AGENCY PRODUCTS	(Tons)	40.695	1,22,36,006	28.816	31,75,225	39.301	1,01,31,303	40.695	1,22,36,006	70.021	4,07,76,661	70.710	4,30,03,069	68.627	82.589
CHEMICALS	(Tons)	8.272	1,20,97,669	2.140	44,84,513	3.616	43,89,407	8.272	1,20,97,669	25.636	8,01,26,891	26.648	7,37,57,500	20.980	32.780
			4,94,66,293				4,06,60,862				2,50,26,923				

11. Research & Development Expenses include :

	2008-2009	2007-2008
	Rs.	Rs.
Salaries, Bonus etc.,	1,13,72,105	1,15,56,316
Materials & Consumables	25,43,427	22,70,937
Power & Fuel	9,11,227	3,77,784
Other Expenses	15,74,413	19,54,269
	1,64,01,172	1,61,59,306

12. Products Purchased

2,31,89,784	1,89,09,906
--------------------	-------------

13. Earnings in Foreign Exchange

Export Sales (F.O.B. Value)	5,69,30,105	2,65,43,020
-------------------------------	--------------------	-------------

14. Value of Imports on C.I.F. basis

a. Raw & Other Materials	3,25,53,795	2,37,11,736
b. Capital Goods	-	1,60,67,647

15. Expenditure in Foreign Currency

Travelling Expenses	5,64,514	13,85,140
Others	7,74,979	3,79,591

16. Loans and Advances in the nature of loans given to subsidiaries:

Name of Company	Rate of Interest	Balance as on	Maximum balance
		31.03.2009	during the year
Data Quest Infotech and Enterprises Limited	-	-	32,76,303
Egattur Printing & Packaging Limited (wholly owned)	NA	-	12,766
Swas Health Products Limited (wholly owned)	NA	-	21,193
Holistic Beauty Care Limited	7%	64,70,128	64,70,128

Notes: Loans and Advances in the nature of loans shown above are without any repayment schedule.

17. Sundry Debtors include Rs. 95,57,738/- due from a party for the recovery of which, legal action has been taken by the Company. Based on the legal advice, the Company is hopeful of recovery of the same.

18. Provision for Taxation includes Rs.50,000/- (Rs. 50,000/-) towards Wealth Tax.

Amrutanjan Health Care Limited

19. Segment Information

Rupees

	Primary Business Segments	OTC Products		Chemicals		Net Total	
		2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
(a)	Revenue :						
	External Sales	82,89,91,221	67,80,35,109	7,76,13,128	6,62,32,807	90,66,04,349	74,42,67,916
	Inter Segment Sales	-	-	-	-	-	-
	Total Revenue	82,89,91,221	67,80,35,109	7,76,13,128	6,62,32,807	90,66,04,349	74,42,67,916
(b)	Result	17,57,70,173	15,54,12,892	(1,28,02,915)	(1,65,11,992)	16,29,67,258	13,89,00,900
	Less : Unallocated expenditure net of unallocated income					(3,60,38,375)	(3,22,48,732)
	Operating Profit					12,69,28,883	10,66,52,168
	Less : Interest expense					(15,31,802)	(74,72,185)
	Add : Interest income					6,18,42,096	5,93,645
	Less : Prior Year Adjustments (net)					(4,35,809)	(3,36,662)
	Profit before Tax					18,68,03,368	9,94,36,966
	Provision for taxation :						
	- Income Tax					(7,00,00,000)	(1,45,00,000)
	- Fringe Benefit Tax					(30,00,000)	(25,00,000)
	- Deferred Tax					78,57,447	(1,94,77,090)
	- Short Provision of Income Tax of earlier years					(5,71,177)	(3,49,027)
	Extraordinary Items (net of tax)					80,75,05,163	(1,27,15,724)
	Profit after Tax					92,85,94,801	4,98,95,125
(c)	Segment Assets	26,05,95,930	17,56,41,446	10,24,76,858	12,47,26,023	36,30,72,788	30,03,67,469
	Unallocated Assets					74,70,23,127	17,41,02,349
	Total Assets	26,05,95,930	17,56,41,446	10,24,76,858	12,47,26,023	1,11,00,95,915	47,44,69,818
(d)	Segment Liabilities	6,98,49,865	5,24,15,725	84,05,866	2,54,37,810	7,82,55,731	7,78,53,535
	Unallocated Liabilities					9,35,95,286	14,20,89,571
	Total Liabilities	6,98,49,865	5,24,15,725	84,05,866	2,54,37,810	17,18,51,017	21,99,43,106
(e)	Capital expenditure	77,15,931	1,12,32,258	-	11,07,550	77,15,931	1,23,39,808
	Unallocated expenditure					76,20,626	7,00,56,095
(f)	Depreciation	77,72,730	75,03,984	16,12,826	34,52,968	93,85,556	1,09,56,954
	Unallocated Depreciation					54,15,665	37,06,142
(g)	Significant non-cash items	-	-	-	-	-	-

The Company has disclosed business segment as the primary segment and is organised in to two main business segments namely OTC products and Chemicals.

The Company caters mainly to the needs of the domestic market and as such there are no reportable geographical segments. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Other unallocable expenditure includes revenues and expenses which are not directly identifiable to the individual segments as well as expenses which relate to the Company as a whole.

20. Disclosure of Related Parties

(I) List of related parties and relationships :

(a) Parties where control exists - Subsidiaries :	Data Quest Infotech and Enterprises Limited
	Egattur Printing and Packaging Limited
	ADCL Drugs and Chemicals Limited
	Swas Health Products Limited
	Holistic Beauty Care Limited
(b) Key Management Personnel :	Mr. S. Sambhu Prasad, Managing Director
(c) Relatives of Key Management Personnel :	Mrs. S. Rajeswari - Mother

(II) Transactions with related parties mentioned in (a) above :

Nature of Transaction	2008-2009	2007-2008
	(Rs.)	(Rs.)
Loans/Advances granted (net)	76,77,058	44,08,328
Interest received	3,23,333	33,678
Provision for Advances	32,87,971	1,27,15,724
Outstanding as on 31.03.2009 :		
Loans/Advances Receivable (net of Provisions)	64,70,128	20,81,041
Investments (net of Provisions)	40,24,000	40,24,000

(III) Transactions with related party mentioned in (b) above :

Remuneration	98,64,519	52,65,498
Dividend paid	72,37,728	8,99,754
Amount payable as on 31.03.2009	35,51,043	2,72,323

(IV) Transactions with related parties mentioned in (c) above :

Dividend Paid	1,39,18,176	17,39,772
---------------	--------------------	-----------

21. The details of deferred tax asset / (liability) are as under :

Deferred Tax (Liability)

- Depreciation	(3,35,59,231)	(4,11,27,157)
----------------	----------------------	---------------

Deferred Tax Asset

- Expenses / Provisions allowable	13,97,979	11,08,458
-----------------------------------	------------------	-----------

Net Deferred Tax Asset / (Liability)	(3,21,61,252)	(4,00,18,699)
---	----------------------	---------------

Amrutanjan Health Care Limited

22. During the year the Company has bought back 98,340 Equity shares of Rs. 10/- each at an average price of Rs. 347.39 and accordingly:

- An amount of Rs. 9,83,400/- has been reduced from the paid-up equity share capital.
- The balance of Rs. 337.39 per share paid on these shares aggregating to Rs. 331.79 lakhs has been adjusted to General Reserve.
- As required under the provisions of the Companies Act, 1956 Rs. 9.83 lakhs has been transferred to Capital Redemption Reserve from General Reserve.

23. Earnings per share	2008-2009	2007-2008
(a) Numerator-Profit as per Profit & Loss A/c before extraordinary item (in Rs.)	12,10,89,638	6,26,10,849
(b) Numerator-Profit as per Profit & Loss A/c after extraordinary item (in Rs.)	92,85,94,801	4,98,95,125
(c) Denominator- Weighted average number of Equity shares outstanding	31,80,355	32,00,000
(d) Earnings per share (Basic and Diluted) before extraordinary item (in Rs.)	38.07	19.57
(e) Earnings per share (Basic and Diluted) after extraordinary item (in Rs.)	291.98	15.59
(f) Nominal value of shares (in Rs.)	10.00	10.00

24. The information required under the Micro, Small and Medium Enterprises Development Act, 2006 and given in Schedule 11 regarding the amount due to such enterprises has been determined on the basis of information available with the company and relied upon by the Auditors

25. Disclosure as per Accounting Standard 19 - Operating Leases :	2008-2009	2007-2008
	Rs.	Rs.
Future lease payments not later than one year	15,96,468	24,99,792
Future lease payments later than one year and not later than five years	15,94,897	43,53,594

26. Employee Benefits

a) Defined Benefit Plans - As per Actuarial valuation on 31st March, 2009:

Gratuity	2008-2009	2007-2008
	Rs.	Rs.
A. Expense recognised in the statement of Profit & Loss Account for the year ended 31st March, 2009:		
1. Current service cost	14,51,403	13,77,117
2. Interest Cost	12,57,573	11,76,773
3. Expected return on plan assets	13,95,502	(13,66,406)
4. Net actuarial (gain) / loss recognised during the year	(3,15,977)	24,61,005
5. Total Expense	9,97,497	36,48,489

