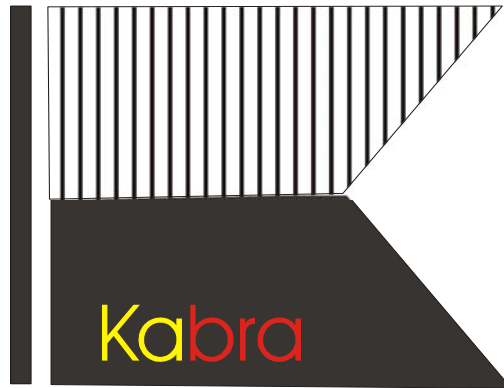




KABRA DRUGS LIMITED



◆ 22ND ANNUAL REPORT 2010-2011 ◆

OF

KABRA DRUGS LIMITED



BOARD OF DIRECTORS

1. Shri Shyam Kabra	Chairman and Managing Director
2. Shri Madhusudan Sharma	Director
3. Shri Rajendra Boardia	Director
4. Shri Mahendra Mandloi	Director

◆ AUDITORS ◆

M/s. Agrawal Jhavar Associates
Chartered Accounts

*** BANKERS ***

BANK OF INDIA

◆ REGD OFFICE & WORKS ◆

26, Sector "A" Sanwer Road, Industrial Area,
INDORE – 452 003

◆ LISTING ◆

Bombay Stock Exchange Limited, Mumbai
Madhya Pradesh Stock Exchange, Indore



KABRA DRUGS LIMITED

NOTICE

Notice is hereby given that the 22ND Annual General Meeting of the Members of Kabra Drugs Limited, will be held at the 26, Sector "A" Sanwer Road, Industrial Area, Indore – 452 003 on Friday, the 30th September, 2011 at 2:00 P.M., to transact the following business: -

1. To receive, consider and adopt the Balance Sheet as at 31st March 2011 and Profit & Loss Account of the Company for the year ended on that date, and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajendra Bordia, who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint M/s Agrawal Jhavar Associates, Chartered Accountants, Indore as Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 198, 269, 309 and 310 read with schedule XIII, and other applicable provisions if any of the companies act, 1956, the consent and approval of the company be and is hereby accorded to the re-appointment of Shri Shyam Kabra as Managing Director of the company to hold office of Managing Director for a period of Five year from 1st October, 2011 to 30th September, 2016 on a monthly remuneration of Rs.50, 000/- (Rupees Fifty Thousand) P.M..

Resolved further that the company hereby approves increase in remuneration mentioned above payable to Mr. Shyam Kabra up to 40% per annum, as may be decided by the Board from time to time, plus perks as set out in the explanatory statement to this resolution.

RESOLVED FURTHER THAT Mr. Rajendra Bordia, Director of the Company be and is hereby authorised to do all the necessary acts, deeds, matters, formalities and such other things as may be considered necessary, expedient, usual, incidental or proper to give effect to the above resolution."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 314 and other applicable provisions, if any of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof for the time being in force), the Company in general meeting hereby accords its consent to the holding of office or place of profit as a member of management team by Mrs. Kusum Kabra, a relative of Mr. Shyam Kabra, Managing Director of the Company, with effect from 1st April 2011 on a monthly salary of Rs.50,000 (inclusive of all allowances and perquisites).

RESOLVED FURTHER THAT the Board be and is hereby further authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be and in the manner required and to delegate all or any of its powers herein conferred to any Committee of Directors or to any Director or to any Officer to give effect to the resolution hereof."

By Order of the Board

Indore, 31.07.2011

Shyam Kabra
Chairman cum Managing Director



KABRA DRUGS LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THIS MEETING.
2. The Explanatory Statement pursuant to section 173 of the Companies Act, 1956 is annexed hereunder and forms part of the Notice.
3. The Register of Members and Share Transfer Register of the Company will remain close from Friday, 23rd September 2011 to Friday 30th September, 2011 (both days inclusive).
4. Shareholders desiring any information as regards the accounts, are requested to write to the Company at least 10 days before the annual General Meeting to enable the Management to keep the information ready.
5. Members are requested to kindly bring their copies of the Annual Report to the Meeting.
6. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
7. Members are requested to quote their folio number in all correspondence.
8. Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form 2B.
9. The Ministry of Corporate Affairs (vide circular Nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively, has undertaken a Green initiative in 'Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by representing / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Transfer Agent.

By Order of the Board

Indore,
Date 31.07.2011

Shyam Kabra
Chairman cum Managing Director



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No.4: Ordinary Resolution

The Board of Directors of the Company at its Meeting held on 31.7.2011 has re-appointed Mr. Shyam Kabra as a Managing Director for a period of Five years with effect from October 1, 2011. The said re-appointment is subject to the approval of the shareholders in general meeting.

The terms of reappointment and remuneration of Mr. Shyam Kabra, inter alia, contain the following principal terms and conditions:

1. **PERIOD:**
Five years (from 1st October, 2011 to 30th September, 2016)
2. **SALARY:**
Rs.50, 000/- (Rupees Fifty Thousand) per month with an increment up to 40% per annum, as may be decided by the Board from time to time.
3. **PROVIDENT FUND CONTRIBUTION:**
The Company's contribution to the provident fund will be in accordance with its rules and regulations.
4. **PERQUISITES:**
Perquisites will be allowed in addition to salary, the perquisites shall be valued as per Income Tax Rules, 1962. However the amount of perquisites shall be restricted to annual salary. For this purpose, perquisites will be as follows:-

Unfurnished Residential Accommodation:

Rent-free unfurnished accommodation

Free Gas Electricity and Water

Will be provided with Gas, Electricity and water.

Domestic Servants:

The following domestic servants shall be provided:

- Two Watchman
- Two Sweepers
- One Cook
- One Assistant Cook

Medical Reimbursement:

Actual expenses incurred on Medical Treatment for self and family.

Leave Travel Concession:

For self and family once in a year



KABRA DRUGS LIMITED

Club Fees:

Fees of clubs subject to a maximum of two clubs excluding admission and life membership fee.

Personal Accident Insurance:

For an amount, the annual premium of which does not exceed Rs. 5000/-.

5. **GRATUITY:**

Gratuity at the rate not exceeding half a month's salary for each completed year of service.

Notwithstanding anything herein, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the requisite approvals, being obtained.

The Board of Directors recommends the resolutions for your approval.

None of the Directors except Mr. Shyam Kabra is interested or concerned in this resolution.

Item No.5: Special Resolution

Mrs. Kusum Kabra is the wife of Mr. Shyam Kabra, Managing Director. She holds a B.Com. Degree from Davi Ahilya vishvavidhyalay Indore and has completed MCOM in Accounting and Finance from The D.A.V.V.

Subject to approval of the shareholders by way of special resolution at the ensuing Annual General Meeting, she has been appointed by the Board of Directors of the Company to hold an office or place of profit as a member of management team with effect from 1st April 2011 on a monthly salary of Rs.50,000 (inclusive of all allowances and perquisites).

As per the provisions of section 314 of the Companies Act, 1956 read with those under Director's Relative (Office or Place of Profit) Rules, 2011, holding of office or place of profit subject to the payment of remuneration as aforesaid requires consent of the shareholders by way of special resolution as envisaged in section 314 of the Companies Act, 1956 and the Rules thereunder.

Except for Mr. Shyam Kabra, none of the other Directors of the Company are concerned or interested in the resolution.



KABRA DRUGS LIMITED

Details of Directors seeking appointment /re appointment at the forthcoming Annual General Meeting

(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Rajendra Bordia
Date of Birth	22 nd October 1964
Date of Appointment	27 th June 2006
Expertise in specific functional area.	Production and Technical
Qualification	M. Sc.
List of outside Directorship held in Limited Companies	Nil
Chairman / Member of the Committee of the Board of Directors of the Company	Audit Committee - Member Remuneration Committee – Member Shareholder Committee – Chairman



KABRA DRUGS LIMITED

REPORT OF THE BOARD OF DIRECTORS

To the Members,

Your Directors have pleasure in presenting the 22nd Annual Report of the Company along with the Audited Accounts for the year ended 31st March 2011:

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	<u>2010-2011</u>	<u>2009-2010</u>
Sales & Other Income	574.46	371.47
Total Expenditure	520.49	319.05
Profit (loss) before depreciation, and tax	53.97	52.42
<u>Less: Depreciation</u>	35.02	35.20
Provision for Income Tax	-(4.36)	-(1.09)
Provision for FBT		
Profit (Loss) after depreciation & tax	14.59	16.13

DIVIDEND

The Board of Directors to conserve the resources of the Company and to maintain the liquidity has decided not to declare dividend on Equity Shares for the year ended 31st March 2011.

