

*28th*  
*Annual Report*  
*2012 - 2013*



**BIOFIL**

*Health for All*

**BIOFIL CHEMICALS  
&  
PHARMACEUTICALS LIMITED**

BLANK

**Board of Directors :**

Shri Ramesh Shah, Chairman & Managing Director.  
Shri Ramesh Chimanlal Shah, Director  
Shri Romil Shah, Director  
Shri Navneet Bagree, Director  
Ms. Shaila Jain, Director

**Bankers :**

State Bank of India,  
Industrial estate Branch,  
Indore.

IDBI Bank Ltd.,  
Ratlam Kothi Branch,  
Indore.

**Auditors :**

S.N. Gadiya & Co.,  
Chartered Accountants  
241, Apollo Towers  
2, M.G. Road, Indore M.P.

**Registered Office :**

11/12, Sector "E"  
Sanwer Road, Industrial Area,  
INDORE - 452 015 (M.P.)  
E-mail : biofilchemicals@yahoo.com  
Website : www.biofilgroup.com

**Share Transfer Agent**

Ankit Consultancy Private Limited  
Plot No. 60, Pardeshipura,  
Electronic Complex,  
Indore-452010 (M.P.)  
Phone: 0731-3198601-602  
Fax: 0731-4065798  
Email ID: ankit\_4321@yahoo.com

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### **NOTICE OF 28TH ANNUAL GENERAL MEETING**

Notice is hereby given that the **28th Annual General Meeting** of the members of **BIOFIL CHEMICALS AND PHARMACEUTICALS LTD.** will be held on **Saturday, 28th September, 2013** At 2.00 P.M. at 11/12, Sector E, Sanwer Road, Industrial Area, Indore M.P.

#### **ORDINARY BUSINESSES:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the profit & Loss Account for the year ended on same date and the Reports of Board of Directors & Auditors thereon.
2. To appoint Director in place of Shri Ramesh Chimanlal Shah, who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

#### **SPECIAL BUSINESS:**

4. **To consider and if, thought fit, to pass with or without modification(s) the following resolution as special resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, and in terms of Schedule XIII of the Companies Act, 1956 as amended up to date, Shri Ramesh Shah, be and is hereby re-appointed as Managing Director of the Company for a period of further 5 years with effect from 1st October, 2013 to 30th September, 2018 on the following terms, conditions, salary and perquisites:

- a. **Salary :** Rs.25,000/- (Rupees Twenty Five Thousand only) per month.
- b. **Commission:** a commission based on the net profit of the company as may be determined by the Board, subject to overall ceiling laid down in section 198 and 309 of the Companies Act, 1956 and provided, however, the commission will be paid on pro-rata basis in the event of earlier cessation or termination of appointment.
- c. **Perquisites:** In addition to the above salary Shri Ramesh Shah , Managing Director shall also be entitled to the perquisites (evaluated as per Income Tax Rule wherever applicable and at actual cost to the Company in other cases) like benefits of furnished accommodation/House Rent Allowance with gardener and security guard, gas, electricity, water and furnishings, chauffeur driven car and telephone at residence, medical reimbursement, personal accident insurance, leave and leave travel concession, club fees, provident fund, Superannuation fund, exgratia & gratuity in accordance with the scheme(s) and rule(s) applicable to the members of the staff or any modification(s) that may be made in any scheme/rule for the aforesaid benefits. However, perquisites shall be restricted to an amount 25% of annual salary."

**"RESOLVED FURTHER THAT** where in any financial year the Company has no profits during the term of office of Shri Ramesh Shah in that case no remuneration shall be paid to Shri Ramesh Shah."

**"RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to vary, alter, increase or enhance/change from time to time, the terms and conditions of appointment and remuneration of Shri Ramesh Shah subject to the limit laid down under the applicable provisions of the Companies Act, 1956 and subject to the requisite approvals, if any, being obtained"

**"RESOLVED FURTHER THAT** for this purpose of giving effect to this resolution, the board of directors be and is hereby authorized to do all such acts, deeds, matters and things as may in their absolute discretion deem necessary, expedient, usual and proper."

By Order of the Board.  
**For Biofil Chemicals & Pharmaceuticals Ltd.**

Sd/-

(Ramesh Shah)  
Managing Director

Place : Indore  
Date : 13/08/2013

#### **NOTES :**

- **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Corporate Members are requested to forward a Certified Copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the special business set out in the Notice is annexed hereto.
- Register of the members and share transfer books of the company will be remain closed from Monday 23rd Day of

September 2013 to Saturday, 28th Day of September, 2013 (both days inclusive) in terms of section 154 of the Companies Act, 1956.

- Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking re-appointment at the Annual General Meeting is given in corporate governance report forming part of this annual report.
- Members are requested to send their queries, if any at least 10 days in advance so that the information can be made available at the meeting and to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
- The Company has designated an exclusive email ID biofil@sancharnet.in, which would enable the members to post their grievances and monitor its redressed. Any member having any grievance may post the same to the said Email address for its quick redressal.
- Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, 60 Pardeshipura, Electronic Complex, Indore -452010 M.P.
- SEBI have made it mandatory for every participant in the securities/ capital market to furnish the detail of Income Tax Permanent Account Number (PAN). Accordingly, all shareholders holding shares in the physical form are requested to submit details of PAN along with a photocopy of both the sides of the PAN Card, duly attested, to the Registrar and Share Transfer Agent.
- Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form Shareholders desirous of making nominations are requested to fill and send form 2B (Copy of which will be made available on request).
- In all correspondence with the Company, members are requested to quote their Account/Folio numbers and in case their shares are held in dematerialized form, they must quote their client ID number and their DP ID number.
- Members who wish to dematerialize the shares or seek any information regarding transfer of shares are requested to contact the Company Registrar and Share Transfer Agent.
- The Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies and has issued Circular No. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. The Company proposes to send the documents to its Members like notices, annual report, etc. in electronic form. Members are requested to provide their email ID to the depositories who are holding their shares in demat form and the members who are holding their shares in physical form may send the duly filed form to our Registrar Ankit Consultancy Private Limited, 60, Electronics Complex, Pardeshi Pura Indore-452010 M.P. for sending the document in electronic form. The form is enclosed with Annual Report.

By Order of the Board.  
**For Biofil Chemicals & Pharmaceuticals Ltd.**  
(Ramesh Shah)  
Managing Director

Place : Indore  
Date : 13/08/2013

#### **Explanatory Statement**

Pursuant to section 173(2) of the Companies Act, 1956

Shri Ramesh Shah is associated with Company since from incorporation and he is founder of the company. Shri Ramesh Shah, who in addition to being a B-Pharma has rich and diversified experience especially in Pharmaceuticals line. Further to comply the requirement of section 269 of Companies Act, 1956 and looking in to his wide experience and contribution made by him, it is proposed to re-appoint as Managing Director of the Company for the period from 1st October, 2013 to 30th September, 2018 on remuneration as mentioned in said resolution.

Except proposed appointee and Shri Romil Shah no other Director is concerned or interested in the proposed resolution. The contents of resolution along with explanatory statement and details therein shall be deemed to be abstract of the terms and conditions of re-appointment of Shri Ramesh Shah under section 302 of the Companies Act, 1956 and memorandum of interest in that behalf.

By Order of the Board.  
**For Biofil Chemicals & Pharmaceuticals Ltd.**  
(Ramesh Shah)  
Managing Director

Place : Indore  
Date : 13/08/2013

## DIRECTOR'S REPORT

**To**  
**The Members of**  
**Biofil Chemicals and Pharmaceutical Limited**

Your Directors have pleasure in presenting the 28th Annual Report of your company together with the Audited statements Accounts for the year ended on 31st March, 2013. The Financial Results of the company in the year under review are as under:

### **FINANCIAL AND OPERATIONAL PERFORMANCE**

Rs. In Lacs

PARTICULARS	Year ended 31/03/2013	Year ended 31/03/2012
Total Income	607.28	631.61
Total Expenditure	540.27	615.52
<b>Profit/Loss Before Tax</b>	<b>67.01</b>	<b>16.09</b>
Provision for taxation		
• Income Tax	12.77	1.04
• Deferred Tax Assets/Liability	0.00	0.00
Profit/Loss after tax	54.24	15.05
Paid up Equity Share Capital	1627.38	1627.38
Earning per Share	0.33	0.09

During the financial year your company has turnover of Rs. 607.28 Lacs in comparison to previous year's turnover of Rs. 631.61 Lac and net profit of the company is Rs. 54.24 lacs in comparison to previous net profit of Rs. 15.05 lacs.

In 2012-2013 company has received Job Work Income while in previous year income was from trading of goods, therefore company has earned more profit in comparison to previous year.

### **DIVIDEND**

To conserve the resources of profit and accumulated losses, your directors not recommended any dividend for the year under review.

### **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and as per Articles of Association of the Company Shri Ramesh Chimanlal Shah, retires by rotation at the forthcoming Annual General Meeting, and being eligible, offer himself for re-appointment.