	2008-2009	2007-2008
	Rs.	Rs.
B. Actual return on plan assets:		
1. Expected return on plan assets	13,95,502	13,66,406
2. Actuarial gain / (loss) on plan assets	(14,35,739)	1,69,685
3. Actual return on plan assets	(40,237)	15,36,091
C. Net Asset/ Liability recognised in the Balance Sheet:		
1. Present value of obligation	1,56,44,203	1,76,67,643
2. Fair value of plan assets	1,57,17,783	1,74,43,772
3. Funded status [surplus/(deficit)]	73,580	(2,23,871)
4. Net Assets / (Liability) recognised in the Balance Sheet	73,580	(2,23,871)
D. Change in Present value of the Obligation during the year ended 31st March, 2009:		
1. Present value of obligation as at 1st April, 2008	1,76,67,643	1,88,97,556
2. Current service cost	14,51,403	13,77,117
3. Interest Cost	12,57,573	11,76,773
4. Benefits paid	29,80,700	64,14,493
5. Actuarial (gain) / loss on obligation	(17,51,716)	26,30,690
6. Present value of obligation as at 31st March, 2009	1,56,44,203	1,76,67,643
E. Charge in Assets during the year ended 31st March, 2009:		
1. Fair Value of plan assets as at 1st April, 2008	1,74,43,772	2,05,29,815
2. Expected return on plan assets	13,95,502	13,66,406
3. Contributions made	12,94,948	17,92,359
4. Benefits paid	29,80,700	64,14,493
5. Actuarial gain / (loss) on plan assets	(14,35,739)	1,69,685
6. Fair Value of plan assets as at 31st March, 2009	1,57,17,783	1,74,43,772
F. Major categories of plan assets as a percentage of total plan - 100% Qualifying Insurance Policy		
G. Actuarial Assumptions:		
1. Discount rate	7.50%	8.00%
5 2. Expected rate of return on plan assets	8.00%	8.00%
3. Salary Escalation	6.00%	5.00%
b) Gratuity is administered through Group gratuity scheme with Life Insurance Corporation of India. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligation.		

Leave Salary

The defined benefit obligations which are provided for but not funded as on 31st March, 2009 is **Rs. 23,78,406/-** (Rs. 14,05,000/-)

Amrutanjan Health Care Limited

27. Installed & Licensed capacity

A. CHENNAI

Product Name

Amrutanjan Pain Balm (Ayurvedic)

Hero Super Balm and Dragon Liquid Balm **403 Metric Tons**

Amrutanjan Inhaler (Ayurvedic) **20 Lakhs Units**

Amrutanjan Cold Rub (Ayurvedic)

5 gm Tins **50 Lakhs Nos.**

20 gm Bottles **30 Lakhs Nos.**

a) Vincristine Bulk Drug **3.5 Kgs.**

b) Vinblastine Bulk Drug **0.5 Kgs.**

Drug Formulations

c) Vincristine Vials (1 mg) **2 Lakhs Nos.***

d) Vinblastine Vials (10 mg) **20 Lakhs Nos.****

* In terms of consumption of bulk drug equivalent to 0.2 Kg. (own)

** In terms of consumption of bulk drug equivalent to 0.2 Kg. (own)

Dermal Ointment 16 gms **180000 Nos.**

Cetomix Cough Mixture 60 ml **20000 Nos.**

Jiffy Tablets **12800000 Nos.**

B. HYDERABAD

Amrutanjan Pain Balm (Ayurvedic) **2.4 Crore Units
(240 Tons)**

Amrutanjan Strong Balm (Ayurvedic) **40 Lakhs Units**

C. FINE CHEMICALS

91 Tons

28. Previous year's figures have been regrouped wherever necessary to comply with current year's classification.

As per our Report of even date	S. Sambhu Prasad	Dr. H.B.N. Shetty
For P.S. Subramania Iyer & Co.,	Managing Director	Dr. Pasumarthi S.N. Murthi
Chartered Accountants	N.S. Mohan	D. Seetharama Rao
Chennai	Company Secretary	A. Satish Kumar
26.06.2009	P. Viswanath	Directors
N. Srinivasan	General Manager (Finance)	
Partner		

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code

Balance Sheet Date Date Month Year

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

Public Issue Rights Issue

Bonus Issue Private Placement

III. Position of Mobilisation and Deployment of Funds (Amounts in Rs. Thousands)

Total Liabilities Total Assets

Sources of Funds:

Paid-up Capital Reserves & Surplus

Secured Loans Unsecured Loans

Deferred Tax Liability

Application of Funds:

Net Fixed Assets Investments

Net Current Assets Misc. Expenditure

Accumulated Losses

IV. Performance of Company (Amount in Rs. Thousands)

Total Turnover / Income Total Expenditure

Profit / Loss before Tax Profit / Loss after Tax

Earnings per share (Rs.) Dividend rate (%)

V. Generic Name of Principal Product of the Company (as per monetary terms)

Item Code (ITC Code)

Product Description

As per our Report of even date For P.S. Subramania Iyer & Co., Chartered Accountants Chennai 26.06.2009	N. Srinivasan Partner	S. Sambhu Prasad Managing Director N.S. Mohan Company Secretary P. Viswanath General Manager (Finance)	Dr. H.B.N. Shetty Dr. Pasumarthi S.N. Murthi D. Seetharama Rao A. Satish Kumar Directors
--	---------------------------------	--	--

Amrutanjan Health Care Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
A. CASH FLOW FORM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	18,68,03,368	9,97,73,628
- Adjustments for:		
- Depreciation	1,48,01,221	1,46,63,094
- Interest received	(6,18,42,096)	(5,93,645)
- Dividend received	(13,697)	(21,067)
- Rent receipts	(6,65,675)	(5,49,050)
- Sundry balances / Excess provision written back	(16,58,030)	10,85,563
- Profit on sale of fixed assets	(1,46,167)	(3,64,441)
- Interest paid	15,31,802	74,72,185
- Loss on sale of fixed assets	-	10,327
Operating Profit before Working Capital Changes	13,88,10,726	12,14,76,594
Adjustments for:		
- Trade & other receivables	(5,64,09,495)	(4,61,61,065)
- Inventories	4,09,18,671	(54,09,886)
- Trade payables	40,45,998	56,55,760
Cash generated from operations	12,73,65,900	7,55,61,403
Direct Taxes Paid	(6,18,69,368)	(1,92,42,087)
Cash Flow before extraordinary items	6,54,96,532	5,63,19,316
Extraordinary items	-	-
Net Cash from operating activities	6,54,96,532	5,63,19,316
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including Capital Work-in-Progress	(1,22,84,996)	(8,05,41,953)
Sale of fixed assets	4,25,000	9,05,450
Purchase of investments	-	(31,50,374)
Loans to subsidiary companies	(76,77,058)	(44,08,328)
Interest received	5,41,15,441	11,17,739
Dividend received	13,697	21,067
Rent received	6,31,825	4,99,275
Cash Flow before extraordinary items	3,52,23,909	(8,55,57,124)
Extraordinary items :		
Amount received on sale of land and building (net of tax payment)	84,72,10,867	-
Net Cash (used in) / generated from Investing Activities	88,24,34,776	(8,55,57,124)

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Bank Borrowings	(3,93,89,074)	4,28,737
Repayment of long term borrowings	(2,32,17,089)	(1,25,04,274)
Increase / (Decrease) in short term loans	(2,00,00,000)	2,00,00,000
Dividend paid (including interim Dividend & Dividend Tax)	(17,94,06,293)	(2,24,63,040)
Interest paid	(15,31,802)	(75,87,076)
Buy-back of equity shares	(3,41,62,460)	-
Cost in relation to buy-back of equity shares	(20,40,865)	-
Net Cash (used in) / generated from financing Activities	(29,97,47,583)	(2,21,25,653)
Net Increase / (Decrease) in cash & cash equivalents	64,81,83,725	(5,13,63,461)
Cash and cash equivalents opening balance	2,69,19,920	7,82,83,381
Cash and cash equivalents closing balance	67,51,03,645	2,69,19,920

Previous year's figures have been re-grouped wherever necessary to conform to this year's classification

<p>As per our Report of even date For P.S. Subramania Iyer & Co., Chartered Accountants Chennai 26.06.2009</p>	<p>N. Srinivasan Partner</p>	<p>S. Sambhu Prasad Managing Director N.S. Mohan Company Secretary P. Viswanath General Manager (Finance)</p>	<p>Dr. H.B.N. Shetty Dr. Pasumarthi S.N. Murthi D. Seetharama Rao A. Satish Kumar Directors</p>
---	---	--	---

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow statement of Amrutanjan Health Care Limited, derived from the audited financial statements for the year ended 31st March, 2009 and the year ended 31st March, 2008 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the Listing Agreement with Stock Exchange.