BUSINESS REVIEW

Year under review proved to be turn around for the company in terms of Sales target of the Company. The revenue realization was Rs. 574.46 Lacs as compare to previous Year of Rs. 371.47 Lacs. The Company has earned net Profit for the year Rs. 14.59 Lacs as compare to previous year figure of Rs. 16.13 Lacs. Company has reported excellent sale during the year under review and accepted new challenges of new economic reforms and Global Markets.

FIXED DEPOSIT

Your Company has not accepted any public deposit under Section 58A of the Companies Act, 1956 during the year.

DIRECTORS

In accordance with Section 256 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Rajenrdra Bordia, will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.



KABRA DRUGS LIMITED

AUDITORS

Messrs Agrawal Jhavar Associates, Chartered Accountants, Indore, will retire at the conclusion of the ensuing Annual General Meeting. The Board proposes their re-appointment as Statutory Auditor to audit the accounts of the Company for the year 2011-12. You are requested to consider their re-appointment.

AUDITORS REPORT

The Notes to the Accounts, referred to in the Auditor's Report, are self-explanatory and therefore, do not call for any further comments or explanations.

CORPORATE GOVERNANCE

Your Company has complied with the requirements of corporate governance as per clause 49 of the Listing Agreements with Stock Exchanges. A detailed report on Corporate Governance is annexed to this Annual Report. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance has been obtained and is enclosed with this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management discussion and Analysis Report have been attached and forms part the Directors Report.

LISTING AGREEMENTS REQUIRMENTS:

The securities of your company are listed at, Mumbai Stock Exchange, Mumbai. trading in company's securities remain suspended at Stock Exchange for various reasons including non-submission of documents and all possible steps are being taken by the management to get shares traded at the floor of the Exchange.

BUY-BACK OF SHARES

There was no buy-back of shares during the year under review.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that –

- (i) in the preparation of Annual Accounts, the applicable accounting standards have been followed;
- (ii) the Directors have selected such accounting policies as mentioned in the Annual Accounts 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 at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the aforesaid Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on the going concern basis.



KABRA DRUGS LIMITED

INSURANCE

The assets of the Company are adequately insured against the loss of fire, natural calamities and such other risk considered by management of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE AND OUTGO

Information in accordance with the provision of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in annexure `A` forming part of this report. The energy conservation measures implemented during the year include installation of fan-less cooling towers, energy efficient pumps.

PARTICULARS OF EMPLOYEES

The particulars prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975 are not applicable in the case of any of the employees of the Company.

INDUSTRIAL RELATIONS

Relations between the Management and its employees have been cordial. Your Directors place on record their appreciation of the efficient and loyal services rendered by the employees of the Company at all levels.

ACKNOWLEDGEMENT

The Directors wish to convey their appreciation for the co-operation received from Your Company's bankers and various Government agencies. The Directors also wish to thank the Shareholders, Employees, Customers and Suppliers for their support and co-operation.

For and on behalf of the Board of Directors

Indore
Date – 31.07.2011

Shyam Kabra
Chairman cum Managing Director



ANNEXURE TO THE DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

I. Company's Philosophy

Your Company's Philosophy on code of Corporate Governance is based on attainment of high level of transparency, accountability, and adequate disclosures and economic value addition. All employees are guided by the Company's policies on important issues, including our relationship with consumers, stakeholders and Government.

II Board of Directors

In keeping with the commitment of the Management for the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board, and to separate the board functions of governance and management.

As on 31st March 2011, the Board of the Company consisted of four Directors, of which three are non-executive as on 31st March 2011.

The Board has no institutional nominee directors.

During the year, 6 Meetings of the Board of Directors of the Company were held on 30th April 2010, 24th May 2010, 4th August 2010, 15th November 2010, 15th January 2011 and 25th March 2011. The maximum gap between any two meetings did not exceed four months.

No inter-se relationships among the Directors.

The particulars of the Directors and the attendance at the Board Meetings during the year and the last Annual General Meeting as also the number of other directorships and committee memberships as on date are as follows:

Name of Director	Category	No. of Board Meetings attended	Attend-ance in last AGM	No. of other Direct orship	Committee Membership	
					Chai rman	Me mber
Mr. Shyam Kabra	Promoter – Executive Director	6	Yes	2	-	-
Mr. Madhusudan Sharma	Independent	6	Yes	-	1	2
Mr. Rajendra Boardia	Independent	6	Yes	-	1	2
Mr. Mahendra Mandloi	Independent	6	Yes	-	1	2



CODE OF CONDUCT

As per the provisions of Clause 49 of the Listing Agreement, the Company has framed a code of conduct for the Board Members and Senior Management which was approved and adopted by the Board of Directors. The Code of Conduct has been posted on the website of the Company (<http://www.kabradrugslimited.com>). The Code has been circulated to all members of the Board and Senior Management of the Company who have confirmed compliance therewith.

III Audit Committee

The objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting processes with a view to ensuring accurate and proper disclosure and the transparency and quality of financial reporting. The committee also reviews the financial and risk management policies, and the adequacy of internal control systems of the Company and meets Statutory Auditors periodically.

Your Company has an Audit Committee consisting of Three Independent Directors as its members, and the Audit Committee Meetings were held on 24th May 2010, 4th August 2010, 15th November 2010 and 15th January, 2011. The details of the meetings held and attended are as given below:

Name of Director	Meetings held	No. of Meetings attended
Mr. Rajendra Boardia	4	4
Mr. Mahendra Mandloi	4	4
Mr. Madhusudan Sharma	4	4

IV Remuneration Committee

The Remuneration Committee has approved the terms of remuneration of the Whole Time Directors. The Committee had meet on the 24TH day of May 2011, during the year 2010-2011. The composition of the remuneration committee is as follows:

Mr. Madhusudhan Sharma, Mr. Rajendra Boardia and Mr. Mahendra Mandloi.

V Shareholders and Investor's Grievance Committee

The Board has constituted the shareholders and Investors Grievance Committee during the year to look into the redress of investors' complaints. There were no complaints pending for reply as on 31st March 2011 and no share transfers pending for registration as on the said date.

VI General Body Meetings

The details of Annual General Meetings held in last 3 years are as under:



KABRA DRUGS LIMITED

Year	Venue	Date	Time
2009-2010	26, Sector "A" Sanwer Road, Industrial Area, Indore – 452 003	30.09.2010	02.00 P.M.
2008-2009	26, Sector "A" Sanwer Road, Industrial Area, Indore – 452 003	30.09.2009	02.00 P.M.
2007-2008	26, Sector "A" Sanwer Road, Industrial Area, Indore – 452 003	29.09.2008	02.00 P.M.

VII Disclosure

- i) During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related parties' transaction viz., Promoters, Directors or the Management, their subsidiaries or relatives that had a potential conflict with the interest of the Company at large.
- ii) No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period under review.

IX. CEO and CFO Certification

The CEO and CFO of the Company have certified positively to the Board on the matters specified under Clause 49(V) of the Listing Agreement.

X. Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after the Board has approved them. These are widely published in national and regional newspapers.

XI General Shareholders Information

Annual General Meeting

Date 30.09.2011

Time: 02.00 P.M.

Venue: 26, Sector "A" Sanwer Road, Industrial Area, Indore – 452 003

Date of Book Closure

The Register of Members and Share Transfer Register of the Company will remain close from Friday, 23rd September 2011 to Friday 30th September, 2011 (both days inclusive).

Financial Calendar 2010-2011

1	First Quarter Results	JULY 2010
2	Second Quarter & Half Yearly Results	OCTOBER 2010
3	Third Quarter Results	JANUARY 2011
4	Fourth Quarter Results	APRIL 2011



Listing of Securities

Name of the Stock Exchanges

The Stock Exchange Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Stock Code 532005

The Madhya Pradesh Stock Exchanges
2nd Floor, Palika Plaza
M.T.H. Compound
Indore – 452001

Your Company confirms that it has paid annual listing fees to the Stock Exchanges Mumbai and M.P. Stock Exchange Indore for the year 2010-11 and as such there are no arrears.

Market Price Data

The Company's Equity Shares are not traded in the Stock Exchanges due to suspension of trading. Therefore High/ low of market price of the Company's equity shares not available.