### **PUBLIC DEPOSITS**

Your Company has not accepted any Public deposit within the meaning of section 58A of the Companies Act 1956, read with the Companies (Acceptance of Deposit) Rules, 1975

### **REISSUE OF FORFEITED SHARES**

The members are aware that during the financial year 2010-2011 Board of the directors have reissued the 5712500 forfeited equity shares to promoters and non promoters with the permission of the members. The company has made the application to stock exchanges but listing confirmation for above said shares are still pending with the stock exchanges.

### **DIRECTOR'S RESPONSIBILITIES STATEMENT.**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility statement, it is hereby confirmed:

- i) That in the preparation of the annual accounts for financial year ended 31st March, 2013; the applicable accounting standards have been followed along with proper explanation relating to material departure;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the year and review.
- iii) that the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

### **AUDITORS:**

M/s S. N. Gadiya & Co., auditors of the company, retires as the auditors at the ensuing Annual General Meeting and being eligible, offers them for reappointment.

**AUDITORS REPORT**

The Report of Auditors of the Company for the year under reference is self-explanatory and do not call for any comments from the Directors.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

Pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules 1988, the Poultry is exempted. Further the Company's operations do not involve substantial consumption of energy in comparison to cost of production, However possible energy conservation measures have been implemented with a view to conserve and optimize the use of energy.

**TECHNOLOGY ABSORPTION:**

The Company has neither purchased within India nor imported any technology.

Foreign Exchange Earnings and Outgo : Rs. Nil

Total foreign exchange earned : Rs. Nil

Total foreign exchange used : Rs. Nil

**COST AUDITORS**

As per the requirements of the Central Government and pursuant to the provisions of Section 233B of the Companies Act, 1956 the audit of the Cost Accounting record maintained by the company for product and services covered under MCA cost Audit order. The Company has appointed Shri. Vijay P. Joshi, Cost Auditor, Indore to audit the cost accounts for the year 2012-13 commencing from 1st April, 2012 to 31st March, 2013 for which approval from the Central Government is granted. The Cost Audit Report in respect of financial year 2012-13 will be filled on or before the due date.

**PARTICULARS OF EMPLOYEES**

The Company did not have any employee, during the year drawing remuneration attracting the provision of section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rule 1975. The company continued to have cordial and harmonious relations with employees. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market condition.

**CORPORATE GOVERNANCE**

A separate section titled "Corporate Governance" including a certificate from the Auditors of the Company confirming compliance of the conditions of the Corporate Governance as stipulated under clause 49 of the Listing Agreement and also the Management Discussion and Analysis Report and CEO certification are annexed hereto and form part of the report.

**AUDIT COMMITTEE**

Under the provisions of Companies Act, 1956 and Listing Agreement with the Stock Exchanges a Audit Committee Comprises of Shri Ramesh C. Shah, Smt. Shaila Jain, and Shri Navneet Bagree.

**CODE OF CONDUCT**

The Company has laid down a code of conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the code of conduct.

**DEPOSITORY SYSTEM**

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid.

**INSURANCE**

The Company's assets are adequately insured against the loss of fire and other risk, as considered necessary by the Management from time to time. The Company has also taken insurance cover for any claims /losses arising out of its core business of security broking.

**ACKNOWLEDGMENT:**

Your director wish to place on record their appreciation for the contribution made by employees at all levels and only due to their hard work, solidarity and Support Company is on again growth path. Your directors also wish to thank the customers, dealers, agents. Suppliers, investors, banks and other stakeholders for their continued support and faith respond in the Company. We look forward to their continued support in the future.

**For and on behalf of the Board**

Place : Indore  
Date : 30/05/2013

**Sd/-  
Ramesh S. Shah  
Managing Director**

**Sd/-  
Romil Shah  
Director**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMIC SCENARIO**

The problems stalking the global economy are multiple and interconnected. The rapidly cooling economy is both a cause and an effect of the debt crises and fiscal problems. India's economic growth rate this fiscal went sharply lower at 5 percent, lowest in decade on account of poor performance of manufacturing, agriculture and service sector. Rupee depreciation has been contributing to increasing inflationary pressures. Monetary and liquidity conditions have eased so far in 2012-13 after the Reserve Bank of India slashed its policy rates. The economy is expected to continue mending gradually, Indian economy is projected to grow by 5.7 percent in 2013 and 6.2 percent in next year as against world output growth of 3.3 percent and 4 percent respectively during period under review ; but with old dangers remaining and new risks emerging.

**INDUSTRY SCENARIO**

The Indian Pharmaceutical industry has been witnessing phenomenal growth in recent years, driven by rising consumption levels in the country and strong demand from export markets. The Indian pharmaceuticals, particularly has been the front runner in a wide range of specialties involving complex drugs manufacture, development and technology. It ranks very high in the third world, in terms of technology, quality and range of medicines manufactures.

The domestic industry's long established position as a world leader in the production of high quality generic medicines is set to reap a significant new benefits as the patents on a number of blockbuster drugs are scheduled to expire over the next few years. In addition, more and more governments worldwide are seeking to curb their soaring prescription drug costs through greater use of generics. Pharma companies will continue to benefit from recovery in the domestic market and strong growth potential in generics market in developed countries though pricing policy would have near-term impact,

**OPPORTUNITIES AND THREATS**

The pharmaceutical companies are increasingly under pressure due to a host of factors, including relatively dry pipeline for new drugs, higher R&D costs and increasing pressure from Governments for reduced healthcare costs. The industry is bracing itself for some fundamental changes in the market place and is looking at newer ways to drive growth. However with the right strategy, Indian companies are very well poised to take advantage of these changes and successfully navigate the future. Despite challenges, leading Indian players continue to exhibit strong profitability indicators (excluding impact of one-offs like exclusivity-related positive aberrations or impact of exchange fluctuations) and business profile. The Indian pharmaceutical companies remains favorable as we believe companies will continue to benefit from recovery in the domestic market (though pricing policy would have near-term impact), strong growth potential in generics market in developed countries and increasing geographic footprint; overall, investments in R&D and manufacturing capabilities are likely to remain buoyant over the medium term.

**INTERNAL CONTROL SYSTEMS:**

The Companies Internal control/supervisory system is established to ensure that board and management are able to achieve their business objectives in a prudent manner, safeguarding the interest of Companies shareholders and other stakeholders whilst minimizing the key risk such as fraud, misleading financial statements, breach of legal and contractual obligation, unauthorized business activity.

**HUMAN RESOURCE:**

Your Company follows a strategy of attracting and retaining the best talent and keep employees engaged, motivated and innovative. The Company continues to have cordial relations with its employees and provide personnel development opportunities for all round exposure to them.

**FINANCIAL AND OPERATIONAL PERFORMANCE**

Financial and Operational performance forms part of the Annual Report and is presented elsewhere in the report.

**Cautionary Statement:**

***Some of the Statements in Management discussion and Analysis describing companies objective may be "forward looking statement" within the meaning of applicable Securities law and Regulations. Actual results may differ substantially or materially from those expressed or implied. Important factors that could influence companies operation include various global and domestic economic factors.***



## REPORT ON CORPORATE GOVERNANCE

A report of the financial year ended 31st march, 2013 on the compliance by the company with the corporate governance requirement under clause 49 of the Listing agreement, is furnished below:

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good corporate governance leads to long term shareholders value and enhances interest of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board of align and direct the actions of the organization towards creating wealth and shareholder value.

The company's essential character is shaped by the value of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavors to improve on these aspects. The Board views corporate governance in its widest sense. The main objective is to create and adhere to corporate culture of integrity and consciousness, transparency and openness. Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on corporate governance is guided by the company's philosophy of knowledge, action and care.

#### A. BOARD OF DIRECTORS

(i) The Company's policy is to maintain an optimum combination of Executive and non Executive Independent directors. The Composition of your Company's Board, which comprises of 5 (five) directors, is given in the table below and is in conformity with clause 49 of the listing agreement and with stock exchange.

As will be seen from the following table, none of the directors hold directorship in more than 15 public limited company, nor is any of them a member of more than ten committees of the prescribed nature or holds chairmanship of more than five such committee across all public limited companies in which they are directors. The Board does not have any nominee director representing any institution.

Name of Directors	Category	No. of Board Meeting Attended	Other Directorship		Othetr Committee Position		Whether attended last AGM held on 28.09.2012
			Chairman	Member	Chairman	Member	
Mr. Ramesh Shah	MD	6	NIL	NIL	NIL	NIL	Yes
Ms. Shaila Jain	ID	4	NIL	NIL	NIL	3	No
Mr. Navneet Bagree	ID	4	NIL	2	NIL	3	No
Mr. Romil Shah	NED	6	NIL	NIL	NIL	NIL	Yes
Mr. Ramesh Chimanlal Shah	ID	4	NIL	NIL	3	3	No

MD = Managing Director, ID = Independent Director, NED = Non executive Director

**Note :** This includes directorship in public limited companies and subsidiary of public limited companies and excludes directorship in private Limited companies, overseas companies, companies under section 25 of the Companies Act, 1956 and alternate directorship.