<p>Chennai 26.06.2009</p>	<p>As per our Report of even date For P.S. Subramania Iyer & Co. Chartered Accountants N. Srinivasan Partner Membership No. 200330</p>
-------------------------------	--

Amrutanjan Health Care Limited

STATEMENT PURSUANT TO SECTION 212(3) OF THE COMPANIES ACT, 1956

Name of the Subsidiary Companies	Extent of Holding Company's interest in the Subsidiary at the end of Financial year of the subsidiary			Net aggregate amount of profits/(losses) of the subsidiary so far as it concerns the members of the Holding Company and is not dealt in the accounts of the holding company		Net aggregate amount of profits/(losses) of the subsidiary so far as it concerns the members of the holding company and is dealt with in accounts of holding company	
	Subsidiary's Financial year ended on	No. of Shares held	% of total paid-up capital	For the Financial year of the Subsidiary (Rs.)	For the previous Financial years since it became the Holding Company's Subsidiary (Rs.)	For the Financial year of the Subsidiary (Rs.)	For the previous Financial years since it became the Holding Company's Subsidiary (Rs.)
DATA QUEST INFOTECH & ENTERPRISES LIMITED	31.03.2009	29,04,407 Equity shares of Rs.10/- each	73.48	–	(26,90,097)	(32,76,303)	(14,33,85,064)
HOLISTIC BEAUTY CARE LIMITED	31.03.2009	3,50,000 Equity shares of Rs.10/- each	83.32	(38,65,500)	(30,54,578)	–	–

Chennai
26.06.2009

S. Sambhu Prasad
Managing Director

N.S. Mohan
Company Secretary

P. Viswanath
General Manager (Finance)

Dr. H.B.N. Shetty
Dr. Pasumarthi S.N. Murthi
D. Seetharama Rao
A. Satish Kumar
Directors

Details of Subsidiary Companies pursuant to Exemption received under Section 212(8) of the Companies Act, 1956

(Rupees in lakhs)

SL. NO.	PARTICULARS	DATA QUEST INFOTECH & ENTERPRISES LIMITED	HOLISTIC BEAUTY CARE LIMITED
1.	Capital	395.28	42.01
2.	Reserves	37.49	–
3.	Total Assets	2112.47	110.06
4.	Total Liabilities	2112.47	110.06
5.	Details of Investments	1.12	–
6.	Turnover	–	1.33
7.	Profit before Taxation	-32.91	-48.60
8.	Provision for Taxation	–	2.21
9.	Profit after Taxation	-32.91	-46.39
10.	Proposed Dividend	–	–

S. Sambhu Prasad

Managing Director

N.S. Mohan

Company Secretary

P. Viswanath

General Manager (Finance)

Dr. H.B.N. Shetty

Dr. Pasumarthi S.N. Murthi

D. Seetharama Rao

A. Satish Kumar

Directors

Chennai

26.06.2009

**CONSOLIDATED
FINANCIAL STATEMENTS**

**AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF AMRUTANJAN HEALTH CARE LIMITED
ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AMRUTANJAN HEALTH CARE LIMITED
AND ITS SUBSIDIARIES :**

We have examined the attached Consolidated Balance Sheet of Amrutanjan Health Care Limited and its subsidiaries as at 31st March, 2009, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year then ended.

These financial statements are the responsibility of the management of Amrutanjan Health Care Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 and identified financial reporting framework and are free of material misstatements. An audit also includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

The financial statements of one of the subsidiary company reflecting total assets of Rs. 35,82,721/- as at 31st March, 2009 and total revenue of Rs. 120/- and resulting in a net cash outflow of Rs. 1,15,032/- for the period ended on that date has been audited by other auditor, whose report has been furnished to us. We have relied upon the said report for the purpose of the amounts included in respect of the above company in the consolidated financial statements.

We report that the Consolidated financial statements have been prepared by the management of Amrutanjan Health Care Limited in accordance with the requirements of Accounting Standard (AS 21 – Consolidated Financial Statements) issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Amrutanjan Health Care Limited and its subsidiaries included in the Consolidated Financial Statements.

On the basis of information and explanations given to us and on the consideration of separate audit reports on individual audited financial statements of Amrutanjan Health Care Limited and its subsidiaries, we are of the opinion that the said Consolidated Financial Statements, give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of Consolidated Balance Sheet, of the state of affairs of Amrutanjan Health Care Limited and its subsidiaries as at March 31, 2009;
- (b) In the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of Amrutanjan Health Care Limited and its subsidiaries for the year then ended;
- (c) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flow of Amrutanjan Health Care Limited and its subsidiaries for the year then ended.

Chennai
26.06.2009

For **P.S. Subramania Iyer & Co.**
Chartered Accountants
N.Srinivasan
Partner
Membership No:200330

Amrutanjan Health Care Limited

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule No.	31 st March, 2009		31 st March, 2008	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	3,10,16,600		3,20,00,000	
Reserves and Surplus	2	<u>90,19,87,458</u>		<u>22,84,72,708</u>	
			93,30,04,058		26,04,72,708
Minority Interest			-		89,587
Loan Funds					
Secured Loans	3	20,64,425		6,46,70,588	
Unsecured Loans	4	<u>12,18,739</u>		<u>2,00,00,000</u>	
			32,83,164		8,46,70,588
Deferred Tax Liability (net)			<u>3,19,55,635</u>		<u>4,00,44,746</u>
TOTAL			<u>96,82,42,857</u>		<u>38,52,77,629</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	5	30,46,12,769		39,83,14,680	
Less: Depreciation		<u>14,08,45,946</u>		<u>19,76,45,091</u>	
Net Block		<u>16,37,66,823</u>		<u>20,06,69,589</u>	
Capital Work-in-Progress		<u>2,28,62,552</u>		<u>2,58,57,304</u>	
			18,66,29,375		22,65,26,893
Investments	6		7,71,692		4,73,876
Current Assets, Loans and Advances					
Inventories	7	5,31,12,689		9,40,31,360	
Sundry Debtors	8	12,93,67,332		7,88,37,114	
Cash & Bank Balances	9	67,55,41,077		2,77,73,350	
Interest Accrued		79,53,039		2,26,384	
Loans & Advances	10	<u>5,33,76,418</u>		<u>5,37,48,918</u>	
		<u>91,93,50,555</u>		<u>25,46,17,126</u>	
Less: Current Liabilities and Provisions					
Current Liabilities	11	8,36,80,897		8,16,44,936	
Provisions	12	<u>5,48,27,868</u>		<u>1,47,39,920</u>	
		<u>13,85,08,765</u>		<u>9,63,84,856</u>	
Net Current Assets			78,08,41,790		15,82,32,270
Miscellaneous Expenditure					
(To the extent not written off or adjusted)					
Preliminary expenditure			-		44,590
TOTAL			<u>96,82,42,857</u>		<u>38,52,77,629</u>
Notes on Accounts	20				

Schedules referred to and the accompanying notes form an integral part of the Balance Sheet

		S. Sambhu Prasad	Dr. H.B.N. Shetty
	As per our Report of even date	Managing Director	
	For P.S. Subramania Iyer & Co.,	N.S. Mohan	Dr. Pasumarthi S.N. Murthi
	Chartered Accountants	Company Secretary	D. Seetharama Rao
Chennai	N. Srinivasan	P. Viswanath	A. Satish Kumar
26.06.2009	Partner	General Manager (Finance)	Directors

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule No.	Year ended 31 st March, 2009		Year ended 31 st March, 2008	
		Rs.	Rs.	Rs.	Rs.
INCOME					
Sales	13	90,66,04,349		74,42,67,916	
Other Income	14	<u>6,93,66,557</u>		<u>39,95,484</u>	
			97,59,70,906		74,82,63,400
EXPENDITURE					
Cost of Materials Consumed	15	36,95,45,761		29,20,60,497	
Employee's Remuneration and Benefits	16	11,02,97,556		9,42,46,640	
Interest	17	15,31,802		74,72,185	
Other Expenses	18	29,99,35,526		24,62,05,741	
Depreciation		<u>1,54,91,965</u>		<u>2,09,24,591</u>	
			79,68,02,610		66,09,09,654
Profit before extraordinary items			17,91,68,296		8,73,53,746
Prior Year Adjustments (net)			<u>(4,35,809)</u>		<u>(3,36,662)</u>
Profit before tax			17,87,32,487		8,70,17,084
Provision for Tax					
Income Tax			(7,00,00,000)		(1,45,00,000)
Fringe Benefit Tax			(30,17,000)		(25,20,000)
Deferred Tax			80,89,111		(1,93,78,063)
Short Provision for Income Tax of earlier years			<u>(6,45,597)</u>		<u>(3,49,027)</u>
Profit after tax and before extraordinary items			11,31,59,001		5,02,69,994
Extraordinary Items (net of tax)	19		<u>81,07,81,466</u>		<u>–</u>
Net Profit			92,39,40,467		5,02,69,994
Surplus from Previous year brought forward			<u>3,55,79,652</u>		<u>3,21,27,551</u>
Profits available for appropriation			95,95,20,119		8,23,97,545
APPROPRIATIONS					
General Reserve			50,00,00,000		2,00,00,000
Special One Time Interim Dividend - Paid			12,80,00,000		–
Tax on Special One Time Interim Dividend			2,17,53,600		–
Interim Dividend - Paid			1,57,45,265		1,28,00,000
Tax on Interim Dividend			26,75,908		21,75,360
Final Dividend - Proposed			3,63,60,000		96,00,000
Tax on Proposed Dividend			61,79,382		16,31,520
Transfer of Profit / (Loss) to Minority Interest			–		6,11,013
			<u>71,07,14,155</u>		<u>4,68,17,893</u>
Balance Profit carried to Balance Sheet			24,88,05,964		3,55,79,652
			95,95,20,119		8,23,97,545
Basic and Diluted Earning per share					
Before extraordinary items			35.58		15.71
After extraordinary items			290.51		15.71
Notes on Accounts	20				