Registrar & Transfer Agent

As per the directives of SEBI, the Company has appointed M/s. Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) – 452 010 as its Registrar and Share Transfer Agent and all the Share transfer and the relating queries may please be forwarded to the Share Transfer Agent directly at their address.

Share Transfer Systems

Shares received for transfer in physical form are registered and dispatched within thirty days of receipt of the documents. If shares are under objection then the same are returned within fifteen days. Request for dematerialization of shares are processed within fifteen days.

Distribution of Shareholding

Distribution of Shareholding as on 31st March 2011 is as under:

Shareholding of nominal value of Rs. Rs.	No. of Shareholders	% of Shareholders	No. of Ordinary shares	% of share holding
Up to 1000	4040	49.93	4040000	9.21
1001 – 2000	2033	25.13	4066000	9.26
2001 – 3000	380	4.70	1140000	2.60
3001 – 4000	200	2.45	800000	1.82
4001 – 5000	444	5.49	2220000	5.06
5001 – 10000	467	5.78	3988000	9.09
10001 - 20000	420	5.19	6916000	15.76
20001 – 30000	43	0.53	1089000	2.48
30001 – 40000	18	0.22	640000	1.46
40001 – 50000	12	0.15	566000	1.29
50001 – 100000	19	0.23	1370000	3.12
100001 & above	16	0.20	17051000	38.85
Total	8092	100.00	43886000	100.00



KABRA DRUGS LIMITED

The Shareholding Pattern as on 31st March 2011 is given below:

S.No	Category	No. of Shares held	% Shareholding
1	Promoter	1342300	30.59
2	Private Corporate Bodies	149300	3.40
3	Indian Public	2897000	66.01
	Total	4388600	100.00

Dematerialization of Shares and Liquidity

As on 31st March 2011, 26900 equity shares was held in dematerialized form and 4361700 Equity were in physical form.

Address for Correspondence

Shareholders may address their communications to.
Mr. Arvind Poal,
Compliance Officer,
Kabra Drugs Limited,
26, Sector "A" Sanwer Road,
Industrial Area,
Indore – 452 003



ANNEXURE

Companies (Disclosed of particulars in the reports of board of director) rules, 1988.

A. Conservation of Energy

- | | | |
|--|---|-------------------------|
| a. Energy Conservation measures take. | : | Nil |
| b. Additional investments and proposals being implements for reduction of consumption of energy. | : | Nil |
| c. Impact of above on energy consumption | : | Nil |
| d. Total energy consumption | : | As per Form – A Annexed |

B. Technology Absorption Form “B”

Research and Development (R & D)

- | | | |
|---|---|--|
| 1. Specific areas in which R & D Carried out by the Company | : | |
| 2. Benefits Derived as a result of above. | : | |
| 3. Future plan of action | : | |
| 4. Expenditure on R & D | : | |

Technology absorption, adaptation innovation.

Efforts made towards technology absorption adoption and innovation and benefits derived as a result thereof. : Nil

Information regarding important Technology : Nil

C. Foreign Exchange Earnings & Outgo

- | | | |
|---|---|-----|
| 1. Export Activities | : | Nil |
| 2. Total foreign exchange earned & outgo. | : | |
| a) Earnings | : | Nil |
| b) Outgo (Rs.) | : | Nil |



KABRA DRUGS LIMITED

Form – “A”
(See Rules – 2)

Form for Disclosure of particulars with respect to conservation of Energy

A	Power & Fuel Consumption	31/03/2011	31/03/2010
	<u>Electricity</u>		
	Purchased Units	364106	373505
	Total Amounts (Rs.)	1939408	1627451
	Rate / Unit (Rs.)	5.32	4.35
	Own Generation		
	1. <u>L. D.O</u>		
	a) Quantity (in Litters)	900	400
	b) Amount (Rs)	36964	13842
	Rate Per Unit (Rs.)	41.00	34.60
B.	Consumption per unit of Product		
	Since the Company manufactures different types of ether, Derivatives and pharmaceutical Formulations, it is not practicable to give consumption per unit of production.		



KABRA DRUGS LIMITED

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Kabra Drugs Limited

We have examined the compliance of corporate governance by Kabra Drugs Limited, Indore for the year ended on 31st March 2011, as stipulated in clause 49 of the Listing agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by Kabra Drugs Limited 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 Kabra Drugs Limited.

On the basis of our review and according to the information and explanation given to us and representation made to us by the management, we state that to the best of our knowledge and belief, the Company has complied in all material respects with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges.

**For Agrawal Jhavar Associates.
Chartered Accountants**

Place : Indore
Date : **31.07.2011**

**(Dharmendra Agrawal)
(Proprietor)
M.No.77507**



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report are prepared in adherence to the spirit enunciated in the Code of Corporate Governance, approved by the Securities Exchange Board of India and in compliance with the provisions of the Listing Agreement.

Industry Structure and Development

The financial year 2010-11 marked resurgence in growth post the financial crisis. Higher investment spending, specially in the emerging markets, is pushing growth in the global economy. As a result, several countries are gradually returning to normal macroeconomic policies. However, the economic health in parts of Europe and the fiscal trends in some other countries is cause for concern and continues to impact the world economy.

The forecast for the Indian economy is positive with growth expected to touch 8.5 per cent in the current fiscal year. Yet, constant inflation in the country is taking its toll and rising global commodity prices is only compounding the problem. The pharmaceutical industry in India retains its position of strength as the pharmacy capital of the world. It supplies an estimated one-third of all global pharmaceutical produce in terms of volume. In the financial year 2010-11, the Indian pharmaceutical industry grew more than 14 per cent, according to ORG IMS, though this growth was mainly driven by the top 50 companies. A growing trend was that more Indian pharmaceutical companies focused on semi-urban and rural markets for incremental growth opportunities. During the year, the industry also witnessed Indian pharma companies selling out to the multinationals.

Outlook on Threats, Risks and Concerns

The Company does not foresee any commercial or other threats, which could disrupt the operations of its business.

Taking into the account all the above it is expected that while the growth in profitability would be a challenge, the concrete plans and strategies which, are afoot should see growth in turnover and profits in the years to come.

Financial & Operational Performance

(Rs. in Lacs)

Particulars	Year ending 31.03.2010	Year ending 31.03.2009	% Changes
Gross Income	573.54	371.46	54.40
Net Profit After Interest, Depreciation & Tax	14.59	16.12	-9.49



Internal Control Systems and Adequacy

As always, the Company's internal control procedures are tuned to keep up with the organisation's pace of growth and increasing complexity of operations. These ensure compliance with various regulations. The internal audit team carries out extensive audits throughout the year, across all functional areas and submits its reports to the Audit Committee of the Board of Directors.

Human Resources

Your Company believes in philosophy of communicating with the entire team in a two way process. Company also believes in the principal of proper delegation of authority which results in uplift of Commitment level, responsibility and accountability of entire team right from Managing Director to Lowest level of administration. Every effort are made to implement the suggestions received and to encourage staff for more suggestion.

Cautionary Statement

Actual performance may differ from projections made as the Company's operations are subject to various economic conditions, government regulations and other incidental factors.



CEO & CFO CERTIFICATION

The Board of Directors
KABRA DRUGS LIMITED
26, Sector A Sanwer Road, Industrial, Area,
INDORE M.P.

Re-financial Statements for the year 31.03.2011 Certification

We, Shyam Kabra Chairman & Managing Director and Rajendra Bordia Director, on the basis of the review of the financial statements and the cash flow statements for the

Financial year ending 31.03.2011 and to the best of our knowledge and belief, thereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. 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.
3. There are to the best of our knowledge and belief, no transaction entered into by the company during the year ended 31.03.2011 which are fraudulent, illegal or violative of the Company's code of conduct.
4. 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 and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that:
 - (a) There have been no significant changes in the international control over financial reporting during this year.
 - (b) There have been no significant changes in accounting policies during this year and that the same have been disclosed in the noted to the financial statements.
 - (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 significant role in the Company's internal control systems over financial reporting.

Chairman & Managing Director

Director

Place: Indore
Date 31.07.2011



KABRA DRUGS LIMITED

Auditor's Report

To,
THE MEMBERS OF KABRA DRUGS LIMITED
INDORE,

We have audited the attached Balance sheet of M/s KABRA DRUGS LIMITED as at 31st March, 2011 and also the Profit & 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.

We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. And it 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's report) order, 2003, issued by the Central Govt. In terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure –A statement on the matters specified in paragraphs 4 & 5 of the said order.