During the year 2012-13 the Board met 6 (six) times on the following dates, namely:

29/05/2012	13/08/2012	10/11/2012	31/01/2013	12/02/2013	31/03/2013
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#### ii) Inter-se relationship among directors

Mr. Romil Shah is Brother's son of Shri Ramesh Shah.

#### iii) Role of Independent Director

Independent Directors play a key role in the decision making process of the Board and in shaping various strategic initiatives of the Company. The Independent directors are committed to act in what they believe to be in the best interest of the Company and its stakeholders. The independent Directors are professionals, with expertise and experience in general corporate management, public policy, finance, financial services and other allied fields. The Company benefits immensely from their inputs in achieving its strategic direction.

#### iv) Shareholding of Non-executive Director

The Number of equity shares held by Non-Executive Directors as on 31.03.2013 were as under:

Name of the Director	No. of Shares
Ms. Shaila Jain	Nil
Mr. Navneet Bagree	Nil
Mr. Ramesh Chimanlal Shah	Nil

**v) Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as per Clause 49(1) (A) of the Listing Agreement.**

Name	Mr. Ramesh Chimanlal Shah
Date of Birth	23/08/1936
Date of Appointment	29/04/2006
Qualification	Graduate
Expertise in specific functional area	Technical
Directorship held in other Companies	NIL
Number of shares held in the Company	NIL
Relationship	There is no relationship with any other director of the Company.

**B. Board Procedure**

A detailed agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefs the Board at every meeting on the overall Company performance and compliance of the company wherever applicable.

**C. COMMITTEES OF THE BOARD**

**(I) Audit Committee (Mandatory Committee)**

The Company has constituted a qualified and independent Audit committee under section 292A of the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee, including committee chairman are independent director. All the members of the committee are financial literate.

**(i) Meeting and Composition**

The Composition of Audit Committee as on 31.03.2013 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of Meetings Attended	
			Held during tenure	Attended
Mr. Ramesh Chimanlal Shah	Non executive Independent Director	Chairman	4	4
Ms. Shaila Jain	Non executive Independent Director	Member	4	4
Mr. Navneet Bagree	Non executive Independent Director	Member	4	4

During the year the committee met on four occasions during the year on following dates namely:

29/05/2012	13/08/2012	10/11/2012	12/02/2013
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As mandated by clause 49 of the Listing agreement

1. The representative of statutory auditor of the company are also invited in the audit committee meetings.
2. The gap between two audit committee meetings was not more than four months.

**Terms of reference of the Audit Committee**

The terms of reference of Audit Committee are as under:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval of payment of any other services:
- Reviewing with management, the annual financial statement before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors responsibility statement to be included in the boards report as per Section 217(2AA) of the Companies Act, 1956.
  - b. Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings.
  - c. Compliance with listing and other legal requirements relating to financial statements.
  - d. Disclosure of any related party transactions.
  - e. Qualifications in the draft audit report if any.
- Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern,
- Reviewing the management discussion and analysis of the financial conditions and results of operations.
- Reviewing with the management and the statutory auditors anticipated changes in the Accounting Standards.
- Reviewing the Company's financial and risk management policies;

- Undertake such other functions as may be entrusted to it by the Board from time to time.

**(II) Shareholder / Investors Grievance Committee**

Pursuant to clause 49 of the listing agreement, the Company has constituted a Board Committee designated as shareholder's/investor's Grievance Committee under the Chairmanship of Non Executive independent director to specifically look in the redressal of shareholder's/investor's complaints like transfer of shares, non receipt of balance sheet, and other ancillary matters. Mr. Ramesh Shah is the compliance Officer of the company.

**(i) Meeting and Composition**

The Composition of Committee as on 31.03.2013 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of Meetings Attended	
			Held during tenure	Attended
Mr. Ramesh Chimanlal Shah	Non executive Independent Director	Chairman	1	1
Ms. Shaila Jain	Non executive Independent Director	Member	1	1
Mr. Navneet Bagree	Non executive Independent Director	Member	1	1

The committee met one time during the year under review.

- (ii) During the year under review 1 (one) complaint was received from shareholder and the same was resolved to the satisfaction of the shareholder and there were no complaints pending unresolved as at the end of the year.
- (iii) Share transfer in physical form are registered by the Registrar and returned to respective Transferee / person within a period ranging from one to two weeks provided the documents lodged with Registrar /Company are clear in all respects.

**(III) Remuneration Committee (Non mandatory Committee)**

The Company has constituted a remuneration committee under Schedule XIII to the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee are Non Executive independent directors.

**a) Terms of reference**

The terms of reference of remuneration committee is to deal with, decide and recommended to the Board of the Directors on all matters relating to appointment and remuneration to managing director and whole time director.

**b) Meeting and Composition**

The composition of committee as on 31.3.2013 and attendance record of the members at the meeting held during the year are as under:

Name of the Member	Category	Status	No. of Meetings Attended	
			Held during tenure	Attended
Mr. Ramesh Chimanlal Shah	Non executive Independent Director	Chairman	1	1
Ms. Shaila Jain	Non executive Independent Director	Member	1	1
Mr. Navneet Bagree	Non executive Independent Director	Member	1	1

**c) Remuneration of directors**

- No Remuneration paid to any director during the year 2012-2013
- No sitting Fees was paid to any Director of the Company during the financial year
- The company does not have any service contract with any of its directors.
- The company has not granted any stock option to any of its director/employees.
- During the year the committee met on one occasions during the year.

**MANAGEMENT**
**A. The Management discussion and analysis report**

The Annual Report has a detailed chapter on Management Discussion and Analysis.

**B. Disclosure by Management to the Board**

All details relating to the financial and commercial transactions where directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

**Compliance with Mandatory / Non Mandatory requirements.**

- The Company has complied with all the applicable mandatory requirement of clause 49 of the listing agreement.
- The Company has also adopted the non mandatory requirement as specified in Annexure 1D to clause 49 of the listing agreement regarding constitution of remuneration committee, the details of which already been provided in this report and audit qualification. There is no audit qualification in the financial statement.

**DISCLOSURES**

- A. There were no material transactions of the Company with its promoters, directors, and management on their relatives that may have conflict with the interest of the Company at large.
- B. The particulars of transactions between the Company and its related parties in accordance with the accounting standard 18 are set out in Annual report. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company.
- C. The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/ judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.
- D. The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.
- E. There has been no non-compliance by the company or penalty or strictures imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets during last three years.
- F. During the year under review Company has not issued any type of securities. No GDR/ADR issued by the Company.
- G. The company has established a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- H. As per clause 5A(II) of the listing agreement there is no unclaimed shares in the company.

**SHAREHOLDER'S INFORMATION**
**MEANS OF COMMUNICATION**

Presently, the quarterly/half yearly financial results are not sent individually to the shareholders. However as required under the listing agreement, the same are published.

The Company's website [www.biofilgroup.com](http://www.biofilgroup.com) contains information on the Company and its performance. Presentations to analysts, as and when made, are immediately put on the website for the benefit of the shareholders and the public at large. The secretarial department's mail is [biofil@sancharnet.in](mailto:biofil@sancharnet.in).

**GENERAL BODY MEETINGS**

The last three Annual General Meetings of the Company were held as detailed below:

Financial Year.	Date	Time	Venue
<b>27th Annual General Meeting 2011-2012</b>	28.09.2012	2.00 P.M.	Registered Office of Company at 11/12, Sector "E" Sanwer Road, Indore 452015 (M.P.)
<b>26th Annual General Meeting 2010-2011</b>	29.09.2011	2.00 P.M.	Registered Office of Company at 11/12, Sector "E" Sanwer Road, Indore 452015 (M.P.)
<b>25th Annual General Meeting 2009-2010</b>	28.09.2010	3.00 P.M.	Registered Office of Company at 11/12, Sector "E" Sanwer Road, Indore 452015(M.P.)

**POSTAL BALLOT & SPECIAL RESOLUTION:**

No resolutions were passed by postal ballot in last three years.