Schedules referred to and the accompanying notes form an integral part of the Profit and Loss Account

<p>As per our Report of even date For P.S. Subramania Iyer & Co., Chartered Accountants</p> <p style="text-align: center;">N. Srinivasan Partner</p> <p>Chennai 26.06.2009</p>	<p>S. Sambhu Prasad Managing Director</p> <p>N.S. Mohan Company Secretary</p> <p>P. Viswanath General Manager (Finance)</p>	<p>Dr. H.B.N. Shetty Dr. Pasumarthi S.N. Murthi D. Seetharama Rao A. Satish Kumar</p> <p>Directors</p>
--	--	--

Amrutanjan Health Care Limited

SCHEDULES ANNEXED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET AND CONSOLIDATED PROFIT AND LOSS ACCOUNT

	31 st March, 2009 Rs.	31 st March, 2008 Rs.	
SCHEDULE - 1			
SHARE CAPITAL			
Authorised			
50,00,000 Equity Shares of Rs.10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>	
Issued, Subscribed & Paid-up			
32,00,000 Equity Shares of Rs.10/- each fully paid-up (Previous year 32,00,000)	3,20,00,000	3,20,00,000	
Of the above Shares:			
25,000 Equity Shares were issued as fully paid-up to the vendors without payment being received in cash and 31,45,000 Equity Shares were allotted as fully paid-up Bonus Shares by capitalisation of Reserves			
Less : 98,340 Equity Shares bought back during the year (Refer Note 12 of Schedule 20)	(9,83,400)	-	
	<u>3,10,16,600</u>	<u>3,20,00,000</u>	
SCHEDULE - 2			
RESERVES AND SURPLUS			
	As at 31/03/2008 Rs.	Additions (Deductions) during the year Rs.	As at 31/03/2009 Rs.
General Reserve	18,89,22,546	50,00,00,000	3,41,62,460 *
Capital Reserve	3,485		3,485
Capital Redemption Reserve *	-	9,83,400	-
Profit & Loss Account Surplus	3,95,46,677	21,32,26,312	65,29,017
	<u>22,84,72,708</u>	<u>71,42,09,712</u>	<u>4,06,94,962</u>
			<u>90,19,87,458</u>
* (Refer Note 12 of Schedule 20)			
SCHEDULE - 3			
SECURED LOANS			
Term Loan from Bank (Secured by creation of equitable mortgage by way of deposit of title deeds of specific immovable property)		-	2,29,91,543
Interest accrued on Term Loans		-	2,25,546
Cash Credit from Banks (Secured by hypothecation of raw & packing materials, finished goods, book debts of the Company, personal guarantee of Managing Director, equitable mortgage by deposit of title deeds of specific immovable property on pari passu basis)		(22,02,428)	4,14,53,499
Over Draft facility from Bank (Secured by Lien on Fixed deposit of Rs. 4,75,00,000/-)		42,66,853	-
		<u>20,64,425 *</u>	<u>6,46,70,588 *</u>
* includes Rs. Nil (Rs. 125.04 lacs) due for repayment within one year			
SCHEDULE - 4			
UNSECURED LOANS			
Short Term Loan		<u>12,18,739</u>	<u>2,00,00,000</u>
		<u>12,18,739 *</u>	<u>2,00,00,000 *</u>
* due for repayment within one year Rs. Nil (Rs. Nil)			

SCHEDULES TO CONSOLIDATED BALANCE SHEET
SCHEDULE - 5 FIXED ASSETS

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 31.03.2008 Rs.	Additions Rs.	Deletion Rs.	Eliminations Rs.	As on 31.03.2009 Rs.	As on 31.03.2008 Rs.	Addition Rs.	Deletion Rs.	Eliminations Rs.	As on 31.03.2009 Rs.	As on 31.03.2009 Rs.	As on 31.03.2008 Rs.
Goodwill	25,000	-	-	-	25,000	-	-	-	-	-	25,000	25,000
Technical Know-how	33,75,000	-	-	25,00,000	8,75,000	43,750	1,75,000	-	-	2,18,750	6,56,250	33,31,250
Land (*)	2,58,28,303	10,27,388	64,653	-	2,67,91,038	-	-	-	-	-	2,67,91,038	2,58,28,303
Buildings	3,28,37,326	24,80,858	-	-	3,53,18,184	1,12,98,455	17,98,757	-	-	1,30,97,212	2,22,20,972	2,15,38,871
Leasehold Property	4,50,000	-	-	-	4,50,000	1,46,209	15,190	-	-	1,61,399	2,88,601	3,03,791
Plant & Machinery	4,21,03,219	10,96,883	-	24,92,748	4,07,07,354	1,98,72,548	17,62,252	-	24,92,748	1,91,42,052	2,15,65,302	2,22,30,671
Computers	6,10,13,686	20,35,748	-	51,140	6,29,98,294	5,60,80,788	23,06,521	-	51,140	5,83,36,169	46,62,125	49,32,898
Furniture, Fixture & Equipments	2,34,60,002	4,24,956	-	1,44,763	2,37,40,195	1,57,63,339	11,43,248	-	1,44,763	1,67,61,824	69,78,371	76,96,663
Airconditioners	20,450	-	-	-	20,450	271	971	-	-	1,242	19,208	20,179
Vehicles	93,51,528	16,77,486	15,50,288	30,225	94,48,501	50,92,383	12,56,763	12,71,455	30,225	50,47,466	44,01,035	42,59,145
Office Equipments	18,10,362	8,345	-	1,04,773	17,13,934	17,16,116	4,772	-	1,04,773	16,16,115	97,819	94,246
Electrical Fittings	2,69,571	-	-	2,69,571	-	2,69,571	-	-	2,69,571	-	-	-
Fine Chemicals Block												
Buildings	59,11,613	-	59,11,613	-	-	31,27,004	69,424	31,96,428	-	-	-	27,84,609
Plant & Machinery	3,46,68,171	-	2,63,03,351	-	83,64,820	1,77,94,711	13,54,027	1,34,10,806	-	57,37,932	26,26,888	1,68,73,460
Computers	3,07,308	-	3,07,308	-	-	2,56,469	5,070	2,61,539	-	-	-	50,839
Furniture, Fixture & Equipments	41,88,982	-	20,88,627	-	21,00,355	21,26,867	1,84,305	11,32,788	-	11,78,384	9,21,971	20,62,115
Research & Development Block												
Buildings	3,64,50,228	11,01,196	1,26,12,090	-	2,49,39,334	67,17,194	12,89,142	66,00,936	-	14,05,400	2,35,33,934	2,97,33,034
Plant & Machinery	6,99,49,594	42,92,451	2,35,12,417	-	5,07,29,628	2,01,96,745	25,16,739	1,50,83,525	-	76,29,959	4,30,99,669	4,97,52,849
Pilot Plant	3,70,95,066	-	2,56,28,062	-	1,14,67,004	3,08,66,331	6,95,986	2,34,25,868	-	81,36,449	33,30,555	62,28,735
Computers	8,91,106	58,035	5,91,970	-	3,57,171	8,06,154	1,14,843	5,77,155	-	3,43,842	13,329	84,952
Lab Equipments-												
Furniture & Fixtures	83,08,165	11,41,556	48,83,214	-	45,66,507	54,70,186	7,98,955	42,37,390	-	20,31,751	25,34,756	28,37,979
Total	39,83,14,680	1,53,44,902	10,34,53,593	55,93,220	30,46,12,769	19,76,45,091	1,54,91,965	6,91,97,890	30,93,220	14,08,45,946	16,37,66,823	20,06,69,589
As per previous Balance Sheet	25,68,98,565	14,36,06,180	21,90,065	-	39,83,14,680	12,88,19,784	7,04,64,036	16,38,729	-	19,76,45,091	2,00,69,589	12,80,78,781
											2,28,62,552	2,58,57,304

Capital Work-in-Progress includes Capital Advances of Rs. 1,88,11,104/- (Rs.1,88,11,104/-)

* Sale deed yet to be registered for SIDCO Lands - Rs. 96,89,239/- (Rs.1,12,47,346/-)