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

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (ii) In our opinion the company as required by law has kept proper books of accounts so far as it appears from our examination of the books.
- (iii) The Balance Sheet and Profit and Loss Account and cash flow Statement dealt with by this report are in agreement with the books of accounts.
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account and cash flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (v) Based on the written representation made by the directors of the company and the information's and explanations as made available as on 31st March 2011 the directors of the company do not prima facie have any disqualification as referred to in amended section 274 (1) (g) of the Companies Act, 1956.



KABRA DRUGS LIMITED

- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act. 1956.
- (vii) Attention is drawn to note No. 9 regarding balance Confirmation note no. 10 regarding current Assets Note no. 17 & 19 regarding employee retirement benefit
- (viii) Subject to Para (vii) above in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act. 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2011.
 - (b) In the case of the Profit and Loss Account of the Profit of the company of the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date.

FOR AGRAWAL JHAVAR ASSOCIATES
CHARTERED ACCOUNTANT

PLACE: INDORE
DATED: 31.07.2011

(DHARMENDRA AGRAWAL)
PROP.
M.N. 77507



**ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR AUDITOR'S REPORT OF
EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011 OF
KABRA DRUGS LIMITED**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- (1) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its fixed assets except for certain moveable assets, pertaining to the R&D for development of anti cancer drugs which need to be updated;
(b) As explained to us stocks have been physically verified by the Management at the close of the year which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. **The results of the physical verification have not been compared with the book records and hence discrepancies, if any, have not been identified;**
- (2) The Company has not disposed off any substantial part of its fixed assets as to affect its going concern;
 - (i) As explained to us, inventories of stores, spares and materials have been physically verified by the Management, at the close of the year.
 - (ii) The procedure, as explained to us, which are followed by the Management for physical verification of inventories, are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;
- (3) On the basis of our examination of the inventory records of the Company, we are of the opinion that, the Company is maintaining proper records of its inventories. Discrepancies notices on physical verification of inventory as compared to book records, where were not material, have been properly dealt with in the books of account;
- (4) According to information and explanations given to us, the Company has not granted any loan, secured/unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956;
- (5) According to the information and explanations given to us, the Company has not taken unsecured loans from companies listed in the register maintained under Section 301 of the Companies Act, 1956;
- (6) In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of raw material and spares.
- (7) On the basis of the audit procedures performed by us, and according to the information, explanations and representations made to us, we are of the opinion that, there were no transactions in which directors were interested as contemplated under Section 297 and sub-section (6) of Section 299 of Companies Act, 1956 and which were required to be entered in the register maintained under Section 301 of the said Act;
- (8) As informed to us, the Company has not accepted any deposits from the public;



KABRA DRUGS LIMITED

- (9) As informed to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records for the Company under Section 209 (1) (d) of the Companies Act, 1956 for its procedure;
- (10) According to the records of the Company and the information and explanations given to us, **the Company has not having any undisputed dues as on 31.03.2011 of investor Education and Protection Fund, Provident Fund, Income Tax deducted at source, Services Tax and Profession Tax.**
- (a) On the basis of our examination of the documents and records of the Company, there were no disputed dues in respect of Wealth tax, Services, Custom duty, Excise duty and Cess. However, the following disputed statutory dues have not been deposited with the appropriate authorities:

Nature of Dues	Amount in Rs. Lacs	Forum where dispute is pending
State Excise Act	47.50	M.P. High Court
Labor Act	61.53	Labor Court, Indore

- (11) The accumulated losses of the Company, at the end of the current financial year, is less than fifty percent of its net worth.
- (12) Based on our audit procedures and according to the information and explanations given to us. The Company has no loan liabilities from any financial institute as on balance sheet date
- (13) As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;
- (14) On the basis of our examination of the documents and records of the Company, the Company is not dealing in or trading in shares, securities, debentures and other investment;
- (15) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year;
- (16) The Company has not obtained any term loans during the year;
- (17) According to the information and explanations given to us and on an overall examination of the financial statements of the Company and after placing reliance on the reasonable assumptions made by the Company for classification of long term and short term usage of funds, we are of the opinion that, prima facie, short term funds have not been used for long term purposes;
- (18) The Company has not made any preferential allotment of shares during the year;
- (19) The Company has not issues any debentures during the year;
- (20) The Company has not raised any money by public issue during the year;



KABRA DRUGS LIMITED

- (21) According to the information and explanations given to us and the representations made by the Management, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the year.

FOR AGRAWAL JHAVAR ASSOCIATES
CHARTERED ACCOUNTANT

PLACE: INDORE
DATED: 31.07.2011

(DHARMENDRA AGRAWAL)
PROP.
M.N. 77507



KABRA DRUGS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE NO	31.03.2011 RS.	31.03.2010 RS.
SOURCE OF FUNDS			
SHAREHOLDERS FUND			
SHARE CAPITAL	A	43,886,000	43,886,000
LOAN FUNDS			
SECURED LOAN	B	2,915,682	613,305
UNSECURED LOANS	C	7,885,318	12,394,598
TAOTAL FUNDS EMPLOYED		54,687,000	56,893,903
APPLICATION OF FUNDS			
FIXED ASSETS [NET]	D	39,883,534	43,386,070
CURRENT ASSETS, LOANS & ADVANCES	E	19,612,677	5,342,434
LESS : CURRENT LIABILITIES AND PROVISIONS	F	22,173,153	10,657,260
NET CURRENT ASSETS		(2,560,476)	(5,314,826)
PROFIT & LOSS A/C		17,363,942	18,822,658
TOTAL FUNDS APPLIED		54,687,000	56,893,903
NOTES ON ACCOUNTS	K		

As per our report of even date
For AGRAWAL JHAVAR
ASSOCIATES
CHARTERED ACCOUNTANT

For & on behalf of the Board

DHARMENDRA AGRAWAL
PROPRITOR

SHYAM KABRA
CHAIRMAN &
MANAGING DIRECTOR

RAJENDRA BORDIA
DIRECTOR

PLACE : INDORE .
DATE : 31.07.2011 .



KABRA DRUGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	SCHEDULE NO	2010-2011 RS.	2009-2010 RS.
INCOME			
SALES		57,354,960	37,499,443
INCREASE/(DECREASE) IN STOCKS	G	90,740	(411,250)
OTHER INCOME		0	58,453
T O T A L		57,445,700	37,146,645
EXPENDITURE			
MATERIAL COST	H	35,948,887	21,390,333
OPERATING COST	I	6,997,015	6,009,717
ADMINISTRATIVE & SELLING DEPRECIATION	J D	9,102,849 3,502,596	4,503,517 3,520,390
T O T A L		55,551,347	35,423,957
PROFIT (LOSS) BEFORE TAX		1,894,353	1,722,689
PROVISION FOR INCOME TAX		(435,637)	(109,443)
PROVISION FOR FBT		0	0
PROFIT (LOSS) FOR THE YEAR		1,458,716	1,613,246
BROUGHT FORWARD BALANCE		(18,822,658)	(20,435,352)
EARLIER YEAR ADJUSTMENT		0	0
BALANCE CARRIED TO BALANCE SHEET		(17,363,942)	(18,822,106)
EARNING PER SHARE BASIC & DITULTED		0.09	0.09

NOTES ON ACCOUNTS

K

As per our report of even date
For AGRAWAL JHAVAR ASSOCIATES
CHARTERED ACCOUNTANT

For & on behalf of the Board

DHARMENDRA AGRAWAL
PROPRITOR

SHYAM KABRA
CHAIRMAN &
MANAGING DIRECTOR

RAJENDRA BORDIA
DIRECTOR

PLACE : INDORE
DATE - 31.07.2011



KABRA DRUGS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF FINAL ACCOUNTS
RELATING TO THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	31.03.2011 RS.	31.03.2010 RS.
SCHEDULE - "A" : SHARE CAPITAL:		
AUTHORISED: 50 lacs Equity Shares of Rs.10/- each	50,000,000	50,000,000
ISSUED: 4592300 Equity Shares of Rs.10/- each	45,923,000	45,923,000
SUBSCRIBED AND CALLED UP : 4388600 Equity Shares of Rs 10/- each Less: unpaid calls	43,886,000	43,886,000
PAID UP CAPITAL	43,886,000	43,886,000
SCHEDULE - "B": SECURED LOANS		
BANK OF INDIA	2,662,221	0
H.D.F.C.BANK	253,461	613,305
	2,915,682	613,305
SCHEDULE - "C": UNSECURED LOANS		
From Indian Companies	7,885,318	12,394,598
T O T A L	7,885,318	12,394,598