None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

Following special resolutions were passed in last three Annual General meeting by way of show of hands:

- Special resolution was passed pursuant to the Provisions of section 149(2A) to carry on the business activities as covered under the other Object Clause No. (c) 30 of the Memorandum of Association of the company in the annual general meeting held on 29.09.2011

**GENERAL SHAREHOLDER INFORMATION**

AGM : Date, Time and Venue	Saturday 28th Day of September 2013 at 2.00 P.M. Venue of the meeting: 11/12, Sector E, Sanwer Road, Industrial Area, Indore- 452015 (M.P.) Last Date for Receipt of Proxy Form 27th September 2013
Financial reporting for 2013-14: 1st Quarter ending 30th June, 2013 2nd Quarter ending 30th September, 2013 3rd Quarter ending 31st December 2013 4th Quarter ending 31st March, 2014	Before 14th August, 2013 Before 14th November, 2013 Before 14th February, 2014 Before 14th May, 2014
Date of Book Closure	Monday 23rd September 2013 to Saturday 28th September 2013 [Both days inclusive]
Listing on Stock Exchanges	1. The Bombay Stock Exchange, Mumbai 2. The National Stock Exchange, Mumbai 3. M.P. Stock Exchange Ltd. (The listing of Shares has been Suspended on National Stock Exchange & delisting application rejected by M.P. Stock Exchange Ltd and matter is under litigation.)
Dividend Payment Date	No dividend recommended by Board of Directors of the Company
Stock Code -Physical  ISIN Number of NSDL & CDSL	Bombay Stock Exchange 524396 National Stock Exchange: BIOFILCHEM  <b>INE829A01014</b>
Registrar and Share Transfer Agent	Ankit Consultancy Private Limited 60- Pardeshipura, Electronic Complex, Indore-452010, (M.P. )Ph.: 0731-3198601-602
Share Transfer System	All the transfer received are processed by the Registrar and share transfer Agent
Share holding Pattern as on 31.03.2013	As per Annexure A
Market Rate	Market Data at BSE in Annexure B
Shareholding pattern of the company as on 31.03.2013	Please see Annexure 'C'
Outstanding GDRs/ADRs/Warrants or any convertible instruments , Conversion date and likely impact on equity	Not issued
Dematerialization of Shares	The Shares of the Company are compulsorily traded in dematerialized form under depository system of both the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) Company's Electronic Connectivity Registrar is: Ankit Consultancy Private Ltd. Plot No. 60, Pardeshipura, Electronic Complex, Indore-452010 (M.P.) Phone: 0731-3198601-602 Fax: 0731-4065798 Email ID: ankit_4321@yahoo.com
Dematerialization of shares and liquidity	75.06% of the paid-up capital has been dematerialized as on 31.03.2013. Further Trading in the Company's shares is compulsory in dematerialized form
Address for correspondence	Shareholders correspondence should be addressed to: <b>Biofil Chemicals &amp; Pharmaceuticals Ltd.</b> 11/12 Sector "E"Sanwer Road, Indore-452015 (M.P.)
Plant Locations	The Company's plant are located at :- (1) Plot No. 8 Sector 4 Kheda Industrial Estate Pithampur Dist. Dhar (2) 11/12 Sector "E"Sanwer Road, Indore-452015 (M.P.)

- **Distribution of Shareholding by size as on 31st March 2013: (Annexure C)**

Share or Debenture holding of nominal value	Shares / Debenture holders		Shares / Debenture Amount		
	Rs.	Number	% of Total	Rs.	% of Total Amount
Less Than - 5000		3900	74.25	9165230	5.63
5001-10000		698	13.29	6289520	3.87
10001-20000		295	5.62	4706490	2.89
20001-30000		106	2.02	2741770	1.68
30001-40000		57	1.09	2062890	1.27
40001-50000		61	1.16	2925910	1.80
50001-100000		58	1.10	4169910	2.56
100001 and above		77	1.47	130676280	80.30
<b>Total</b>		<b>5252</b>	<b>100.00</b>	<b>162738000</b>	<b>100</b>

- **MARKET PRICE DATA (Annexure B) :**  
**APRIL 2012 TO MARCH 2013 AT BSE**

Month	Apr.	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March
High	4.88	4.65	4.18	4.43	4.14	3.62	3.90	3.24	2.98	3.90	3.20	2.74
Low	3.72	3.69	3.51	3.31	3.15	2.84	3.11	2.73	2.56	2.49	2.61	2.32

- **SHAREHOLDING PATTERN AS AT 31ST MARCH 2012 (Annexure C)**  
**[SHAREHOLDING PATTERN]**

	Category	No. of Share held	Percentage of Shareholding
<b>A.</b>	<b>Promoters Holding</b>	-	-
	1. Promoters		
	Indian Promoters :	7618700	46.82
	Foreign Promoters:	-	-
	2. Persons acting in concert	-	-
	<b>Sub Total</b>	<b>7618700</b>	<b>46.82</b>
<b>B.</b>	<b>Non-Promoters Holding</b>	-	-
	1. Institutional Investors	-	-
	2. Mutual Funds and UTI	-	-
	3. Banks, Financial Institutions, Insurance Co. [Central / State Govt. Institutions, Non - Government Institutions]	113900	0.70
4.	FIs	-	-
5.	Sub-Total	-	-
6.	Others	-	-
	Private Corporate Bodies	4116175	25.29
7.	Individuals		
	Holding up to Rs. 1.00 lacs	2840213	17.45
	Holding excess Rs. 1.00 lacs	1386262	8.52
8.	NRIs/OCBs	198550	1.22
9.	Clearing Member	-	-
	<b>Sub-Total</b>	<b>8541200</b>	<b>52.48</b>
	<b>Grand Total</b>	<b>16273800</b>	<b>100.00</b>

**Note : The Total Number of Shares included 5712500 (Demated 3450000 shares and Physical 2262500 shares) reissued of forfeited shares on 31/03/2011 but pending for corporate action and listing confirmation from stock exchange.**

**Secretarial Audit for Reconciliation of Capital.**

As stipulated by SEBI a qualified practicing Company Secretary carries out secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the listed stock exchanges. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (Held with NSDL/CDSL) and total number of shares in physical form.

**Code of Conduct**

The Company has laid down a code of conduct for all Board members and senior management of the Company. All the Board members and management personnel have affirmed compliance with the Code of Conduct. The Code of conduct is posted on the website of the Company i.e. [www.biofilgroup.com](http://www.biofilgroup.com)

**Code for prevention of Insider trading practices.**

In Compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1997, as amended till date on prohibition of insider trading, the Company has a comprehensive code of conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences on non-compliance thereof.

**CEO/CFO Certification**

The CEO/CFO certification of the financial statements and the cash flow statement for the year is obtained and was placed before the Board.

**Auditors Certificate on corporate governance**

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement with the stock exchanges. This report is annexed to the Director's Report for the year 2012-2013. This certificate will be sent to the stock exchanges, along with the annual report to be filed by the Company.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a code of conduct for the Board of Directors and Senior Management of the Company. The same is available on website of the Company as [www.Biofilgroup.com](http://www.Biofilgroup.com).

As Managing Director of the Biofil Chemicals & Pharmaceuticals Limited and as required by clause 49 (1)(D)(ii) of the Listing Agreement of the Stock Exchange in India, I hereby declare that all the Board Members and senior Management personnel of the Company have affirmed compliance with the code of Conduct for financial year 2012-2013.

By Order of the Board.  
**For Biofil Chemicals & Pharmaceuticals Ltd.**  
Sd/-  
(Ramesh Shah)  
Managing Director

Place : Indore  
Date : 30/05/2013

**CEO CERTIFICATE**

I hereby certify to the Board of Directors of **BIOFIL CHEMICALS & PHARMACEUTICALS LIMITED** that:

- a. I have reviewed financial statements and the cash flow statement for the year ended on 31/03/2013 and that to the best of my knowledge and belief.
  - (i) These statements do not contain any materially untrue statement or omit any 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.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Indore

Date : 30/05/2013

For **Biofil Chemicals & Pharmaceuticals Ltd.**

Sd/-  
Ramesh Shah  
Managing Director



**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**BIOFIL CHEMICALS & PHARMACEUTICALS LTD.**

We have examined to the compliance of conditions of Corporate Governance by **BIOFIL CHEMICALS & PHARMACEUTICALS LIMITED**, for the year ended 31st March, 2013, as stipulated in the clause 49 of the Listing agreement entered into by the company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of 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 Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2013, the Registrars of the Company have certified that as at 31st March, 2013, 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 to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S.N.Gadiya & Co.**  
Chartered Accountants  
Registration No. (002052C)

Sd/-  
**(S.N.Gadiya)**  
Proprietor  
M.No. 071229

Place : Indore  
Date : 30.05.2013

## INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBER OF

M/S. BIOFIL CHEMICALS & PHARMACEUTICALS LTD.