Amrutanjan Health Care Limited

SCHEDULES TO CONSOLIDATED BALANCE SHEET

	Face Value Rs.	31 st March, 2009 Rs.	31 st March, 2008 Rs.
SCHEDULE - 6			
INVESTMENTS (AT COST)			
LONG TERM INVESTMENTS			
Non-Trade Investments (Unquoted):			
National Savings Certificates			
(Deposited with the Collector of Central Excise, Chennai)	5,500	5,500	5,500
5 Equity Shares in Capexil (Agencies) Ltd. of Rs.1,000/- each fully paid	5,000	5,000	5,000
60,800 Equity Shares of Re.1/- each in Madras Stock Exchange Ltd. (after sub-division and issue of 57,600 bonus shares during the year)	60,800	1,60,000	1,60,000
52,400 Equity Shares in ADCL Drugs & Chemicals Limited of Rs.10/- each fully paid, out of which 300 fully paid-up equity shares are held in the name of its nominees	5,24,000	5,24,000	-
9,98,800 Equity Shares in Egattur Printing and Packaging Limited of Rs.10/- each fully paid	99,88,000	99,88,000	-
2,24,240 Equity Shares in Swas Health Products Limited of Rs. 10/- each fully paid, out of which 60 shares are held in the name of its nominees	22,42,400	22,42,400	-
Non-Trade Investments (Quoted) :			
a) In Equity Shares (Face Value Rs. 10/- each fully paid-up)			
21450 Shares in Saha Keil Ltd.	2,14,500	2,14,500	2,14,500
1006 Equity Shares in NTPC	10,060	62,372	62,372
38 Equity Shares in Punjab National Bank	380	14,820	14,820
1600 Shares in Arun Pipes Limited	16,000	41,115	41,115
500 Shares in Indiana Diary Specialists Limited	5,000	28,275	28,275
700 Shares in Kareem Spun Silk Limited	7,000	17,395	17,395
1750 Shares in Marg Securities Limited	17,500	43,750	43,750
300 Shares in Periakaramalai Tea and Produce Co Limited	3,000	50,750	50,750
1800 Shares in Pal Peugeot Limited	18,000	18,000	18,000
300 Shares in Samrat Ashoka Exports Limited	3,000	18,000	18,000
600 Shares in Uma Maheshwari Limited	6,000	12,000	12,000
2000 Shares in Veera Treatwood Limited	20,000	84,200	84,200
b) In Preference Shares (Face Value Rs. 10/- each fully paid-up)			
100 6 % Cumulative Preference Shares in Metal Box Limited of Rs.100/- each fully paid	10,000	11,684	11,684
		1,35,41,761	7,87,361
Less : Provision for Investments		1,27,70,069	3,13,485
		7,71,692	4,73,876
Quoted Investments - Cost		77,192	77,192
- Market Value		1,96,564	2,17,169
Unquoted Investments - Cost		6,94,500	3,96,684

SCHEDULES TO CONSOLIDATED BALANCE SHEET

	31 st March, 2009 Rs.	31 st March, 2008 Rs.
SCHEDULE - 7		
INVENTORIES		
Raw Materials	1,72,57,895	2,78,45,073
Packing Materials	81,69,661	80,09,351
Process Stock	26,58,210	87,10,643
Finished Stock	2,50,26,923	4,94,66,293
	<u>5,31,12,689</u>	<u>9,40,31,360</u>
SCHEDULE - 8		
SUNDRY DEBTORS (UNSECURED)		
Exceeding Six months considered good	1,72,18,158	2,29,18,450
considered doubtful	36,94,822	-
Less: Provision for doubtful debts	<u>36,94,822</u>	-
Others - considered good	11,21,49,174	5,59,18,664
	<u>12,93,67,332</u>	<u>7,88,37,114</u>
SCHEDULE - 9		
CASH AND BANK BALANCES		
Cash in hand	6,87,311	2,43,266
Cheques in hand	1,00,97,154	4,30,292
Balance with Scheduled Banks:		
In Current Accounts	1,40,12,769	2,14,61,313
In Unclaimed Dividend Accounts	40,38,896	18,87,731
In Deposit Accounts [including Rs.6,15,81,313 /- (Rs. 32,10,863/-) under lien with banks]	64,67,04,947	37,50,748
	<u>67,55,41,077</u>	<u>2,77,73,350</u>

Amrutanjan Health Care Limited

SCHEDULES TO CONSOLIDATED BALANCE SHEET

	31 st March, 2009	31 st March, 2008
	Rs.	Rs.
SCHEDULE - 10		
LOANS AND ADVANCES		
(Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or in kind for value to be received	2,86,42,411	2,94,37,275
Deposits and Balances with excise authorities	2,07,29,016	1,78,58,333
Deposits - Others	39,90,863	29,07,335
Advance Tax / TDS (net off provisions)	14,128	35,45,975
	5,33,76,418	5,37,48,918
SCHEDULE - 11		
CURRENT LIABILITIES		
Creditors for Purchases	3,11,14,649	3,95,30,129
Creditors for Expenses (includes Rs. 35,51,043/- (Rs. 2,72,323/-) due to Managing Director)	3,90,94,973	2,17,13,693
Creditors for Capital Goods	5,31,938	15,11,522
Unclaimed Dividend	40,38,896	18,87,731
Other Liabilities	89,00,441	1,70,01,861
	8,36,80,897	8,16,44,936
SCHEDULE - 12		
PROVISIONS		
Provision for Taxation (net off Advance Tax / TDS)	82,77,821	2,47,270
Proposed Dividend	3,63,60,000	96,00,000
Tax on Dividend	61,79,382	16,31,520
Provision for Employee Retirement Benefits	40,10,665	32,61,130
	5,48,27,868	1,47,39,920

SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

	Year ended 31 st March, 2009		Year ended 31 st March, 2008	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 13				
SALES				
OTC Products	88,06,33,689		78,28,62,198	
Less : Excise Duty	<u>5,16,42,468</u>		<u>10,48,27,089</u>	
		82,89,91,221		67,80,35,109
Chemicals	8,01,26,891		7,37,57,500	
Less : Excise Duty	<u>25,13,763</u>		<u>75,24,693</u>	
		7,76,13,128		6,62,32,807
		<u>90,66,04,349</u>		<u>74,42,67,916</u>
SCHEDULE - 14				
OTHER INCOME				
Service Charges		1,33,255		49,000
Dividend receipts		13,697		21,067
Interest - Bank Deposits - TDS Rs. 1,35,77,136/- (Rs. 2,42,870/-)		6,14,19,056		5,10,441
Interest - Others - TDS Rs. 7,890/- (Rs. 19,662/-)		99,707		53,608
Insurance Claims		23,25,577		-
Rent receipts - TDS Rs. 78,264/- (Rs.29,555/-)		6,65,675		5,49,050
Scrap sales		12,71,702		11,81,950
Profit on sale of assets		1,46,167		3,64,441
Sundry balances written back (net)		4,43,016		2,92,522
Excess provision written back		12,15,014		7,93,041
Exchange Difference (net)		11,00,574		-
Miscellaneous Receipts		5,33,117		1,80,364
		<u>6,93,66,557</u>		<u>39,95,484</u>
SCHEDULE - 15				
COST OF MATERIALS CONSUMED				
Opening Stock				
Raw Materials		2,78,45,073		3,15,17,828
Packing Materials		<u>80,09,351</u>		<u>1,15,05,405</u>
		3,58,54,424		4,30,23,233
Add : Purchases				
Raw Materials		16,45,58,680		17,29,43,919
Packing Materials		13,27,83,425		10,68,39,645
		29,73,42,105		27,97,83,564
		<u>33,31,96,529</u>		<u>32,28,06,797</u>
Less : Closing Stock				
Raw Materials		1,72,57,895		2,78,45,073
Packing Materials		81,69,661		80,09,351
		2,54,27,556		3,58,54,424
Consumption of Raw & Packing Materials		30,77,68,973		28,69,52,373
Add : Processing Charges		85,07,172		-
Add : Products Purchased		2,31,89,784		1,89,09,906
Stock Adjustments		<u>3,00,79,832</u>		<u>(1,38,01,782)</u>
		<u>36,95,45,761</u>		<u>29,20,60,497</u>

Amrutanjan Health Care Limited

SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
(INCREASE) / DECREASE IN STOCK		
Opening Stock		
Finished Goods	4,94,66,293	4,06,60,862
Process Stock	87,10,643	49,37,379
	<u>5,81,76,936</u>	<u>4,55,98,241</u>
Closing Stock		
Finished Goods	2,50,26,923	4,94,66,293
Process Stock	26,58,210	87,10,643
	<u>2,76,85,133</u>	<u>5,81,76,936</u>
(INCREASE) / DECREASE IN STOCK		
Excise Duty on Increase / (Decrease) of Finished Goods	3,04,91,803 (4,11,971)	(1,25,78,695) (12,23,087)
SCHEDULE - 16		
EMPLOYEE'S REMUNERATION AND BENEFITS		
Salaries, Wages and Bonus	8,36,09,686	7,06,91,164
Managing Director's Remuneration	98,64,519	52,65,498
Contribution to Employees Provident, Gratuity and Other Funds	1,11,45,426	1,27,34,419
Welfare Expenditure	56,77,925	55,55,559
	<u>11,02,97,556</u>	<u>9,42,46,640</u>
SCHEDULE - 17		
INTEREST		
- Fixed Loans	9,87,592	36,39,493
- Others	5,44,210	38,32,692
	<u>15,31,802</u>	<u>74,72,185</u>
SCHEDULE - 18		
OTHER EXPENSES		
Power & Fuel	73,83,163	1,34,68,720
Repairs & Maintenance :		
Building	14,73,040	23,93,865
Machinery	25,94,086	45,42,573
Others	46,17,713	33,00,691
Freight and Transport Charges	1,57,53,138	1,27,51,071
Operating Expenses	-	95,600
Pre-Operative Expenses	-	16,99,426
Advertisement	8,49,96,705	5,96,87,191
Selling Expenses	4,97,40,453	3,07,37,851
Commission on Sales	-	16,37,443
Bad debts written off	82,82,643	1,93,743
Sales Tax	3,63,34,970	3,46,45,710
Rates and Taxes	20,43,907	19,10,489
Insurance	25,77,429	26,27,459
Travelling Expenses	2,21,71,307	1,97,78,892
Conveyance	16,88,054	14,70,371
Retainer & Consultancy	91,81,158	79,50,569
Security Charges	25,17,858	32,70,570

SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
Rent	41,52,525	41,67,977
Printing & Stationery	19,47,610	23,33,453
Postage & Telegrams	12,60,859	10,10,586
Communication Expenses	61,29,336	59,77,231
Legal Expenses	14,86,600	5,80,395
Research & Development Expenses	1,64,01,172	1,61,59,306
Bank Charges	26,07,788	22,92,709
Advances written off	17,35,199	–
Donations	12,09,726	33,600
Auditor's Remuneration :		
Audit Fees	5,86,798	4,74,208
Tax Audit	60,000	50,000
Tax Representation	28,090	–
Other services	1,50,000	1,15,000
Out of Pocket expenses	13,467	9,095
Cost Audit Fees	1,20,000	1,20,000
Directors Sitting Fees	6,22,500	6,07,500
Lease Rent	20,90,505	20,48,420
Loss on fixed assets sold / discarded	–	1,55,945
Exchange difference (net)	–	5,35,972
Provision for doubtful debts	36,94,822	–
Non fulfilment of Export Obligation penalty	7,41,000	–
Miscellaneous Expenses	35,41,905	73,72,110
	<u>29,99,35,526</u>	<u>24,62,05,741</u>

SCHEDULE - 19

EXTRAORDINARY ITEMS

Profit realised on sale of Land & Building	1,07,88,49,408	–
Cost in relation to Buy-back of Equity Shares	(20,40,865)	–
Value of Assets discarded on sale of Land & Building	(2,42,15,409)	–
Provision for Advances given to subsidiary companies	(11,668)	(1,27,15,724)
	<u>1,05,25,81,466</u>	<u>(1,27,15,724)</u>
Income Tax on above	(24,18,00,000)	–
EXTRAORDINARY ITEMS (NET OF TAX)	81,07,81,466	(1,27,15,724)

Amrutanjan Health Care Limited

20. NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009

1. ACCOUNTING POLICIES

- a. Accrual system of accounting is followed to record income and expenditure, excepting in the areas herein specifically mentioned.
- b. The financial statements of subsidiaries are included in the consolidated financial statements. The consolidated financial statements are drawn up by using uniform accounting policies for like transactions and other events and are presented to the extent possible, in the same manner as the company's individual financial statements. Inter company receivables and liabilities, income and expenses are eliminated. The difference between the cost of investments in subsidiaries over the book value of the subsidiaries on the date of acquisition are recognised in the consolidated financial statements as goodwill where the difference is positive and as capital reserve where the difference is negative.
- c. Fixed Assets are stated at cost less accumulated depreciation. Cost comprises of direct costs and in the case of Plant & Machinery, interest on loan taken for the acquisition of assets upto the date of commissioning of the assets. Depreciation is provided on written down value method except on Plant & Machinery of Amrutanjan Health Care Limited, acquired after April 1, 1992 which is provided on straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956. Leasehold land is depreciated over the lease period. Additions made during the year are depreciated pro-rata from the date of addition. Freehold Land, Goodwill and Technical Know how are not depreciated. In respect of Holistic Beauty Care Limited, depreciation on fixed assets is calculated on straight line basis on the cost as per rates specified in Schedule XIV to The Companies Act, 1956. Leasehold building and the related improvements thereon are amortised over the period of 3 years. Technical Know how is amortised over the period of 5 years.
- d. Raw Materials and Packing Materials are valued at weighted average cost. Finished Stock and Process Stocks are valued at lower of cost or net realisable value.
- e. Investments are long term investments. Provision for diminution in value has been recognised where such diminution is considered permanent. Income from long term investments is accounted on accrual basis.
- f. Research & Development costs not resulting in any tangible property / equipment are charged as an expense in the year in which they are incurred. Capital expenditure is shown as additions to Fixed Assets.
- g. Insurance on Company's properties, immovable and movable is on reinstatement value basis.
- h. Insurance claims and scrap sales proceeds are accounted on cash basis.
- i. Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Gains / losses, if any, arising therefrom are recognised in the Profit & Loss A/c
- j. Employee Benefits :
Liability for Gratuity to employees determined on the basis of actuarial valuation as on balance sheet date is funded and is recognised as an expense in the year incurred. Contribution to defined contribution schemes such as provident fund, employees pension fund, superannuation fund and cost of other benefits are recognised as an expense in the year incurred.
- k. Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods

2. Monies for which the company is contingently liable :

- a. Bonds executed in favour of Collector of Central Excise, Chennai - Rs.8,00,000/- (Rs.8,00,000 /-)
- b. Guarantees/Letter of Credit issued on behalf of the Company by Banks - Rs. 1,55,00,146/- (Rs. 1,89,25,296/-)
- c. Contingent liability in respect of Income Tax Rs. 16,04,113/- (Rs. 16,04,113/-). However, the said amount has been paid under protest.

d. Appeals filed in respect of disputed demands:

		2008 - 2009	2007 - 2008
Excise Duty	Rs.	8,89,155	8,89,155
E S I	Rs.	3,96,545	3,96,545
Service Tax	Rs.	85,364	-
Income Tax	Rs.	21,02,749	23,45,554
Sales Tax	Rs.	2,35,67,410	2,35,67,410

- e. Export Obligation : In terms of the agreement for setting up of the 100% Export Oriented Software Unit, the Company had an export obligation which was to have been achieved before 31.03.2005. In the event of the Company unable to fulfill the specified export obligation, the Company was required to pay to the Government the amount of Customs Duty amounting to Rs.61,19,449/- which was saved on the import of capital goods relating to Call Centre project together with liquidated damages. The Company has been unable to achieve the specified export turnover before 31.03.2005 and has therefore applied to the Government for extension of time. The matter is pending before the relevant authority. In the mean time, the Company has remitted Rs. 5,00,000/- as Customs Duty till date..

3. Lease rent in respect of leasehold land has been revised by the Government of Tamil Nadu with retrospective effect from November, 2001 and the arrears on this account upto 31st March, 2009 is Rs. 2,93,23,898/- Since the enhancement of the rent is exorbitant, the Company has contested the said revision before the appropriate forum. The matter is also pending before The Madras High Court in a writ petition. Based on the legal advice, the Company is hopeful of a favourable decision and hence no provision for the said liability is considered in this year.
4. Estimated amount of capital expenditure commitments Rs. 6,35,00,000/- (Rs. 25,00,000/-)
5. Amount of Rs. 11,668/- net has been provided for advances given to subsidiary companies since the said companies are not continuing the business operations.
6. The Company has transferred Rs. 1,30,579/- (Rs.1,72,715/-) of unclaimed dividends and Rs. 48,000/- (Nil) of unclaimed matured deposits to Investor Education and Protection Fund during the year.

7. The following subsidiary companies i.e Data Quest Infotech and Enterprises Limited and Holistic Beauty Care Limited are considered in the consolidated financial statements. The other subsidiary companies i.e Swas Health Products Limited, Egattur Printing and Packaging Limited and ADCL Drugs and Chemicals Limited have not been considered for consolidation since the said companies have made an application to the Appropriate Authority under Section 560 of the Companies Act, 1956 for striking off the names of the Companies from the register.
8. Sundry Debtors include Rs. 95,57,738/- due from a party for the recovery of which, legal action has been taken by the Company. Based on the legal advice, the Company is hopeful of recovery of the same.
9. In respect of Data Quest Infotech & Enterprises Limited, the Company has temporarily suspended its Call Centre operations. However, no formal plan for discontinuance of the business has been made.
10. Provision for Taxation includes Rs. 50,000/- (Rs. 50,000/-) towards Wealth Tax.
11. The details of deferred tax asset / (liability) are as under :

	As at 2008-2009 (Rs.)	As at 2007-2008 (Rs.)
Deferred Tax (Liability)		
- Depreciation	(3,34,40,545)	(4,11,53,204)
Deferred Tax Asset		
- Expenses / Provisions allowable	14,84,910	11,08,458
Net Deferred Tax Asset / (Liability)	(3,19,55,635)	(4,00,44,746)

12. During the year the Company has bought back 98,340 Equity shares of Rs. 10/- each at an average price of Rs. 347.39 and accordingly.
- (a) An amount of Rs.9,83,400/- has been reduced from the paid up equity share capital.
- (b) The balance of Rs. 337.39 per share paid on these shares aggregating to Rs. 331.79 lakhs has been adjusted to General Reserve.
- (c) As required under the provisions of the Companies Act, 1956 Rs. 9.83 lakhs has been transferred to Capital Redemption Reserve from General Reserve.