KABRA DRUGS LIMITED

SCHEDULE - "D": FIXED ASSETS

Sr. NO.	DESCRIPTION OF ASSETS	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K			
		TOTAL AS ON 01/4/2010	ADDITIONS DURING THE YEAR	DEDUCTIONS	TOTAL AS ON 31/03/2011	AS ON 01/4/2010	PROVIDED FOR THE YEAR	WRITTEN BACK DURING THE YEAR	TOTAL AS ON 31/03/2011	AS ON 31/03/2011	AS ON 01.04.2010
1	LAND	169,985	0	0	169,985	0	0	0	0	169,985	169,985
2	SITE DEVELOPMENT	165,619	0	0	165,619	95,280	2,700	0	95,280	70,339	70,339
3	FACTORY BUILDING	16,182,966	0	0	16,182,966	7,914,558	263,782	0	8,178,340	8,004,626	8,268,408
4	PLANT & MACHINERY	39,170,138	0	0	39,170,138	27,370,195	1,857,942	0	29,228,137	9,942,001	11,799,943
5	ELECTRICAL INSTALLATIONS	592,209	0	0	592,209	592,209	0	0	592,209	0	0
6	LABORATORY EQUIPMENTS	3,036,686	0	0	3,036,686	2,158,353	144,243	0	2,302,596	734,091	878,333
7	AIRCONDITIONERS	61,000	0	0	61,000	44,920	2,037	0	46,957	14,043	16,080
8	OFFICE EQUIPMENTS	553,480	0	0	553,480	340,487	18,486	0	358,973	194,507	212,993
9	VEHICLE	1,062,445	0	0	1,062,445	77,766	35,486	0	113,252	949,193	984,679
10	FURNITURE & FIXTURES	573,413	0	0	573,413	570,808	0	0	570,808	2,605	2,605
11	RESORT (LEASE HOLD)	32,000	0	0	32,000	10,665	2,262	0	12,927	19,073	21,335
12	PLANT & MACHINERY	24,750,702	0	0	24,750,702	3,789,332	1,175,658	0	4,964,990	19,785,712	20,961,370
	TOTAL	86,350,644	0	0	86,350,644	42,964,573	3,502,596	0	46,464,470	39,883,534	43,386,071



KABRA DRUGS LIMITED

PARTICULARS

31.03.2011
RS.

31.03.2010
RS.

SCHEDULE - "E": CURRENT ASSETS, LOANS & ADVANCES

A : CURRENT ASSETS :

	31.03.2011	31.03.2010
	RS.	RS.
INVENTORIES		
Raw Materials	1,574,481	1,754,641
Finished Goods	215,740	125,000
Packing Material	512,116	486,410
Sub-total	2,302,337	2,366,051
SUNDRY DEBTORS (Unsecured, considered good)		
Due over six months	2,625,011	0
Within six months	13,037,484	1,613,940
Sub-total	15,662,495	1,613,940
CASH & BANK BALANCES		
Cash in hand	136,963	77,535
with Scheduled Banks		
- in current accounts	250,385	242,705
- in fixed deposit accounts	94,036	64,036
Sub-total	481,384	384,276
DEPOSITS	597,348	588,015
TOTAL CURRENT ASSETS	19,043,564	4,952,281
B : LOANS AND ADVANCES		
(Recoverable in cash or in kind or for value to be received)		
Trade & other Advances	566,113	82,637
Excise Duty Modvat	0	811
Advance to Staff	3,000	12,000
Excise duty PLA a/c	0	294,705
TOTAL LOANS AND ADVANCES	569,113	390,153
GRAND TOTAL	19,612,677	5,342,434



KABRA DRUGS LIMITED

PARTICULARS	31.03.2011 RS.	31.03.2010 RS.
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SCHEDULE - "F": CURRENT LIABILITIES & PROVISIONS

CURRENT LIABILITIES

Sundry Creditors

- Trade	17,814,860	6,582,954
- Advance from suppliers	2,048,873	1,786,239
- Others	576,809	910,539

	<hr/>	<hr/>
Outstanding expenses & other payables	20,440,541	9,279,732
Statutory liabilities	584,520	590,196
	<hr/>	<hr/>
	1,148,092	787,332

TOTAL

22,173,153 10,657,260

SCHEDULE - "G": INCREASE/(DECREASE) IN STOCKS

STOCK AT FINISHED GOOD CLOSE 215,740 125,000

LESS : STOCKS OF FINISHED GOODS AT COMMENCEMENT 125,000 536,250

INCREASE/(DECREASE) IN STOCKS

90,740 -411,250



KABRA DRUGS LIMITED

PARTICULARS	2010-2011 RS.	2009-2010 RS.
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SCHEDULE - "H": MATERIALS COST

RAW MATERIALS CONSUMED		
Opening Stock	1,754,640	3,314,731
Add : Purchases (Net)	30,801,021	16,045,517
	<hr/>	<hr/>
Insurance claim receive	32,555,661	19,360,248
Closing Stock	715,000	
	1,574,482	1,754,640
	<hr/>	<hr/>
	30,266,179	17,605,608
PACKING MATERIAL CONSUMED		
Opening Stock	486,410	336,087
Add : Purchases (Net)	5,707,127	3,935,047
	<hr/>	<hr/>
	6,193,537	4,271,134
Less : Closing Stock	510,829	486,410
	<hr/>	<hr/>
	5,682,708	3,784,724
T O T A L	35,948,887	21,390,333

SCHEDULE - "I": OPERATING COST

Chemicals & Testing	111,070	18,325
Stores consumed	1,647,157	1,148,612
Wages and salaries, Bonus	2,747,566	2,577,442
Electric Power and fuel	1,976,342	1,641,293
Machinery repairs	22,087	8,500
Building repairs	95,188	304,969
Medical & Workers welfare	122,625	101,983
Insurance	96,184	19,258
Factory Expenses	178,796	189,335
T O T A L	6,997,015	6,009,717



KABRA DRUGS LIMITED

PARTICULARS	2010-2011 RS.	2009-2010 RS.
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SCHEDULE-"J": ADMINISTRATIVE AND SELLING EXP.

Staff Salary	1,372,724	994,524
Director salary	786,150	480,000
Stationery printing & Books	56,153	48,309
Courier charges	42,457	24,320
Communication Expenses	92,403	78,233
Consultancy charges	48,000	0
Training exp.	8,500	0
Conveyance & Vehicle expenses	151,603	63,173
Office expenses	209,114	185,326
Service tax	10,410	23,732
Legal Expenses, Fees ,licence	234,963	137,005
Advertisement	48,000	16,000
Auditors remuneration	50,000	40,000
Professional charges	221,500	100,000
Contribution to E.S.I., P.F. Labour -	518,903	457,067
Other Repairs	241,210	45,248
Donation	17,600	512
Property tax	91,243	100,000
Professional tax payable	5,000	5,000
Traveling Exp. Director	54,128	152,302
Freight charges	519,133	178,971
Share Transfer Expenses	66,180	80,150
Entertainment Exp	31,000	0
Dr/Cr balance W/off	13,408	46,497
Discount and other charges govt. sale	46,075	0
Sales tax	36,992	0
Cash discount	183,771	0
Commission	1,153,760	983,913
Entry tax	118,495	254,970
Excise duty	2,338,585	0
Expiary and distroyed Goods	194,255	0
Bank charges AND Interst	141,134	8,265

T O T A L	9,102,849	4,503,517
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SCHEDULE "K" NOTES ON ACCOUNTS PART 1: A: SIGNIFICANT ACCOUNTING POLICIES

Financial statement have been prepared under historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles in India and the provision of the Companies Act, 1956 as adopted consistently by the company.

(1) SYSTEM OF ACCOUNTING

The company adopts mercantile system of accounting and the financial statements are prepared under historical cost convention and on accrual basis. Retirement benefit, post assessments demands, claims, subsidy, and uncertain routine exp. And income to the extent these are not material, are accounted for on cash basis.

(2) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized

(3) FIXED ASSETS AND DEPRECIATION

All fixed assets are stated at cost of acquisition including installation and incidental costs. Depreciation is provided from date of use on straight line method as per the provisions of schedule 14 of the companies Act, 1956.

No addition / deletion took place in fixed assets during the year. No amortization has been made in respect of premium paid for the leasehold land since grant of lease is for a long period. Depreciation on Bio-project Assets is not provided in the accounts since the development could not be commercialized.

(4) INVENTORIES

Inventories are valued as certified by management on following basis.