### Report on the Financial Statements

We have audited the accompanying financial statements of Reliance Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013.
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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 purpose 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
  - e. On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

**For S.N.Gadiya & Co.**  
Chartered Accountants  
Registration No. (002052C)

Sd/-  
**(S.N.Gadiya)**  
Proprietor  
M.No. 071229

Place : Indore  
Date : 30.05.2013

**ANNEXURES TO THE AUDITOR'S REPORT**

(Referred to of our report of even date)

- (1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed asset.
- (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off the substantial part of fixed assets during the year.
- (2) (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
- (b) The procedure of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the company.
- (c) The company has maintained proper records of inventory. We are informed that discrepancies noticed on such verification as compared to the book record were not material and have been properly dealt with in the books of accounts.
- (3) According to the information and explanation given to us, The Company has not granted/ taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (4) In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase and sales of materials and fixed assets and for the sale of shares.
- (5) In our opinion and according to the explanation given to us, the transaction of purchase of goods and materials and services made in pursuance of contracts of arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50000/- or more in respect of each party have been made at prices which in our opinion are reasonable having regard to prevailing market prices for such goods, materials and services.
- (6) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public according to the provisions of sections 58A and 58AA of the Act and the rules framed there under.
- (7) The company has an internal audit system commensurate with its size and nature of its business.
- (8) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (9) According to the information and explanation given to us, the company is regular in depositing sales tax, entry tax, provident fund and employees state insurance, and other statutory with appropriate authorities during the year.
- (10) The Company has accumulated losses which is not exceeds its net worth at the year end of financial year and it has not incurred cash/ losses in the financial year under report and the immediately preceding financial year.
- (11) A according to information and explanation given to us, the Company has not issued any Debenture during the year.
- (12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) The Company is not a Chit Fund/ Nidhi/ Mutual Benefit Fund/ Society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (14) The Company is not dealing or trading in shares, securities debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order , 2003 are not applicable to the Company.
- (15) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (16) On the basis of review of utilization of funds pertaining to term loans on overall basis and related information as made available to us, the term loan taken by the Company have been utilized for the purposes for which they are obtained.
- (17) According to the information and explanation given to us, on an overall basis, the Company has not raised the funds on short-term basis, which have been used for long term investment and vice versa.
- (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 Act.
- (19) According to the information and explanation given to us, the Company has not created securities for the debentures issued.
- (20) During the year, the Company has not raised money by public issue hence the question of disclosure and verification of end use of such monies does not arise.
- (21) To the best of our knowledge and belief and according to information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

**For S.N.Gadiya & Co.**  
Chartered Accountants  
Registration No. (002052C)  
Sd/-

**(S.N.Gadiya) Proprietor**  
M.No. 071229

Place : Indore  
Date : 30.05.2013

**BIOFIL CHEMICALS & PHARMACEUTICALS LTD.**
**BALANCE SHEET AS ON 31st MARCH, 2013**
**(Amount in Rs.)**

PARTICULARS	NOTE	31/03/2013	31/03/2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders Fund :</b>			
Share Capital	01	162,738,000	162,738,000
Reserves & Surplus	02	(89,113,315)	(94,375,528)
<b>Share application money pending allotment</b>			
<u>Non current liabilities</u>			
Long Term Borrowing		-	-
Deferred Tax Liabilities (Net)		-	-
Other Long Term Liabilities		-	-
Long Term Provisions		-	-
<u>Current Liabilities</u>			
Short Term Borrowing	03	27,945,486	24,890,758
Trade Payable	04	31,071,338	47,220,874
Other current liabilities	05	39,071	39,071
Short Term Provisions	06	2,253,234	575,999
<b>TOTAL</b>		<b>134,933,814</b>	<b>141,089,173</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<u>Fixed Assets:-</u>			
Tangible Assets	07	91,712,022	90,991,716
Intangible Assets		-	-
Capital Work in Progress		-	-
Intangible Assets Under Development		-	-
Non current Investments		-	-
Long Term Loans and Advances		-	-
Other Non current Assets		-	-
<b>Current Assets</b>			
<u>Current Investments</u>			
Inventories	08	3,223,725	2,181,787
Trade Receivable	09	33,371,194	41,142,851
Cash and Cash Equivalents	10	1,327,114	2,549,660
Short term loans and advances	11	3,905,909	3,071,571
Other current assets	12	1,393,851	1,151,589
<b>TOTAL</b>		<b>134,933,814</b>	<b>141,089,173</b>

**NOTES OF ACCOUNTS FORMING PART  
OF THE FINANCIAL STATEMENT**
**22**
**For & on behalf of board**
**Sd/-**
**Ramesh Shah**  
Chairman Cum Managing Director

**Sd/-**
**Romil Shah**  
Director

**As per our report of even date**
**For S.N.Gadiya & Co.**  
**Chartered Accountants**

Registration No. (002052C)

**Sd/-**
**(S.N.Gadiya)**
**Proprietor**

M.No. 071229

**Place : Indore**
**Date : 30.05.2013**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013**

(Amount in Rs.)

PARTICULARS	NOTE	31/03/13	31/03/12
<b>INCOME</b>			
Revenue from operation	13	60,108,581	62,740,478
Other Income	14	619,764	420,549
	<b>TOTALREVENUE</b>	<b>60,728,345</b>	<b>63,161,027</b>
<b>EXPENSES</b>			
Cost of materials Consumed	15	15,930,109	14,431,128
Purchase of Stock in Trade	16	24,096,997	34,658,511
Change in Inventories of Finaished Goods			
Work in progress and stock in trade	17	(2,473,061)	29,460
Employee Benefits Expenses	18	4,338,608	3,990,697
Finance Costs	19	1,916,383	830,987
Depreciation and Amortization expenses	20	2,110,049	1,908,283
Other Expenses	21		
- Manufacturing Expenses		5,294,883	3,439,766
- Administrative Expenses		2,449,966	2,141,794
- Selling and Distribution Expenses		363,473	121,396
	<b>TOTAL EXPENSES</b>	<b>54,027,407</b>	<b>61,522,022</b>
<b>Profit Before Exceptional and Extraordinary Items And Tax</b>		<b>6,700,937</b>	<b>1,609,005</b>
<b>Tax Expenses</b>			
Current Tax		1,276,863	103,700
Deferred Tax		-	-
<b>Profit / (Loss) After Tax from Continuing Operations</b>		<b>5,424,074</b>	<b>1,505,304</b>
Earning per share (of face value of Rs 10/- each)			
Basic		<b>0.33</b>	<b>0.09</b>
Diluted		<b>0.33</b>	<b>0.09</b>

For &amp; on behalf of board

Sd/-

**Ramesh Shah**

Chairman Cum Managing Director

Sd/-

**Romil Shah**

Director

As per our report of even date

**For S.N.Gadiya & Co.  
Chartered Accountants**

Registration No. (002052C)

Sd/-

**(S.N.Gadiya)  
Proprietor**

M.No. 071229

Place : Indore

Date : 30.05.2013

**BIOFIL CHEMICALS & PHARMACEUTICALS LTD.  
NOTES FORMING PART OF FINANCIAL STATEMENT  
FOR THE YEAR ENDED 31st MARCH, 2013**

PARTICULARS	AS ON 31/03/13	AS ON 31/03/12
<b>NOTES 01 SHARE CAPITALS</b>		
<b>Authorised Shares</b>		
2,00,00,000 Equity Shares of Rs. 10/- each	200,000,000	200,000,000
<b>Issued, Subscribed and Fully Paid Shares</b>		
1,62,73,800 (as at 31st March 2011 , 1,62,73,800 )		
Equity Shares of Rs. 10/- each fully paid	162,738,000	162,738,000
During the financial year 2010-11 the company had Reissued 57,12500 Forfieted equity Shares @ Rs. 7/- each and Balance amount transferred from forfeited reserve account	-	-
	<b>162,738,000</b>	<b>162,738,000</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.**

PARTICULARS	Op. Balance	Fofeited Closing Balance
<b>Equity Shares with voting rights</b>		
<b>Year ended 31st March 2013</b>		
Number of Shares	16,273,800	16,273,800
Amount (Rs. In Lacs)	162,738,000	162,738,000
<b>Year ended 31st March 2012</b>		
Number of Shares	16,273,800	16,273,800
Amount (Rs. In Lacs)	162,738,000	162,738,000
	<b>162,738,000</b>	<b>162,738,000</b>

**b. Details of Shareholders holding more than 5% shares in the company**

	No. of% Share	31-03-2013	No. of Share	31-03 2012
		OF HOLDING		% OF HOLDING
Scope Finance Company Pvt Ltd.	2,262,500	13.90	2,262,500	13.9
Smitesh Sanalal Shah	1,082,680	6.65	1,082,680	6.65
Mid India Pharmaceuticals Pvt Ltd.	1,175,250	7.22	1,175,250	7.22
Cyano Finance and Sales Pvt ltd.	876,450	5.39	876,450	5.39
Starline Equifin Private Ltd.	1,700,000	10.45	1,700,000	10.45
Libra Healthcare Pvt ltd.	850,000	5.22	850,000	5.22

**NOTE 02 RESERVES & SURPLUS**

	AS ON 31/03/13	AS ON 31/03/12
<b>Reserve No. 1</b>		
<b>General Reserver :</b>		
As per Last Balance Sheet	197,500,000	197,500,000
<b>Reserve No. 2</b>		
<b>Share Premium Reserve</b>		
As per Last Balance Sheet	66,048,750	66,048,750

