
**INDO AMERICAN
ADVANCED PHARMACEUTICALS LIMITED**

**19th ANNUAL REPORT
2010 - 2011**

Board of Directors

V.Koteswara Rao	- Chairman - Non Executive Director
B.V.S.Koteswara Rao	- Managing Director
T.Rama Devi	- Non Executive Director
V.Venkatasubamma	- Non Executive Director
S.R.Krishna	- Non Executive & Independent
B.Suresh Babu	- Non Executive & Independent
Parthasarathi Ray	- Non Executive & Independent

Registered Office

No.24,Railway Colony,
III Street, Aminjikarai,
Chennai- 600 029
Tamilnadu, India

Auditors

G.Sivaprakash
Chartered Accountant,
No.5, Fifth Cross Street,
West Shenoy Nagar, Chennai 600 030

Bankers/Financial Institutions

The Catholic Syrian Bank

Registrar and Share Transfer Agents

In house : Secretarial Department
INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED
No.24,Railway Colony,
Iii Street, Aminjikarai,
Chennai- 600 029
Tamilnadu, India

Contents

Notice
Directors' Report
Report on Corporate Governance
Management Discussion and Analysis
Auditors' Report
Balance Sheet
Profit & Loss Account,
Notes on Accounts
Cash Flow Statement
Balance Sheet Abstract

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the shareholders of the Company will be held on Wednesday, the 28th day of September 2011 at 3.30 p.m. at the registered office of the Company at No.24,Railway Colony, III Street, Aminjikarai, Chennai- 600 029, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account for the year ended on that date and the reports of the Directors, and Auditors thereon.
2. To appoint a Director in place of Mr.Parthasarathi Ray, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr.V.Koteswara Rao, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditor and fix his remuneration. Mr.G.Sivaprakash, Chartered Accountant, Chennai 600 030, the retiring Auditor of the Company is eligible for re-appointment and offer himself for re-appointment.

ORDINARY BUSINESS

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

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), consent of the Company be and hereby accorded to the re-appointment of Mr.B.V.S.Koteswara Rao as Managing Director of the Company for a further period of five years with effect from 28th day of September 2011, upon the terms and conditions shall be as follows:

Remuneration: - Rs.10,000/- (Rupees Ten Thousand Only) per month, with such revisions as may be approved by the Board of Directors from time to time.

RESOLVED FURTHER THAT Mr.B.V.S.Koteswara Rao, shall be responsible for the substantial management and administration of the Company comprising primary of contributing in high level business development, business guidance, business visibility, administration, finance, policy and decision making in accordance with the directors of the Board. Mr.B.V.S.Koteswara Rao shall also accept and discharge those duties which may be assigned to him by the Board from time to time and which can be reasonably expected of him in consideration of his position as the Chairman and Managing Director. The discharge of duties by Mr.B.V.S.Koteswara Rao shall be subject to the superintendence, control and direction of the Board.

RESOLVED FURTHER THAT as Managing Director Mr.B.V.S.Koteswara Rao, shall be liable to retire by rotation under section 255 of the Companies Act, 1956, however, if re-appointed as a director immediately on retirement by rotation, he shall continue to hold office in Managing Director and such re-appointment as Director shall not be deemed to constitute a break in his appointment as the Managing Director.

RESOLVED FURTHER THAT during the tenure as the Managing Director Mr.B.V.S.Koteswara Rao shall be entitled to be paid / reimbursed by the Company all costs, charges, and expenses as may be incurred by him for the purpose of or on behalf of the Company

By Order of the Board
For INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED

Sd/-
B.V.S.Koteswara Rao
Managing Director

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXY TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.**
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday the September 27, 2011 to Wednesday the September 28, 2011 (both days inclusive) for the purpose of dividend entitlement which will be paid after approval of the shareholders in the ensuing **Nineteenth** Annual General Meeting.
4. Members are hereby requested to send all corresponded concerning transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address to the Company's Secretarial Department.
5. Members desiring to have any clarification on account are requested to write to the Company at an early date so as to enable the Company keep the information ready.
6. Members/ proxies should bring the attendance slip duly filled in for attending the meeting and corporate members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are requested to write to the Company's Registrar for the prescribed form.
8. Members who are holding shares more than one folio under physical form may approach the Company's Secretarial Department for consolidation with respective details.
9. Shareholders are requested to quote their Folio No. in all correspondence with the Company. All correspondences regarding shares of the Company should be addressed to "Secretarial Department", **INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED**, No.24,Railway Colony, Iii Street, Aminjikarai, Chennai- 600 029.
10. Information pursuant to clause 49 of the listing agreement in respect of proposed appointment/ re-appointment of directors.

1	Name	Parthasarathi Ray,
	Date of Birth	11-05-1969
	Date of Appointment	28-09-2006
	Qualifications	Graduate
	Expertise	He has associated with multinational Companies and now having 22 Years of experience in the area of Finance, Marketing and General Management.
	Other Directorships Name of the Company	He is a Non Executive and Independent Director of the Company
	Committee Memberships, if any, with position	He is the member of Audit Committee, Remuneration Committee and Shareholders/Investors Grievance Committee of the Board of Directors of the Company.
	Shareholdings in the Company	Nil
	PAN	ARSPP1281D
2	Name	V.Koteswara Rao
	Date of Birth	01-07-1937
	Date of Appointment	23.06.2003

	Qualifications	Matriculate
	Expertise	He is the Founder of the Company and has been associated with the pharmaceutical Industries for more than two decades in the area of Marketing and General Management.
	Other Directorships Name of the Company	Nil
	Committee Memberships, if any, with position	Nil
	Shareholdings in the Company	2,60,900
	PAN	AAVPV2592C
3	Name	B.V.S.Koteswara Rao
	Date of Birth	01-04-1955
	Date of Appointment	28-09-2006
	Qualifications	Under Graduate
	Expertise	He is the Founder of the Company and has been associated with the pharmaceutical Industries for more than three decades in the area of Marketing and Distribution.
	Other Directorships Name of the Company	Nil
	Committee Memberships, if any, with position	Nil
	Shareholdings in the Company	1,44,400
	PAN	ABVPB0500G

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by email to its members. To support this Green Initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses to the "Secretarial Department", INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED, No.24,Railway Colony, III Street, Aminjikarai, Chennai- 600 029

EXPLANATORY STATEMENT PUSUANT TO SECTION 173(1)

Item No.5

The tenure of Mr.B.V.S.Koteswara Rao, as Managing Director expires on 28.09.2006. The Board of Directors at their meeting held on 26th August, 2011 have recommended the name of Mr.B.V.S.Koteswara Rao as Managing Director of the Company for a further period of five years with effect from September 28, 2011, which have been enumerated in the resolution at item no.5 of this notice. The said remuneration are in consonance with the provisions of the Companies Act, 1956 and is recommended by Remuneration Committee. His appointment is subject to the approval of the members at the ensuing General meeting.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of terms and terms of his appointment and memorandum of concern or interest under Section 302 of the Companies Act, 1956.

The appointment is in conformity with the schedule XIII of the Companies Act, 1956 and the terms of appointment and remuneration of Mr.B.V.S.Koteswara Rao specified in the resolution are now placed before the members for their approval. The Board recommends passing of the Ordinary Resolution at Item No.9 of the Notice.

Except Mr.S.R.Krishna, B.Suresh Babu and Parthasarathi Ray, all Directors were concerned or interested in the aforesaid resolution.

By Order of the Board
For INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED

Sd/-
B.V.S.Koteswara Rao
Managing Director

DIRECTORS' REPORT TO THE MEMBER

Your Directors have great pleasure in presenting the Nineteenth Annual Report together with Audited Accounts of the Company for the year ended 31st March 2011 and the Auditors' report thereon.