Raw material and packing materials	At Cost
Finished goods	At estimated realizable value
Work in process, stores and spares etc.	At estimated realizable value

Obsolete, defective and unserviceable stocks are provided for, where required.

(5) TRANSACTION IN FOREIGN CURRENCY

The company has not incurred any transaction in foreign currency during the year.



(6) CONTINGENT LIABILITIES

These are separately disclosed in the financial statements by way of notes to the accounts. Contingent liabilities are not recognized but are disclosed in the notes; contingent assets are neither recognized nor disclosed in the financial statements.

(7) CONTINGENT LIABILITIES AS ON BALANCE SHEET DATE

- a) HON. M.P has given probable liability under sales tax and excise acts on purchase of denatured spirit, relating to 1991-92. High Court has granted a stay. (Rs.47.50 lacs) Estimated amount due.
- b) Case relating to dismissal of 21 workers in 1997. Labor court has ruled against the company ordering payment of entire salary to employees for Rs. 6153705/- for the intermittent period. The company has preferred an appeal in the high court.

(8) PROVISION FOR TAXATIONS

Deferred tax resulting from timing difference between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable certainty that asset will be realized in future.

(9) BALANCE CONFIRMATION

Balance confirmation from various parties were not obtained and these are as per books and believed as correct as per management.

(10) CURRENT ASSETS

The current assets, loan and advances have a value on realisation in the ordinary course of business, at least equal to the amount at which these are stated in balance sheet and the provision for all known liabilities have been adequately made and not in excess of the amount reasonably necessary.

(11) REVENUE RECOGNITION

Sales are recognised on dispatch of goods to the customers, which normally results in transfer of title in the goods...

- (12) The company has only one business segment 'Manufacturing of Drugs'. Further, since virtually all sales are effected in the domestic market, there is only one geographical segment. Therefore, the disclosure requirements of "Segment Reporting" are not applicable to the company.
- (13) Related party disclosures as required as per accounting standard (AS-18) on "Related Party Disclosures" issued by the Institute of Chartered Accountant of India, are as below;



KABRA DRUGS LIMITED

a. List of related parties and relation ships

Related party and there relationship	
Key Management Personnel	Shri Shyam Kabra, Managing Director
Manager	Smt. Kusum Kabra (Spouse of MD)
Director	Shri Mahendra Mandloi

Relatives of key management personal and their enterprises in which key management personnel are interested

None

Transaction during the period the period with related parties as under:

Name of the related party	Transactions	Amount (Rs. In Lacs)
Shri Shyam Kabra	Director's remuneration	6.00
Smt. Kusum Kabra	Salary	6.00
Shri Mahendra Mandloi	Director's remuneration	<u>1.83</u>

Note: Related party relationship is as identified by the company and relied upon by the auditors.

(14) Earning per share

Particulars	2010-11	2009-2010
Net Profit (Loss) after Tax as per Profit & Loss Account (Rs. In Lacs)	14.59	16.12
Weighted Average number of Equity share outstanding (Nos.)	4388600	4388600
Basic and diluted Earning per Share (face valve Rs. 10/- per share)(Rs.)	0.33	0.37

(15) PAYMENTS TO DIRECTORS

Chairman and Managing Director	600000 (480000)
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(16) PAYMENT TO AUDITORS

Statutory audit fees	30000
Tax audit fees	10000
Taxation fees	10000

	<u>50000</u>



KABRA DRUGS LIMITED

(17) EMPLOYEES RETIREMENT BENEFITS

Contribution to provident fund & ESIC are charged to P&L a/c on actual basis and provision for gratuity, leave encasement etc. Retirement benefits are charges to P&L a/c on payment basis. The company has not practice to create separate reserve on actual basis.

(18) Bank interest on F.D. which are deposited by the company with various government departments as security deposit, not provided in the accounts.

(19) The company has accounted retirement benefits to the employees on payment basis. Provision for gratuity and other benefits are not provided in balance sheet.

(20) Disclosures of sundry creditors under current liabilities is based on the information available with the company regarding the status of the suppliers as defined under the “interest on Delayed Payments to small scale and Ancillary industrial Undertakings Act, 1993”. The company has no creditors in this category.

(21) Sales are net of Excise Duty & Sales Tax.

(22) Previous years figures are given in brackets & have been regrouped & re arranged wherever necessary.

(23) The quantitative data of opening stock, purchase, production, sales, closing stock, shortage/ excess & valuation of stock are taken to be correct as appearing in respective ledger accounts & as certified by the management.

(24) Cash balance at the end of the year has been taken as certified by the management.

(25) The audit have been completed with the help of available voucher, cash memos, invoices & other information given in the cash book, ledger, & explanation given by the management.

Quantitative Data

Note: Figures given in brackets are for previous year.

Signature to schedule “A” to “K”.

As per our report of even date

For AGRAWAL JHAVAR ASSOCIATES
CHARTERED ACCOUNTANT

For & on behalf of the board

DHARMENDRA AGRAWAL
PROPRITOR

SHYAM KABRA
CHAIRMAN &
MANAGING DIRECTOR

RAJENDRA BOARDIA
DIRECTOR

PLACE: - INDORE

DATE: - 31.7.2011



KABRA DRUGS LIMITED

[A] CLASS OF GOODS MANUFACTURED: ETHER AND PHARMACEUTICALS FORMULATION.

[B] PARTICULARS OF PRODUCTION, FINISHED GOODS MANUFACTURED, STOCKS AND TURNOVER.

YEAR 2010-2011

VALUE IN RS.000

PARTICULARS	UNIT	OPENING STOCK		PRODUCTION	SALES LESS RETURN		CLOSING STOCK	
		QUANTITY	VALUE		QUANTITY	QUANTITY	VALUE	QUANTITY
ETHER								
ANAESTHETIC	LITRES	1075	125.0	42863	43938	5763.47	0.00	0.00
		(4163)	(536.25)	(79781)	(82831)	(11129.79)	(1075)	(125.00)
SOLVENT	LITRES			28775	28775	3653.70	-	-
				(11343)	(11343)	(1511.75)		
LIQUIED	LITRES			46898	46898	4662.17	0	0.00
				(13093)	(13093)	(1716.93)	(0)	(0.00)
INJECTION/EYE/ EAR DROP	NOS.			5007460	4984030	25499.46	23430	215.74
				(2897729)	(2897729)	(16879.47)		
EYE/EAR DROP	NOS.			619200	619200	1605.21		
				(0.00)	(0.00)	(0.00)		
SOFT GEL. CAPSULE	NOS.			74415200	74415200	16170.95		
				(44141900)	(44141900)	(6655.59)		
WATER FOR INJECTION	NOS.							
				(66240)	(66240)	(106.41)		
TOTAL		1075	125.00	80160396	80138041	57354.96	23430	215.74
		(4163)	(536.25)	(47210086)	(47213136)	(37999.93)	(1075)	(125.00)



KABRA DRUGS LIMITED

RAW /PACKING MATERIAL AND STORES AND SPARES CONSUMED TO PROFIT AND LOSS A/C AS ON 31.3.2011

ITEM NAME	UNIT	31.03.2011		31.03.2010	
		QUANTITY	AMOUNT	QUANTITY	AMOUNT
RAW MATERIAL					
	KG	32555	25110	16819	10540.00
	LITRES	219495	5871	255982	7065.90
	TOTAL		30981		17605.90
	SAY		30981		17606

a) Value of Imports on CIF Basis	0	0
b) Expenditure materials consumed	0	0
c) Value of Imported materials Consumed	0	0
d) Remittance in foreign currency	nil	nil
e) Earnings in foreign currency	nil	nil

LICENCED INSTALLED CAPAICTY.
CERTIFIED BY THE MANAGEMENT AND RELIED BY THE AUDITORES
(BEING TECHNICAL MATTERS)

	UNIT	LICENCED	INSTALLED
ETHER	LACS LTRS	N.A.	9
LIQUID	LACS NOS.	N.A.	100
CAPSULES	LACS NOS.	N.A.	1200
TABLETS	LACS NOS.	N.A.	6000
INJECTABLES	LACS NOS.	N.A.	150
S.G.CAPSULES	LACS NOS.	N.A.	3000