Amrutanjan Health Care Limited

13. Segment Information

Rupees

	Primary Business Segments	OTC Products		Chemicals		Others		Net Total	
		2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
(a)	Revenue :								
	External Sales	82,89,91,221	67,80,35,109	7,76,13,128	6,62,32,807	1,33,255	49,080	90,67,37,604	74,43,16,996
	Inter Segment Sales								-
	Total Revenue	82,89,91,221	67,80,35,109	7,76,13,128	6,62,32,807	1,33,255	49,080	90,67,37,604	74,43,16,996
(b)	Result	17,57,70,173	15,54,12,892	(1,28,02,915)	(1,65,11,992)	(77,47,548)	(1,23,90,286)	15,52,19,710	12,65,10,614
	Less : Unallocated expenditure net of unallocated income							(3,60,38,375)	(3,22,48,732)
	Operating Profit							11,91,81,335	9,42,61,882
	Less : Interest expense							(15,31,802)	(74,72,185)
	Add : Interest income							6,15,18,763	5,64,049
	Less : Prior Year Adjustments (net)							(4,35,809)	(3,36,662)
	Profit before Tax							17,87,32,487	8,70,17,084
	Provision for taxation :								
	- Income Tax							(7,00,00,000)	(1,45,00,000)
	- Fringe Benefit Tax							(30,17,000)	(25,20,000)
	- Deferred Tax							80,89,111	(1,93,78,063)
	- Short Provision of Income Tax of earlier years							(6,45,597)	(3,49,027)
	Extraordinary Items (net of tax)							81,07,81,466	-
	Profit after Tax							92,39,40,467	5,02,69,994
(c)	Segment Assets	26,05,95,930	17,56,41,446	10,24,76,858	12,47,26,023	31,25,835	1,27,74,066	36,61,98,623	31,31,41,535
	Unallocated Assets							74,05,52,999	16,85,20,950
	Total Assets	26,05,95,930	17,56,41,446	10,24,76,858	12,47,26,023	31,25,835	1,27,74,066	1,10,67,51,622	48,16,62,485
(d)	Segment Liabilities	6,98,49,865	5,24,15,725	84,05,866	2,54,37,810	18,96,547	46,57,081	8,01,52,278	8,25,10,616
	Unallocated Liabilities							9,35,95,286	13,85,89,574
	Total Liabilities	6,98,49,865	5,24,15,725	84,05,866	2,54,37,810	18,96,547	46,57,081	17,37,47,564	22,11,00,190
(e)	Capital expenditure	77,15,931	1,12,32,258	-	11,07,550	8,345	25,75,245	77,24,276	1,49,15,053
	Unallocated expenditure							76,20,626	7,00,56,095
(f)	Depreciation	77,72,730	75,03,984	16,12,826	34,52,968	6,90,744	62,61,497	1,00,76,300	1,72,18,449
	Unallocated Depreciation							54,15,665	37,06,142
(g)	Significant non-cash items	-	-	-	-	-	-	-	-

The Company has disclosed business segment as the primary segment and is organised in to two main business segments namely OTC products and Chemicals

The Company caters mainly to the needs of the domestic market and as such there are no reportable geographical segments. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Other unallocable expenditure includes revenues and expenses which are not directly identifiable to the individual segments as well as expenses which relate to the Company as a whole.

14 Disclosure of Related Parties

(I) List of related parties and relationships :

(a) Parties where control exists - Subsidiaries

Egattur Printing and Packaging Limited
ADCL Drugs and Chemicals Limited
Swas Health Products Limited

(b) Key Management Personnel :

Mr. S. Sambhu Prasad, Managing Director

(c) Relatives of Key Management Personnel

Mrs. S. Rajeswari - Mother

(II) Transactions with related parties mentioned in

(a) above :

Nature of Transaction	2008-2009 (Rs.)	2007-2008 (Rs.)
Loans/Advances granted (net)	11,668	—
Provision for Advances	11,668	—
Outstanding as on 31.03.2009 :		—
Investments (net of Provisions)	5,24,000	—

(III) Transactions with related party mentioned in (b) above :

Nature of Transaction	2008-2009 (Rs.)	2007-2008 (Rs.)
Remuneration	98,64,519	52,65,498
Dividend paid	72,37,728	8,99,754
Amount payable as on 31.03.2009	35,51,043	2,72,323

(IV) Transactions with related parties mentioned in (c) above :

Nature of Transaction	2008-2009 (Rs.)	2007-2008 (Rs.)
Dividend Paid	1,39,15,176	17,39,722

18. Employee Benefits

a. Defined Benefit Plans - As per Actuarial valuation on 31st March, 2009

Gratuity	2008-2009 Rs.	2007-2008 Rs.
A. Expense recognised in the statement of Profit & Loss Account for the year ended 31st March, 2009		
1. Current service cost	14,51,403	13,77,117
2. Interest Cost	12,57,573	11,76,773
3. Expected return on plan assets	13,95,502	(13,66,406)
4. Net actuarial (gain) / loss recognised during the year	(3,15,977)	24,61,005
5. Total Expense	9,97,497	36,48,489

15. Earnings per share	2008-2009	2007-2008
Numerator-Profit as per Profit & Loss A/c before extraordinary item (in Rs.)	11,31,59,001	5,02,69,994
Numerator-Profit as per Profit & Loss A/c after extraordinary item (in Rs.)	92,39,40,467	5,02,69,994
Denominator- Weighted average number of Equity shares outstanding	31,80,355	32,00,000
Earnings per share (Basic and Diluted) before extraordinary item (in Rs.)	35.58	15.71
Earnings per share (Basic and Diluted) after extraordinary item (in Rs.)	290.51	15.71
Nominal value of shares (in Rs.)	10.00	10.00

16. There are no dues to Micro, Small and Medium Enterprises which are outstanding as at the Balance Sheet date as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006. The above information has been determined to the extent such parties have been identified on the basis of information available with the company and has been relied upon by the auditors.

17. Disclosure as per Accounting Standard 19 - Operating Leases :

	2008-2009 Rs.	2007-2008 Rs.
Future lease payments not later than one year	15,96,468	24,99,792
Future lease payments later than one year and not later than five years	15,94,897	43,53,594

Amrutanjan Health Care Limited

B. Actual return on plan assets		
1. Expected return on plan assets	13,95,502	13,66,406
2. Actuarial gain / (loss) on plan assets	(14,35,739)	1,69,685
3. Actual return on plan assets	(40,237)	15,36,091
C. Net Asset/ Liability recognised in the Balance Sheet		
1. Present value of obligation	1,56,44,203	1,76,67,643
2. Fair value of plan assets	1,57,17,783	1,74,43,772
3. Funded status [surplus/(deficit)]	73,580	(2,23,871)
4. Net Assets / (Liability) recognised in the Balance Sheet	73,580	(2,23,871)
D. Change in Present value of the Obligation during the year ended 31st March, 2009		
1. Present value of obligation as at 1st April, 2008	1,76,67,643	1,88,97,556
2. Current service cost	14,51,403	13,77,117
3. Interest Cost	12,57,573	11,76,773
4. Benefits paid	29,80,700	64,14,493
5. Actuarial (gain) / loss on obligation	(17,51,716)	26,30,690
6. Present value of obligation as at 31st March, 2009	1,56,44,203	1,76,67,643
E. Charge in Assets during the year ended 31st March, 2009		
1. Fair Value of plan assets as at 1st April, 2008	1,74,43,772	2,05,29,815
2. Expected return on plan assets	13,95,502	13,66,406
3. Contributions made	12,94,948	17,92,359
4. Benefits paid	29,80,700	64,14,493
5. Actuarial gain / (loss) on plan assets	(14,35,739)	1,69,685
6. Fair Value of plan assets as at 31st March, 2009	1,57,17,783	1,74,43,772
F. Major categories of plan assets as a percentage of total plan - 100% Qualifying Insurance Policy		
G. Actuarial Assumptions		
1. Discount rate	7.50%	8.00%
2. Expected rate of return on plan assets	8.00%	8.00%
3. Salary Escalation	6.00%	5.00%

- b Gratuity is administered through Group gratuity scheme with Life Insurance Corporation of India. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligation

Leave Salary

The defined benefit obligations which are provided for but not funded as on 31st March, 2009 is Rs. 23,78,406/- (Rs. 14,05,000/-)

- 19 Previous year's figures have been regrouped wherever necessary to comply with current year's classification.

	S. Sambhu Prasad	Dr. H.B.N. Shetty
As per our Report of even date	Managing Director	
For P.S. Subramania Iyer & Co.,	N.S. Mohan	Dr. Pasumarthi S.N. Murthi
Chartered Accountants	Company Secretary	D. Seetharama Rao
Chennai	P. Viswanath	A. Satish Kumar
26.06.2009	General Manager (Finance)	Directors

Amrutanjan Health Care Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
A. CASH FLOW FORM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	17,87,32,487	8,73,53,746
- Adjustments for:		
- Depreciation	1,54,91,965	2,09,24,591
- Interest (received) / expense	(6,15,18,763)	(5,64,049)
- Dividend received	(13,697)	(21,067)
- Rent receipts	(6,65,675)	(5,49,050)
- Sundry balances / Excess provision written back	(16,58,030)	10,85,563
- Profit on sale of fixed assets	(1,46,167)	(3,64,441)
- Interest paid	15,31,802	74,72,300
- Loss on sale of fixed assets	-	1,55,945
Operating Profit before Working Capital Changes	13,17,53,922	11,54,93,538
Adjustments for:		
- Trade & other receivables	(5,65,25,099)	(4,64,61,048)
- Inventories	4,09,18,671	(54,09,886)
- Trade payables	38,32,467	60,98,897
Cash generated from operations	11,99,79,961	6,97,21,501
Direct Taxes Paid	(6,19,63,788)	(1,92,43,397)
Cash Flow before extraordinary items	5,80,16,173	5,04,78,104
Extraordinary items	-	-
Net Cash from operating activities	5,80,16,173	5,04,78,104
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including Capital Work-in-Progress	(1,22,93,341)	(8,24,17,198)
Sale of fixed assets	4,25,000	10,19,833
Purchase of investments	-	(31,50,374)
Loans to subsidiary companies	(11,669)	-
Interest received	5,37,92,108	10,88,143
Dividend received	13,697	21,067
Rent received	6,31,825	4,99,275
Cash Flow before extraordinary items	4,25,57,620	(8,29,39,254)
Extraordinary items :		
Amount received on sale of land and building (net of tax payment)	84,72,10,867	-
Net Cash (used in) / generated from Investing Activities	88,97,68,487	(8,29,39,254)