Financial Results

Particulars	(Amount In Rs.)	
	2010-2011	2009-2010
Total Income	24,03,191	19,18,104
Expenditure	24,78,766	21,00,438
Profit/(Loss) before depreciation and taxes	(75,575)	(1,82,334)
Less:		
Depreciation	3,96,281	4,46,701
Profit/(Loss) before Tax	(4,71,856)	(6,29,036)
Less: Provision for		
Current Tax	Nil	Nil
Deferred Tax	Nil	Nil
Fringe Benefit Tax	Nil	Nil
Profit/(Loss) after Tax	(4,71,856)	(6,29,036)
Add: balance brought forward from previous year	(2,82,27,777)	(2,75,98,742)
Available for appropriation	(2,86,99,633)	(2,82,27,777)
Balance carried to Balance sheet	(2,86,99,633)	(2,82,27,777)

Your Company has made a turnover of Rs.24,03,191 /- as compared Rs.19,18,104/- of previous year and has made a Loss after Tax of Rs.-4,71,856 /- as compared to Rs.-6,29,036/- in the previous year.

Business Performances and Outlook

The Company is in the business of trading of tablet, liquid orals, capsules and ointments under the allopathic system and capsules and liquid orals under the ayurvedic/ sidha systems. The Company's business involves significant investments in marketing for its operations. These expose the Company to risks in terms of timely and adequate availability of funds at competitive rates to finance its growth. The Company hopes with better network it can improve the performance in the ensuing year.

Fixed Deposits

Your Company has not accepted any deposits from public or its employee during the year under review.

Dividend

In view of loss, your directors have not recommended any dividend during the year under report.

Subsidiaries / Joint Ventures

There are no Subsidiaries and Joint Venture Company.

Insurance

All insurable interests of the Company including, buildings, furniture and fixtures and other insurable interest are adequately insured.

STATUTORY STATEMENTS

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo

Pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 the required particulars are furnished below.

Conservation of energy:

Energy conservation continues to receive utmost priority and the Company monitors energy costs and reviews the consumption of energy on a regular basis. The Company wherever necessary also initiates appropriate measures to reduce consumption of electricity, including using Generator. It has closely monitored power consumption and running hours on day to day basis thus resulting in optimum utilisation of energy. The hotel is fitted with energy saving devices to conserve energy in the long run.

Technology Absorption

The relevant particulars relating to technology absorption in terms of Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is not applicable as the hotel forms a part of the service industry and as such the Company does not have any significant manufacturing operations.

Research and Development:

Not Applicable

Foreign exchange earnings and outgo:

There are no foreign exchange earning and outgo during the year under review.

Particulars of Employees

During the year under review, there were no employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operation of Company during the year.

Directors' Responsibility Statement

Pursuant to the requirement u/s 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement your Directors to the best of their knowledge and belief confirm that:

- (i) in the preparation of the annual accounts, the applicable Accounting Standards and given proper explanation relating to material departure;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the **Loss** of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and
- (iv) they have prepared the annual Accounts on a going Concern basis.

Internal Controls and their Adequacy:

The internal control systems are commensurate to the size of the operation of the Company. Whenever it is required, the systems and procedures are upgraded to suit the changing business needs.

Statement Pursuant to Listing Agreement

The company's securities are listed with Bombay Stock Exchange, Madras Stock Exchange, Hyderabad Stock Exchange and Cochin Stock Exchange, however trading of the securities have been suspended on non compliance of certain clauses of the Listing Agreement. As recommended by the Board of Directors necessary application is being prepared to be filed with Bombay Stock Exchange Limited and other to revoke the suspension of trading from the above exchanges.

Code of Corporate Governance

A detailed report on Corporate Governance as updated with the particulars of this Financial year, as per the directions from SEBI is annexed to this report (Annexure A') together with Report of the Auditors on the

compliance with the said Code and a report of Management discussion and Analysis is also annexed separately.