KABRA DRUGS LIMITED

As per our report of even date

For & on behalf f the Board

**For AGRAWAL JHAVAR ASSOCIATES
CHARTERED ACCOUNTANT**

**DHARMENDRA AGRAWAL
PROPRITOR**

**SHYAM KABRA
CHAIRMAN &
MGING DIRECTOR**

**RAJENDRA BORDIYA
DIRECTOR**

PLACE: INDORE

DATE : 31.7.201



KABRA DRUGS LIMITED

RAW MATERIAL

YEAR 2010-2011

RS.IN
000

SR.	NAME OF ITEM	UNITS	OP	OP	RECEIPT	RECEIPT	RATE	TOTAL	TOTAL	ISSUE	ISSUE	BALANCE	BALANCE
			QTY	VALUE	QTY	VALUE		QTY	VALUE	QTY	AMOUNT	QTY	AMOUNT
1	AMOXICYLLIN TRIHYDATE IP	KG	0.00	0.00	10.00	19380.00	0.00	10.00	19380.00	10.00	19380.00	0.00	0.00
2	CHLORAMPHENICOL IP	KG	29.00	45957.30	542.00	904083.60	0.00	571.00	950040.90	566.00	940698.30	5.00	9342.60
3	FOLIC ACID	KG	0.00	0.00	0.20	247.00	0.00	0.20	247.00	0.20	247.00	0.00	0.00
4	CHOLECALCIFEROL	KG	0.00	0.00	240.00	62386.00	0.00	240.00	62386.00	240.00	62386.00	0.00	0.00
5	CEFOPERAZONE SODIUM USP	KG	5.00	45897.60	20.00	197000.00	0.00	25.00	242897.60	25.00	242897.60	0.00	0.00
6	CIRPOFLOXACINE HCL IP	KG	2.00	2972.00	14.00	11551.00	0.00	16.00	14523.00	15.78	14307.48	0.22	215.52
7	CHLOROQUINE PHOSPHATE	KG	8.00	6537.00	75.00	61499.75	0.00	83.00	68036.75	78.00	63904.45	5.00	4132.30
8	FLAVOUR	KG	0.00	0.00	1.50	1820.00	0.00	1.50	1820.00	1.50	1820.00	0.00	0.00
9	GELATINE POWDER	KG	365.00	81209.25	5300.00	1123550.50	0.00	5665.00	1204759.75	5465.00	1158775.37	200.00	45984.38
10	GLYCERINE	KG	0.00	0.00	800.00	21000.00	0.00	800.00	21000.00	800.00	21000.00	0.00	0.00
11	IPA	KG	0.00	0.00	3520.00	158399.75	0.00	3520.00	158399.75	3520.00	158399.75	0.00	0.00
11	LIGNOCAIN HYD	KG	0.00	0.00	25.00	19190.50	0.00	25.00	19190.50	25.00	19190.50	0.00	0.00
12	LIGNOCAIN HCL IP	KG	30.00	24000.00	75.00	55000.00	0.00	105.00	79000.00	105.00	79000.00	0.00	0.00
13	METHYL SAILICYLATE	LTR	0.00	0.00	20.00	4000.00	0.00	20.00	4000.00	20.00	4000.00	0.00	0.00
14	OIL	LTR	0.00	0.00	10543.00	569060.00	0.00	10543.00	569060.00	10543.00	569060.00	0.00	0.00
15	SOD.PROPYL PARABEN	KG	0.00	0.00	20.00	8300.00	0.00	20.00	8300.00	20.00	8300.00	0.00	0.00
16	VITAMIN A PALAMITATE	KG	0.00	0.00	175.00	733783.73	0.00	175.00	733783.73	175.00	733783.73	0.00	0.00
17	WAX EMULSISIYING	KG	0.00	0.00	250.00	25550.50	0.00	250.00	25550.50	250.00	25550.50	0.00	0.00
18	CETRAMIDE IP	KG	0.00	0.00	25.00	8250.50	0.00	25.00	8250.50	25.00	8250.50	0.00	0.00
19	AMPICILIN SODIUM STER	KG	5.00	13725.00	360.00	985882.00	0.00	365.00	999607.00	360.00	987894.05	5.00	11712.95
20	ANALGIN IP	KG	100.00	55169.00	150.00	93559.00	0.00	250.00	148728.00	250.00	148728.00	0.00	0.00
21	AMIKASIN SULPHATE	KG	0.00	0.00	160.00	1093552.89	0.00	160.00	1093552.89	160.00	1093552.89	0.00	0.00
22	CEFTAZIDIM SODIUM STERL	KG	35.00	510031.45	70.00	864230.00	0.00	105.00	1374261.45	105.00	1374261.45	0.00	0.00
23	CEFOTAXIME SOD STER	KG	0.00	0.00	90.00	707016.71	0.00	90.00	707016.71	90.00	707016.71	0.00	0.00
24	CEFTRIAZONE SOD ST USP	KG	10.00	61200.00	410.00	2745531.21	0.00	420.00	2806731.21	420.00	2806731.21	0.00	0.00
25	DEXAMETHOZONE SOD PHOS	GM	2.00	93840.00	15.00	577125.00	0.00	17.00	670965.00	17.00	670965.00	0.00	0.00
26	GENTAMYCINE SULPHATE	KG	0.00	0.00	132.00	626956.47	0.00	132.00	626956.47	132.00	626956.47	0.00	0.00
27	METCHOPRAMIDE IP	KG	10.00	32640.00	0.00	0.00	0.00	10.00	32640.00	10.00	32640.00	0.00	0.00
28	PROPELENE GLYCOL	KG	0.00	0.00	430.00	43041.00	0.00	430.00	43041.00	430.00	43041.00	0.00	0.00



KABRA DRUGS LIMITED

29	PIPERACILLIN & TAZOACTM.	KG	0.00	0.00	80.00	784181.00	0.00	80.00	784181.00	80.00	784181.00	0.00	0.00
30	VITAMIN B -12	GM	0.00	0.00	100.00	34997.00	0.00	100.00	34997.00	100.00	34997.00	0.00	0.00
31	BENZOIC ACID	KG	225.00	21139.00	825.00	92925.00	0.00	1050.00	114064.00	975.00	106939.00	75.00	7125.00
32	COLTAR BLACK	KG	30.00	1621.50	540.00	34835.00	0.00	570.00	36456.50	570.00	36456.50	0.00	0.00
33	LOBAN	KG	200.00	35852.85	750.00	175603.00	0.00	950.00	211455.85	450.00	93432.85	500.00	118023.00
34	RANITIDINE	KG	0.00	0.00	50.00	40939.98	0.00	50.00	40939.98	50.00	40939.98	0.00	0.00
35	RECITIFY SPIRIT	LTR	1000.00	86000.00	0.00	0.00	0.00	1000.00	86000.00	0.00	0.00	1000.00	86000.00
36	RECITIFY SPIRIT	LTR	0.00	0.00	12000.00	540000.00	0.00	12000.00	540000.00	8000.00	360000.00	4000.00	180000.00
37	BETA, ETHOZONE SOD.	KG	1.44	59205.95	1.00	46920.00	0.00	2.44	106125.95	2.44	106125.95	0.00	0.00
38	CHLOROPHENRAMINE MAL	KG	21.00	14994.00	60.00	55198.05	0.00	81.00	70192.05	71.00	52421.15	10.00	17770.90
39	CYNOCOBLAMINE BP	KG	200.00	20400.00	400.00	61200.00	0.00	600.00	81600.00	600.00	81600.00	0.00	0.00
40	DICYCLOMINE HCL	KG	0.00	0.00	15.00	14783.00	0.00	15.00	14783.00	15.00	14783.00	0.00	0.00
41	N PROPANANOL	KG	20.00	2778.28	0.00	0.00	0.00	20.00	2778.28	20.00	2778.28	0.00	0.00
42	POVIDONE IODINE	KG	0.00	0.00	140.00	88340.00	0.00	140.00	88340.00	140.00	88340.00	0.00	0.00
43	SODIUM BY CORBONATE	KG	52.00	12653.68	0.00	0.00	0.00	52.00	12653.68	52.00	12653.68	0.00	0.00
44	SODIUM METHYL PARAFIN	KG	0.00	0.00	20.00	6000.00	0.00	20.00	6000.00	20.00	6000.00	0.00	0.00
45	SULBACTAM SODIUM	KG	17.50	86570.42	10.00	46460.00	0.00	27.50	133030.42	27.50	133030.42	0.00	0.00
46	XANTHAN GUM USP	KG	0.00	0.00	35.00	10500.00	0.00	35.00	10500.00	0.00	0.00	35.00	10500.00
47	CUSTIC SODA	KG	240.00	7296.00	850.00	25110.00	0.00	1090.00	32406.00	1090.00	32406.00	0.00	0.00
48	ELWA	KG	160.00	23362.34	750.00	126202.00	0.00	910.00	149564.34	410.00	64692.34	500.00	84872.00
49	SODIUM BY SULPHATE	KG	0.00	0.00	560.00	20250.50	0.00	560.00	20250.50	560.00	20250.50	0.00	0.00
50	HYDROFLORIC	LTR	0.00	0.00	360.00	1800.00	0.00	360.00	1800.00	360.00	1800.00	0.00	0.00
51	ORANGE OIL	LTR	0.00	0.00	10.50	5470.00	0.00	10.50	5470.00	10.50	5470.00	0.00	0.00
52	LEMAN OIL	LTR	0.00	0.00	13.50	6500.00	0.00	13.50	6500.00	13.50	6500.00	0.00	0.00
53	CIMAMIN OIL	LTR	0.00	0.00	8.50	6100.50	0.00	8.50	6100.50	8.50	6100.50	0.00	0.00
54	AMIKACIN	KG	0.00	0.00	50.00	352994.21	0.00	50.00	352994.21	50.00	352994.21	0.00	0.00
55	AMPCILLIN SOD.	KG	100.00	267900.00	340.00	999557.00	0.00	440.00	1267457.00	415.00	1194712.84	25.00	72744.16
56	ANALGIN IP	KG	0.00	0.00	450.00	275297.40	0.00	450.00	275297.40	425.00	260035.25	25.00	15262.15
57	AMOXICILLIN SOD	KG	0.00	0.00	20.00	292027.58	0.00	20.00	292027.58	20.00	292027.58	0.00	0.00
58	ADERNATINE BIT	KG	0.00	0.00	100.00	19647.60	0.00	100.00	19647.60	100.00	19647.60	0.00	0.00
59	BENZYL BENZOATE IP	KG	0.00	0.00	3135.00	468306.37	0.00	3135.00	468306.37	2935.00	437068.22	200.00	31238.15
60	CEFTRAXONE SOD.STER	KG	0.00	0.00	400.00	3487243.99	0.00	400.00	3487243.99	300.00	2689992.02	100.00	797251.97
61	CEFOTAXIME SODI.	KG	0.00	0.00	210.00	1566872.62	0.00	210.00	1566872.62	190.00	1424276.00	20.00	142596.62
62	CEFTASIZIDIME STER.USP	KG	0.00	0.00	70.00	993843.84	0.00	70.00	993843.84	20.00	300260.00	50.00	693583.84
63	DICLOFENIC SODIUM	KG	0.00	0.00	50.00	39231.62	0.00	50.00	39231.62	25.00	13887.50	25.00	25344.12
64	CHLOROMPHINICOL	KG	0.00	0.00	100.00	198128.90	0.00	100.00	198128.90	75.00	142164.69	25.00	55964.21