	Year ended 31 st March, 2009 Rs.	Year ended 31 st March, 2008 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Bank Borrowings	(3,93,89,074)	4,28,737
Repayment of long term borrowings	(2,32,17,089)	(1,25,04,274)
Increase / (Decrease) in short term loans	(2,00,00,000)	2,00,00,000
Share Capital raised during the year	-	35,00,600
Dividend paid (including interim Dividend & Dividend Tax)	(17,94,06,293)	(2,24,63,040)
Interest paid	(15,31,802)	(75,87,191)
Buyback of equity shares	(3,41,62,460)	-
Cost in relation to buyback of equity shares	(20,40,865)	-
Net Cash (used in) / generated from financing Activities	(29,97,47,583)	(1,86,25,168)
Net Increase / (Decrease) in cash & cash equivalents	64,80,37,077	(5,10,86,318)
Cash and cash equivalents opening balance	2,75,04,000	7,88,59,668
Cash and cash equivalents closing balance	67,55,41,077	2,77,73,350

Previous year's figures have been re-grouped wherever necessary to conform to this year's classification

As per our Report of even date For P.S. Subramania Iyer & Co., Chartered Accountants Chennai 26.06.2009	N. Srinivasan Partner	S. Sambhu Prasad Managing Director N.S. Mohan Company Secretary P. Viswanath General Manager (Finance)	Dr. H.B.N. Shetty Dr. Pasumarthi S.N. Murthi D. Seetharama Rao A. Satish Kumar Directors
--	---------------------------------	--	--

Auditors' Certificate

We have verified the above Cash Flow statement of Amrutanjan Health Care Limited, derived from the audited financial statements for the year ended 31st March, 2009 and the year ended 31st March, 2008 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the Listing Agreement with Stock Exchange.

Chennai
26.06.2009

For **P.S.Subramania Iyer & Co.**
Chartered Accountants
N. Srinivasan
Partner
Membership No.200330

ECS MANDATE FORM

(For use of the shareholders holding shares in physical mode only)

To,
Cameo Corporate Services Limited,
Unit: Amrutanjan Health Care Limited,
"Subramaniam Building",
No.1, Club House Road,
Chennai 600 002.

Place : _____

Date : _____

Dear Sirs,

Change in mode of payments to Electronic Clearing System (ECS)

I hereby consent to have the amount of Dividend on my equity shares credited through the Electronic Clearing System (Credit Clearing) – (ECS). The particulars are:

Folio No.

--	--	--	--	--	--	--	--	--	--

Name of the First Holder

Bank Name

Branch Name

Account Number

Account Type

Savings Current Cash Credit

Branch Code

--	--	--	--	--	--	--	--	--	--

(9 Digits Code Number Appearing on the MICR Band of the cheque supplied by the Bank)

(Please attach a Xerox copy of cheque or a blank cheque of your bank duly cancelled for ensuring accuracy of the bank's name)

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information for any reasons, I would not hold the Company/Registrars & the Share Transfer Agents responsible. I also undertake to advise changes, if any, in the particulars of my account to facilitate updation of records for purposes of credit of Dividend amount through ECS.

Signature of the first named / sole member

- Note : 1. Please complete the form and send it to the Registrars & Share Transfer Agents at the above address, if you are holding Share Certificate in physical form.*
- 2. In case of shares held in dematerialised form, inform/update your information directly with the Depository Participant (DP) with whom you are maintaining Demat Account and not to the Company or its Registrars & Share Transfer Agents.*

ATTENDANCE SLIP

AMRUTANJAN HEALTH CARE LIMITED

Registered Office: No.103 (Old No.42-45), Luz Church Road, Mylapore, Chennai 600 004
(To be filled in and handed over at the entrance of the meeting hall)

Regd. Folio No. * D.P. I.D.

No. of Shares * Client I.D.

@ Member's / Proxy's Name (IN BLOCK LETTERS)

@ Member's / Proxy's Signature

I hereby record my presence at the Seventy Second Annual General Meeting of the Company on Wednesday, the 30th September, 2009 at Kamaraj Memorial Hall, New No.492, (Old No.573-574-A), Anna Salai, Teynampet, Chennai 600 006 at 2.30 p.m.

(*) **Applicable only in case of Investors holding shares in Electronic form.**

(@) **Strike out whichever is not applicable.**

PROXY FORM

AMRUTANJAN HEALTH CARE LIMITED

Registered Office: No.103 (Old No.42-45), Luz Church Road, Mylapore, Chennai 600 004

Regd. Folio No. * D.P. I.D.

No. of Shares * Client I.D.

I/We..... of in the district of being a member/members of Amrutanjan Health Care Limited, hereby appoint of in the district of or failing him of in the district of as my/our proxy to attend and vote for me/us on my/our behalf at the Seventy Second Annual General Meeting of the Company on Wednesday, the 30th September, 2009 at Kamaraj Memorial Hall, New No.492, (Old No.573-574-A), Anna Salai, Teynampet, Chennai 600 006 at 2.30 p.m. and at any adjournment thereof.

Signed this day of2009 Signature.....

Affix
15 paise
Revenue
Stamp

Note : The form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the time of the Meeting.



Amrutanjan

Pain Balm (Yellow)

For instant relief from cold related headaches and coughs.

Effective in Aroma Therapy (steaming)

45g | 25g | 9g | 5g | 1.25g

Amrutanjan

Strong Pain Balm (White)

For instant relief from headache.

45g | 25g | 9g | 4g | 1.25g



Amrutanjan

Maha Strong Pain Balm

For instant relief from severe headaches.

9g



Amrutanjan

Dragon Roll-on

Liquid Balm

For quick relief from severe headaches.

- Roll-on application
- easy to carry • easy to use

10ml | 5ml

Amrutanjan

Muscular Pain Spray

For instant relief from pains associated with muscles, sprains and minor rheumatic pain.

30g



Amrutanjan

Joint Ache Cream

For instant relief from joint aches, backaches and sprains

- Powerful ingredients
- Non-greasy
- Non-staining

15g



Amrutanjan

Maha Inhaler

For quick relief from a stuffy nose due to cold. Helps clearing nasal congestion.

0.75g



Cutis

Extra virgin Olive oil

Edible, nourishing skin and hair oil.

1ltr | 750ml | 500ml | 250ml

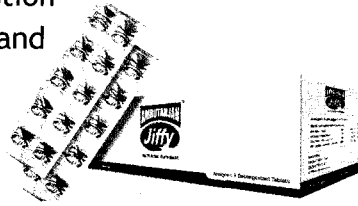
Amrutanjan

Jiffy

Quick action, quick relief from cold, nasal congestion headaches, fever and body pain.

1 Strip

10 Tablets



Amrutanjan

Cold Rub

For coughs and colds.

Note: Do not apply to the nostrils of children.

For better results, rub over chest and cover with warm cloth.

15g | 5g

Amrutanjan Coldsnap Super Gel

For quick relief from colds and cold related ailments. It relieves colds 1½ times faster than others non-greasy gels.

Ideal for children.

Note: The gel needs to be applied only on the neck, chest and back.

10g



Amrutanjan

Swas Mint

For instant relief from cough and sore throat.



Amrutanjan

Mridul

Herbal Cough Syrup

For quick relief from dry cough, allergic cough and smoker's cough
Non-alcoholic.

0.75g

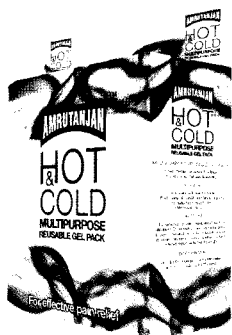


Amrutanjan

Xpert

Dermal Ointment for ringworm, itches, cracked heels, skin rashes and eczema.

15g | 5g



Amrutanjan

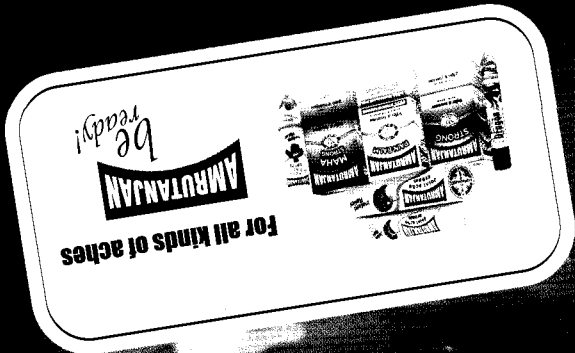
Hot & Cold Multipurpose reusable gel pack
Hot therapy for aches and stiffness
Cold therapy for pain and swelling.

Orange Guard

Organic insecticide, kills and repels hidden bugs including ants, cockroaches and fleas.

0.9ltr





Pain can hit you anytime.



Amrutanjan Health Care Limited
Regd. Office: No. 103 (Old No. 42-45),
Luz Church Road, Mylapore, Chennai - 600 004.