PARTICULARS	AS ON 31/03/13	AS ON 31/03/12
<b>Reserve No. 3</b>		
<b>Share Premium Account :</b>		
As per Last Balance sheet	17,282,300	17,282,300
<b>Reserve No. 4</b>		
<b>Forfeited Share Reserve</b>		
As per Last Balance sheet	144,800	144,800
<b>Reserve No. 5</b>		
<b>Reserve created of Capital Subsidy</b>		
As per last Balance Sheet	500,000	500,000
<b>Reserve No. 6</b>		
<b>Reserve created of valuation on assets</b>		
As per Last Balance sheet	38,185,281	38,347,142
Less : Depreciation	161,861	161,861
	38,023,420	38,185,281
<b>Reserve No. 7</b>		
<b>Statement of Profit and Loass</b>		
Balance As per Last Balance sheet	(414,036,659)	(415,541,964)
Add :- Profit for the year	5,424,074	1,505,305
	(408,612,585)	(414,036,659)
	(89,113,315)	(94,375,528)
<b><u>NOTES 03 SHORT TERM BORROWING</u></b>		
<b>Unsecured - Considered Good</b>		
Intercorporate Deposit	26,626,745	23,633,780
Other Loans	1,068,741	1,006,978
Trade Deposits	250,000	250,000
	27,945,486	24,890,758
<b><u>NOTES 04 TRADE PAYABLE</u></b>		
<b>Trade Payable</b>	31,071,338	47,220,874
	31,071,338	47,220,874
<b><u>NOTES 05 OTHER CURRENT LIABILITIES</u></b>		
Share Application Money Refundable	4,457	4,457
Unpaid/ unclaim Dividend	34,614	34,614
	39,071	39,071
<b><u>Notes 06 SHORT TERM PROVISION</u></b>		
Provison for Income tax	1,276,863	103,700
Bonus Payable	70,000	65,000
Electricity Payable	312,603	244,262
ESIC Payable	2,887	525
P.F. Payable	17,660	6,956
Professional Tax payable	5,000	5,000
Salary & Wages	180,238	102,537
Telephone Payable	7,437	3,804

PARTICULARS	AS ON 31/03/13	AS ON 31/03/12
Audit Fees Payable	15,000	10,000
T.D.S. Payable	85,511	17,887
Entry Tax payable	30,631	16,328
CST Payable	1,955	-
Vat Payable	247,449	-
	<b>2,253,234</b>	<b>575,999</b>

**NOTE 07 FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	OPENING BALANCE	ADDITION (DEDU.)	ADDITION REVAUTION	TOTAL	OPENING BALANCE	FOR THE YEAR	DEP. ON REVAUTION	TOTAL	AS ON 31/03/13	AS ON 31/03/2012
<b>OWNED ASSETS</b>										
LEASE HOLD LAND	44,959,050	-	-	44,959,050	-	-	-	- 44,959,050	44,959,050	
SITE DEVELOPMENT	1,983,347	-	-	1,983,347	-	-	-	- 1,983,347	1,983,347	
BUILDING	31,997,454	1,270,090	-	33,267,544	6,577,720	928,834	161,861	7,668,415	25,599,129	25,419,734
PLANT & MACHINERY	17,180,589	1,717,840	-	18,898,429	2,439,751	876,458	-	3,316,209	15,582,220	14,740,838
ELECT. INSTALLATION	2,085,106	4,267	-	2,089,373	215,249	99,153	-	314,401	1,774,972	1,869,858
OFFICE EQUIP.	368,460	-	-	368,460	23,925	50,410	-	74,335	294,125	344,536
FURNITURE & FIXTURE	192,229	-	-	192,229	51,442	12,168	-	63,610	128,619	140,787
VEHICLES	347,758	-	-	347,758	264,296	33,037	-	297,333	50,425	83,462
CYCLES	10,152	-	-	10,152	3,936	718	-	4,654	5,498	6,216
OTHER ASSETS	2,300,441	-	-	2,300,441	856,533	109,271	-	965,804	1,334,637	1,443,908
<b>TOTAL</b>	<b>101,424,586</b>	<b>2,992,197</b>	<b>-</b>	<b>104,416,783</b>	<b>10,432,851</b>	<b>2,110,049</b>	<b>161,861</b>	<b>12,704,761</b>	<b>91,712,022</b>	<b>90,991,735</b>
Previous Year	93,242,596	8,181,970	-	101,424,566	8,362,708	1,908,283	161,861	10,432,850	90,991,716	84,879,888

**NOTE 08 INVENTORIES**

Finished Goods	2,546,627	75,660
Work in process	10,344	8,250
Raw Material	659,861	2,001,500
Stores and Spares packing mat.	6,893	96,377
	<b>3,223,725</b>	<b>2,181,787</b>

**NOTES 09 TRADE RECEIVABLE**
**Unsecured**

Outstanding for a period exceeding six months from the date they are due for payment

Others	14,179,564	2,456,749
	19,191,630	38,686,102
	<b>33,371,194</b>	<b>41,142,851</b>

**NOTES 09 CASH AND CASH EQUIVALENTS**

Cash in hand	319,046	1,550,350
<b>Balance With Bank</b> - in Current Account	969,177	960,419
	<b>1,288,224</b>	<b>2,510,770</b>

**In Earmarked accounts**

Refund Account	4,457	4,457
Dividend Account	34,433	34,433
	<b>38,890</b>	<b>38,890</b>
	<b>1,327,114</b>	<b>2,549,660</b>



PARTICULARS	AS ON 31/03/13	AS ON 31/03/12
<b><u>NOTES 11 SHORT TERM LOANS AND ADVANCES</u></b>		
(Unsecured , Considered Good)		
Loans and advance against material	3,905,909	3,071,571
	<b>3,905,909</b>	<b>3,071,571</b>
<b><u>NOTES 12 OTHER CURRENT ASSETS</u></b>		
Telephone Department	35,528	33,850
Security Deposit with M.P.S.E.	11,089	11,089
Central Excise Deptt.	15,000	15,000
M.P. Electricity Board	334,509	120,144
Earnest Money	31,000	31,000
E.S.I.C Deptt.	2,000	2,000
Deposit with Hindustan Petroleum	4,000	4,000
F.D. With Commercial Tax	20,000	5,000
F.D. with CMO (Sidhi)	-	5,000
Deposit with MPPMO	60,000	60,000
Other Deposit	20,000	53,148
Vat and commercial Tax Deposit	28,541	218,334
Service Tax Deposit	263,619	263,619
T.D.S Deposit	52,420	52,420
T.D.S (10-11)	108,302	108,302
T.D.S (11-12)	65,843	168,683
T.D.S (12-13)	342,000	-
	<b>1,393,851</b>	<b>1,151,589</b>
<b><u>NOTES 13 REVENUE FROM OPERATION</u></b>		
<b>Sales of product</b>		
Finish Goods	18,598,050	18,612,910
Traded Goods	25,367,301	35,726,572
<b>Job Work</b>	16,143,230	8,400,996
	<b>60,108,581</b>	<b>62,740,478</b>
<b><u>NOTES 14 OTHER INCOME</u></b>		
Lease Rent	420,000	420,000
Rebate & Discount	192,183	-
Interest	7,581	549
	<b>619,764</b>	<b>420,549</b>
<b><u>NOTES 15 COST OF RAW MATERIAL CONSUMED</u></b>		
<b>Inventories at the beginning of the year</b>		
a) Raw Material	2,001,500	510,720
b) Packing Material	96,377	6,377
	<b>2,097,877</b>	<b>517,097</b>
<b>Add : Purchases :</b>		
a) Raw Material/Finished Goods	14,160,432	15,770,798
b) Packing Material	338,554	241,110
	<b>14,498,986</b>	<b>16,011,908</b>

PARTICULARS	AS ON 31/03/13	AS ON 31/03/12
<b><i>Less : Inventories at the end of the year</i></b>		
a) Raw Material	659,861	2,001,500
b) Packing Material	6,893	96,377
	<b>666,754</b>	<b>2,097,877</b>
	<b>15,930,109</b>	<b>14,431,128</b>
<b><u>NOTES 16 PURCHASE OF STOCK IN TRADE</u></b>		
Traded Goods	24,096,997	34,658,511
	<b>24,096,997</b>	<b>34,658,511</b>
<b><u>NOTES 17 CHANGED IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</u></b>		
<b>Inventories at the end of the year</b>		
Finished goods	2,546,627	75,660
Work in process	10,344	8,250
	<b>2,556,971</b>	<b>83,910</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	75,660	98,120
Work in process	8,250	15,250
	<b>83,910</b>	<b>113,370</b>
	<b>(2,473,061)</b>	<b>29,460</b>
<b><u>NOTES 18 EMPLOYEE BENEFITS EXPENSES</u></b>		
Salaries, Wages and bonus	3,991,884	3,761,419
Contribution to provident and other funds	137,376	106,361
Staff Welfare Expenses	209,348	122,917
	<b>4,338,608</b>	<b>3,990,697</b>
<b><u>NOTES 19 FINANCE COSTS</u></b>		
Bank Charges	11,016	3,588
Interest to Others	1,905,367	827,399
	<b>1,916,383</b>	<b>830,987</b>
<b><u>NOTES 20 DEPRECIATION AND AMORTISATION EXPENSES</u></b>		
Depreciation and Amortisation for the year on tangible assets	2,110,049	1,908,283
	<b>2,110,049</b>	<b>1,908,283</b>
<b><u>NOTES 21 OTHER EXPENSES</u></b>		
<b>Manufacturing Expenses</b>		
Power & Fuel Charges	3,689,314	2,303,749
Freight & Cartage	962,430	616,063
Repairs and Maintenance	545,009	453,020
Laboratory Expenses	98,130	66,934
	<b>5,294,883</b>	<b>3,439,766</b>

PARTICULARS	AS ON 31/03/13	AS ON 31/03/12
<b><u>Administrative Expenses</u></b>		
Insurance	131,546	65,355
Repairs Others	605,566	645,278
Misc. Expenses	679,698	498,715
Auditors Remuneration	15,000	10,000
Stationary & Printing	196,808	136,265
Postage & Telephone	98,186	136,403
Listing Fees	112,360	44,420
Legal & Professional	610,803	340,768
Lease Rent and Maintenance Charge	-	264,590
	<b>2,449,966</b>	<b>2,141,794</b>
<b><u>Selling and Distribution Expenses</u></b>		
Travelling & Conveyance Expenses	268,239	114,442
Advertisement	60,044	-
Sales Promotion	35,190	6,954
	<b>363,473</b>	<b>121,396</b>

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

### **A. Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

### **B. Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

### **C. Own Fixed Assets**

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

### **D. Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

### **E. Depreciation and Amortization**

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life.