KABRA DRUGS LIMITED

65	CEFAPERAZONE SODIUM	KG	0.00	0.00	40.00	407877.13	0.00	40.00	407877.13	20.00	205980.93	20.00	201896.20
66	CLOXACILLIN SODIUM ST	KG	36.00	95413.52	30.00	89117.00	0.00	66.00	184530.52	66.00	184530.52	0.00	0.00
67	GENTAMYCINE SULPHATE	KG	0.00	0.00	200.00	1415432.58	0.00	200.00	1415432.58	200.00	1415432.58	0.00	0.00
68	GELETINE POWDER	KG	0.00	0.00	4000.00	976504.00	0.00	4000.00	976504.00	2500.00	585097.00	1500.00	391407.00
69	IODINE	KG	0.00	0.00	50.00	100885.70	0.00	50.00	100885.70	50.00	100885.70	0.00	0.00
70	OXYTETRACYCLINE HCL	KG	45.00	46272.60	0.00	0.00	0.00	45.00	46272.60	45.00	46272.60	0.00	0.00
71	POTASH ALUM	KG	0.00	0.00	400.00	16538.00	0.00	400.00	16538.00	400.00	16538.00	0.00	0.00
72	PROPYLENE GLYCOL IP	KG	0.00	0.00	1290.00	120566.54	0.00	1290.00	120566.54	1290.00	120566.54	0.00	0.00
73	PIPARACILLIN TEXOCTUM	KG	0.00	0.00	50.00	612754.75	0.00	50.00	612754.75	20.00	251716.20	30.00	361038.55
74	PETROLIUM JELLY	KG	0.00	0.00	6470.00	579968.07	0.00	6470.00	579968.07	5450.00	481540.10	1020.00	98427.97
75	POTASSIUM IODIDE	KG	0.00	0.00	100.00	110104.75	0.00	100.00	110104.75	100.00	110104.75	0.00	0.00
76	SULBACTAM SODIUM	KG	0.00	0.00	30.00	136599.70	0.00	30.00	136599.70	20.00	91312.00	10.00	45287.70
77	SODIUM METHYL PARAFIN	KG	0.00	0.00	60.00	18067.61	0.00	60.00	18067.61	40.00	11967.61	20.00	6100.00
78	SODIUM PROPYL PARABEN	KG	0.00	0.00	50.00	21030.48	0.00	50.00	21030.48	10.00	4140.00	40.00	16890.48
79	VITAMIN A & D	KG	0.00	0.00	90.00	405753.32	0.00	90.00	405753.32	70.00	316940.54	20.00	88812.78
80	DENATURED SPIRIT	KG	0.00	0.00	200000.00	4881204.00	0.00	200000.00	4881204.00	200000.00	4881204.00	0.00	0.00
81	EXCISEDUY AND OTHER	KG	0.00	0.00	0.00	-1729795.00	0.00	0.00	-1729795.00	0.00	315250.00	0.00	-2045045.00
TOTAL			2948.94	1754638.74	258836.20	30801021.90	0.00	261785.14	32555660.64	252319.92	30981181.09	9465.22	1574479.55

As per our report of even date

For & on behalf of the Board

**For AGRAWAL JHAVAR ASSOCIATES
CHARTERED ACCOUNTANT**

**DHARMENDRA AGRAWAL
PROPRITOR**

**SHYAM KABRA
CHAIRMAN &
MGING DIRECTOR**

**RAJENDRA BORDIYA
DIRECTOR**

**PLACE: INDORE
DATE : 31.7.2011**



KABRA DRUGS LIMITED

Balance Sheet Abstract and company's general Business profile.

I Registration Details		
Registration No.	10-05438	
Balance Sheet Date	31.03.2011	
II. Capital Raised during the year (Amount in Rs. Thousands)		
Capital issue		Rights Issue
Nil		Nil
Bonus Issue		Private Placement
Nil		Nil
III. Position of mobilization and Deployment of Funds (Amount in Rs. Thousand)		
Total Liabilities		Total Assets
54687		54687
Sources of Funds		
Paid – up Capital		Reserves and surplus
43886		-
Secured Loans		Unsecured Loans
2912		7885
Application of Funds		
Net Fixed Assets		Investment
39883		Nil
Net Current Assets		Misc. Expenditure
(2560)		0
Accumulated Loss		
17363		
IV. Performance of Company (Amount in Rs. Thousand)		
Turnover*		Total Expenditure
57446		55551
*includes Other Income Profit / Loss Before Tax		Profit / Loss After Tax
1894		1459
Earnings per Share in Rs.		Dividend Rate %
0.		Nil
V. Generic Names of Three Principal Production / Services of the Company		
(As per monetary terms)		
Items code no. (ITC Code)		29091100
Product Description		DIETHYL ETHER
Item Code No. (ITC Code)		30049054
Product Description		Atenolal – Formulations in tables.
Items Code No. (ITC Code)		30042008
Product Description		Cephalexin – Formulations thereof in capsules Etc.
Signature to Schedule “A” to “K”		



KABRA DRUGS LIMITED

As per our report of even date

For Agrawal Jhaver Associates
Chartered Accountant

For & on behalf of the Board

DHARMENRA AGRAWAL
PROPRITOR

SHYAM KABRA
CHAIRMAN &
MANAGING
DIRECTOR

**RAJENDRA
BOARDIYA**
DIRECTOR

Place: **INDORE**
Date: 31.07.2011



KABRA DRUGS LIMITED

AUDITORS' REPORT: -

We have verified the attached Cash Flow statement of Kabra Drugs Limited derived from audited financial statements and the books and records maintained by the Company for the years ended 31st March, 2011' and found the same in agreement therewith. The statement has been prepared by the company in accordance with the requirements of listing agreement with Stock Exchanges.

For Agrawal Jhavar Associates

Chartered Accountant

Place: Indore

Date: - 31.07.2011.

Dharmendra Agrawal

Partner

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