### **F. Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### **G. Foreign Currency Transactions**

There is no foreign currency transactions made during the year.

### **H. Investments**

There is no investment made during the year.

### **I. Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis. By-products are valued at net realisable value.

### **J. Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, sales tax, service tax, excise duty and Value Added Tax (VAT)

### **K. Employee Benefits**

- No Provision has been made in respect of liabilities for future payment of gratuities as on 31st March 2013 as the company follows the system of accounting such expenses as and when it arises.
- No provision has been made for liabilities in respect of un-availed leave (if any) of the employee as on 31st March 2013, as the company follows system of accounting for such expenses as and when it paid.
- Provision has been made for liabilities in respect of Contribution to Provident Fund and Family Pension Fund if any of the employees as on 31st March 2013, as the company follows system of accounting for such expenses as and when it paid.

### **L. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get

ready for its intended use. All other borrowing costs are charged to Profit and Loss account, if any.

**M. Financial Derivatives and Commodity Hedging Transactions**

There is no financial derivatives and commodity hedging transaction made during the year.

**N. Earning Per Shares :**

	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
Profit after tax as per Profit and Loss A/c.	5424074	1505304
Nos. of Equity Shares	16273800	16273800
Earning Per Shares (In Rs. )	0.33	0.09

**O. Segment Reporting**
**Segment Reporting for the year 2013**

Particulars	Pharma Unit	Chemicals Div.	2013		Total (Amount in Rs.)
			Plastice Div.	Unallocable	
Income					
sales	25367301	14,730,300	3,867,750		43965351
Job Work	15000000		1143230		16143230
<b>Total</b>	<b>40367301</b>	<b>14730300</b>	<b>5010980</b>		<b>60108581</b>
Segment Result	8297734	(740121)	(1143340)	(333102)	6081171
Other Income	510381			109383	619764
<b>Profit before tax</b>	<b>8808115</b>	<b>(740121)</b>	<b>(1143340)</b>	<b>(223719)</b>	<b>6700935</b>
Tax Expenses				1276863	1276863
<b>Net Profit For the Peirod</b>	<b>8808115</b>	<b>(740121)</b>	<b>(1143340)</b>	<b>(1500582)</b>	<b>5424072</b>
Segment Assets	42442326	66118147	7531000	18,842,341	134933814
Segment Liabilities	49629738			10,402,528	60032266
Capital Expenditure	34163	1266644		1,691,390	2992197
Depreciation and Amortisation	866877	1,198,084	45,088		2110049

**O. Notes of financial statements :**

- Contingent Liabilities : NIL
- The confirmation of balance has not been received in respect of balance outstanding of Sundry Debtors, Sundry Creditors, Deposit, Loans and Advances
- Auditors Remuneration :

	(Amount in Rs.)	
	Current Year	Previous Year
Audit Fees	Rs. 15000/-	Rs. 10000/-

- The company has huge unabsorbed losses and depreciation as at 31/03/2013 and they are eligible for set off against Income of future year under income tax act and uncertainty of having taxable income under normal provision of the income tax act, 1961. No deferred tax assets in recognized in the books. The position will be reviewed every financial year and deferred tax assets when considered realizable will be recognized in the books.

Provision for MAT Rs. 1276863/- Has been made in accordance with section 115 JB.

- Previous year figures have been regrouped / rearranged wherever necessary to confirm to current year's presentation.
- Figures have been rounded off nearest to the Rupees.
- There are no Micro, small and Medium enterprises , as defined in the Micro , small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made

The above information regarding micro, small and medium enterprises have been determined to the extent such

parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

## 8. Related Party Disclosures

### Relatives of Key Management Personnel

Ketan Shah -

### Associate Company

Cyano Finance & Sales Pvt Ltd.

Sedate Mercantile Pvt Ltd.

### Transaction with Related Party :

PARTICULARS	Opening Balance (In Rs)	Nature	Closing Balance (In Rs)	Nature
<b>Key Management Personnel</b>				
Ketan Shah	91609	Unsecured loan	153313	Unsecured loan
<b>Associate Company</b>				
Cyano Finance & Sales Pvt Ltd.	Nil	Unsecured loan	1479362	Unsecured loan
Sedate Mercantile Pvt Ltd	800000	Unsecured loan	779000	Unsecured loan

### PAYMENT AND RECEIVED DETAILS WITH RELATED PARTIES :

PARTICULARS	Bank Payment	Bank Receipt
<b>Key Management Personnel</b>		
Ketan Shah	339000	-
<b>Associate Company</b>		
Cyano Finance & Sales Pvt Ltd.	-	1450000
Sedate Mercantile Pvt Ltd.	532116	345000

## 9. Additional Information in pursuant to the provision of para 3 & 4 of part 11 of schedule VI of the Companies Act, 1956.

### (1) Capacity and Production

#### a) Licenced & Installed Capacity Indore.

Particulars	Licenced Capacity	Installed Capacity	Installed capacity
		31.03.2013	31.03.2012
Injections	Not App.	80 Lacs.	80 Lacs.
Capsules	Not App.	20 Lacs	20 Lacs
Eyedrops	Not App.	32 Lacs.	32 Lacs.
Dry syrups/Powder	Not App.	300 Lacs.	300 Lacs.

#### b) Licenced & Installed Capacity Pithampur.

Particulars	Licenced Capacity	Installed Capacity	Installed capacity
		31.03.2013	31.03.2012
TTablets	300 Lacs	300 Lacs.	300 Lacs.
Capsules	300 Lacs	300 Lacs	300 Lacs
Liquids	30 Lacs Ltr.	30 Lacs Ltr.	30 Lacs Ltr.
Dry syrups	10 Mt. Tons	10 Mt. Tons.	10 Mt. Tons.
Bulk drugs-chemicals	30 Mt. Tons	30 Mt. Tons	30 Mt. Tons.

**(2) QUANTITATIVE INFORMATION OF OPENING STOCK, SALES & CLOSING STOCK**

PARTICULARS	PRODUCTION/ PURCHASE		SALES				CLOSING STOCK	
	QUANTITY		2013		2012		2013	2012
	(IN LACS)							
	2013 (NOS./KG.)	2012 (NOS./KG.)	QUANTITY (NOS./KG.)	VALUE (RS.)	QUANTITY (NOS./KG.)	VALUE (RS.)	QUANTITY (NOS./KG.)	
INJECTION	4525	4560	-	-	1110	0.35	7975	3450
CAPSULES	-	490	200	1.18	118	0.33	172	372
EYE DROPS	41436	10539	27919	9.10	3855	2.38	20201	6684
DRY SYRUPS	-	-	-	-	-	-	-	-
TABLETS	-	-	-	-	-	-	-	-
POTASSIUM CITRATE	1900	-	1500	0.49	-	-	400	-
SODIUM CITRATE	15000	-	15000	10.35	-	-	-	-
FERROUS SUL. POWER / GRANULES	445550	391442	444500	136.45	386142	134.43	6350	5300
RAW MATERIAL & OTHER	393396	386042	393396	243.39	386042	361.56	-	-
PLASTIC	-	7590	-	-	6971	4.47	619	619
DRIEPPER	20841356	11711792	11322000	38.68	11247512	39.87	9983636	464280
<b>TOTAL</b>				<b>439.64</b>		<b>543.39</b>		

**(iv) Material - Purchased / Consumed**

S.NO.	ITEM NAME	UNIT	FOR THE YEAR 31 MARCH 2013		FOR THE YEAR 31 MARCH 2012	
			QNTY.	VALUE (Rs. in Lacs)	QNTY.	VALUE (Rs. in Lacs)
1	Ampicillin Sodium Sterile IP	Kgs	200	14.80	200	14.8
2	Cloroquin phosphate	Kgs			825	8.09
3	Ceftriaxone sodium sterile	Kgs			180	14.88
4	Ciprofloxacin Hcl	Kgs			150	2.36
5	Dextrose Anhydrous	Kgs	253773	140.68	-	-
6	Dibasic Calcium Phosphate	Kgs	400	0.14	-	-
7	Film Coating Material	Nos			400	4.00
8	Folic Acid	Gms			75	1.52
9	isoniazid	Kgs			900	5.92
10	Liquid glucose	kgs			15000	3.3
11	MDC	Kgs .			4750	2.61
12	M.C.C.P	Kgs	2530.5	1.87	1500	1.06
13	Potassium Chloride	Kg.	29265	10.26	28850	5.80
14	Quinine Sulphate	Kgs			450	27.30
15	Sodium Chloride	Kgs	41268	4.10	-	-
16	Sodium Citrate	Kgs	48999	32.20	1000	72.5
17	Calcium carbonate	Kgs	15000	1.92	-	-
18	Cross caramlose sod.	Kgs	10	.05	-	-
19	Roll bandage	Kgs	539199	15.17	-	-
20	Soya Protein	Kgs	1800	0.78	4500	1.24
21	Tetracycline	Kgs	150	2.10	-	-
22	T- Coat Reddy Mix	Kgs			1925	18.74
23	Tinidazole	Kgs			-	-
24	Ferrous Sulphate Crystal	Kgs	63898	16.67		
25	Ferrous Sulphate	Kgs	795806	54.88		
26	Fire Woods	Kgs	546107	19.22		
27	Potassium Chloride	Kgs	2979	0.65		
28	Cotton Cloth	Kgs	9233	1.66		
29	Plastic	Kgs	42113	42.57		

S.NO.	ITEM NAME	UNIT	FOR THE YEAR 31 MARCH 2013		FOR THE YEAR 31 MARCH 2012	
			QNTY.	VALUE (Rs. in Lacs)	QNTY.	VALUE (Rs. in Lacs)
30	Maize Starch	Kgs	440	0.10		
31	Sulphuric Acid	Kgs	49847	2.32		
32	Calcium Carbonate	Kgs	1500	0.14		
33	Scrap	Kgs	118784	1.77		
34	Citric Acid	Kgs	1600	8.86		
35	Minral	Kgs	2000	0.23		
36	Costic Soda	Kgs	10450	4.03		
37	Acid	Kgs	57820	1.54		
38	Colour Red	Kgs	189	0.33		
39	HDP Bags	Kgs	3705	0.96		
40	Bags	Kgs	66672	2.30		
41	Tap	Nos	72	0.01		
42	Corrugated Box	Nos	1318	0.59		
43	Other Miscellaneous Materials FG/ RM	Kgs	27039	17.27		162.46
44	Other Miscellaneous Materials PM	Kgs	10000	0.09		60.20
<b>TOTAL</b>				<b>400.27</b>		<b>490.89</b>
(3)	Value of Import	-		Nil		
(4)	Expenditure in foreign currenty	-		Nil		
(5)	Earning of foreign exchange	-		Nil		



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2013**
**(Rs. in Lacs)**

	<u>2012-2013</u>	<u>2011-2012</u>
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax and extraordinary items</b>	<b>6700937</b>	<b>1505305</b>
1 . Depreciation	2271910	2070144
2 . Foreign Exchange/Depreciation in investments	-	-
2 . Transfer from Revaluation reserve	(161861)	(161861)
3 . Investments Extraordinary items (Net investment Loss)	-	-
4 Interest Paid	1905367	827399
5 Interest/ Divident Received	-	-
6. Preliminary & Preoperative Exp. Wrttier Off	-	-
7. Loss of sales of Assets	-	-
<b>Operating Profit before working capital changes</b>	<b>10716354</b>	<b>4240987</b>
<b>Adjustments for :</b>		
1. Trade and other receivable	6695057	(27965223)
2. Inventory	(1041938)	(1551321)
3. Trade payables Net of Lease Terminal Adju. A/c	(15645464)	24023647
<b>Cash Generated from operation</b>	<b>724008</b>	<b>(1251909)</b>
1. Interest paid	(1905367)	(827399)
2. Direct Taxes paid	(103700)	-
<b>Cash flow before extraordinary items</b>	<b>(1285059)</b>	<b>(2079308)</b>
Extraordinary items	-	-
	<b>(1285059)</b>	<b>(2079308)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	2992197	8181970
Work in progress	-	-
Sales of Fixed Assets	-	-
Purchae of investments & investment in Share application money	-	-
Sale of investments & refunt of	-	-
Interest received	-	-
Divident Received	-	-
<b>Net Cash used in investing activities</b>	<b>2992197</b>	<b>8181970</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital	-	-
Proceeds from long and short term borrowing	(3054710)	(11911262)
Net Cash used in financiing activities	(3054710)	(11911262)
Net Increase in Cash and Cash equivalents	<b>(1222546)</b>	<b>1649983</b>
Cash and cash equivalents as at (Opening Balance)	<b>2549660</b>	<b>899677</b>
Cash and cash equivalents as at (Closing Balance)	<b>1327114</b>	<b>2549660</b>

Place : Indore  
Date : 30.05.2013

For and on behalf of the Board  
Sd/- R.S. Shah Sd/- Romil Shah  
**(Chairman Cum Managing Director) (Director)**

**AUDITOR'S CERTIFICATE**

**The Board of Directors,  
Biofil Chemicals & Pharmaceuticals Ltd.**

We have verified the attached Cash Flow statement of Biofil Chemicals & Pharmaceuticals Ltd., for the year ended 31st March 2013 from the books and records maintained by the Company in the ordinary course of the business and have, subject to comparative figures for the previous year ended 31st March 2013, found in accordance herewith.

**For S. N. Gadiya & Co.  
Chartered Accountants  
(Registration No. 002052C)**

Place : Indore  
Date : 30/05/2013

Sd/-  
**(S. N. Gadiya)  
Proprietor**

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# BIOFIL CHEMICALS & PHARMACEUTICALS LIMITED

Regd. Office : 11/12, Sector 'E', Sanwer Road, Industrial Area, Indore - 15 (M.P.)

## ATTENDANCE SLIP

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 28th Annual General Meeting of the Company at 11/12, Sector E, Sanwer Road, Industrial Area, Indore-M.P., on **Saturday, 28th day of September, 2013 at 2.00 P.M.**

CLIENT ID : ..... REGD. FOLIO NO. : .....  
DP ID NO. : ..... DP NAME : .....

.....  
Full name of the Shareholder / Proxy  
(in Capitals)

.....  
Signature

Folio No.....

.....  
Full name of the Shareholder / Proxy  
(in capitals)

.....  
Signature



## PROXY FORM

# BIOFIL CHEMICALS & PHARMACEUTICALS LIMITED

Regd. Office : 11/12, Sector 'E', Sanwer Road, Industrial Area, Indore - 15 (M.P.)

CLIENT ID : ..... REGD. FOLIO NO. : .....

DP ID NO. : ..... DP NAME : .....

I/We.....

of..... being a members of **Biofil Chemicals & Pharmaceuticals Limited.**

hereby appoint ..... of .....or

failing him/her .....of.....

as my/our proxy to vote for me/us..... On my / our behalf at the Annual General Meeting of the Company, to be held on **Saturday, 28th day of September, 2013 at 2.00 P.M.** and at any adjournment thereof.

Signed this ..... day of.....2013.

Affix a  
Rs. 1.00  
Revenue  
Stamp

*NOTE : Note: The Proxy must be returned so as to reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not to be a member of the Company.*



Book - Post  
**PRINTED MATTER**

To,

if undelivered please return to :

**BIOFTL**

**CHEMICALS & PHARMACEUTICALS LTD.**

**Regd. Off. :** 11/12, Sector - E, Sanwer Road,  
Industrial Area, Indore. 452 003 INDIA



# BIOFIL CHEMICALS & PHARMACEUTICALS LTD.

11/12, Sector-E, Sanwer Road, Industrial Area, Indore- 452 015. Fax : 0731-2723017




Tel. : 0731 - 2723016, 4066516 Email : biofilchemicals@yahoo.com

Admn. Office : B-12/B, Industrial Estate, Pologround, Indore - 452 015 (M.P.)

Tel. : 0731-4011700, 2420926, 2424003, 2423435 Fax : 4011740

## FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of Company	BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED 11/2 Sanwer Road, Industrial Area, Indore 452015 M.P.
2	Annual Financial Statements for the year ended	31.03.2013
3	Type of Audit observation	Un Qualified
4	Frequency of observation	N.A.
5	To be signed by:-  • CEO  • CFO  • Auditor of the Company  • Audit Committee Chairman	 Ramesh Shah , Managing Director  N.A.  S.N. Gadiya & Company Chartered Accountant S.N. Gadiya   PROPRIETOR  Ramesh Chimanlal Shah

Dated.20.08.2013

Place-Indore