Directorate

The Company is managed by Mr.B.V.S.Koteswara Rao, Managing Director under strict supervision of the Board of Directors.

In compliance with the provisions of the Companies Act, 1956 in accordance with the Article 121(b) of the Company's Articles of Association, Mr.Parthasarathi Ray and Mr.V.Koteswara Rao, retire at this Annual General Meeting and being eligible, offers themselves for re-appointment.

Brief resume of the Directors, seeking re-appointment, nature of their expertise as stipulated under clause 49 of the listing agreement with *inter alia* the Bombay Stock Exchange Limited, is appended to the notice convening the Annual General Meeting.

Compliance Certificate

Compliance Certificate issued by a Practicing Company Secretary is attached herewith and forming part of this report

Auditors and Auditors Report

The retiring auditors, Mr.G.Sivaprakash, Chartered Accountant, No.5, Fifth Cross Street, West Shenoy Nagar, Chennai 600 030, has expressed willingness to continue in office, if appointed. He has furnished to the Company a certificate of his eligibility for appointment as auditor, pursuant to section 224 (1B) of the Companies Act, 1956.

The Audit committee and the Board of Directors recommend the re-appointment of Mr.G.Sivaprakash, Chartered Accountant, Chennai as Auditor for a further period of one year and to fix his remuneration.

The Auditors Report to the Members does not contain any qualification or adverse remarks.

Disclosures of Particulars of Constituting "Group" pursuant to Regulation 3(1)(e) of the SEBI(Substantial Acquisition of Shares & Takeovers) Regulations, 1997.

Pursuant to an information from the promoters, the name of the promoters and entities comprising group as defined under Monopolies and restrictive Trade Practice (MRTP) Act, 1969, are as under for the purpose of the SEBI(Substantial Acquisition of Shares & Takeovers) Regulations, 1997 : V.Koteswara Rao, BVS Koteswara Rao, BSS Prasad Rao Kiran Kumar, B.V.Ramalakshmi, V.Subbamma, B.Vijayalakshmi, V.Subba Rao, V.Murali Krishnan, V.Sathya Lakshmi, V.Swarnalatha, T.Ramadevi and T.Ramakrishnan

Dematerialization of Shares

The Company propose to get its Equity Shares admitted for dematerialization with National Securities Depository Limited (NSDL and Central Depository Services (India) Limited (CDSL) and will intimate the same to all shareholders once International Securities Identification Number (ISIN) got allotted. Considering the advantages of scrip less trading, shareholders are requested to consider dematerialization of their shareholding so as to avoid inconvenience in future.

Acknowledgement

The Directors place on record their appreciation for the sincere and whole hearted co-operation extended by all concerned, particularly Securities & Exchange Board of India, Stock Exchanges, company's bankers, Municipal authorities, Government of Tamilnadu, Central Government, suppliers, clients and staff and look forward to their continued support. The Directors also thank the Shareholders for continuing their support and confidence in the Company and its management.

**For and Behalf of the Board of Directors
For INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED**

sd/-
B.V.S.Koteswara Rao
Managing Director

Sd/-
T.Rama Devi
Director

Chennai, the 26th day of August, 2011

ANNEXURE – 'A'

TO THE NINETEENTH ANNUAL REPORT OF THE BOARD OF DIRECTORS REPORT ON CORPORATE GOVERNANCE

INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED is complying with the mandatory requirements of the code of Corporate Governance introduced by the SEBI and incorporated in Clause 49 of the Listing Agreement in all material respect.

The Basic philosophy of the company towards Corporate Governance is to protect and enhance the long term value of all the stakeholders – shareholders, clients, creditors and employees. The Company is committed to achieve these objectives within regulatory frame work through transparency in dealings.

Board of Directors

The Board of Directors of the Company comprises of a one Managing Director and three Non executive and another three Non executive & independent Directors. The Board members possess requisite skills, experience and expertise required that are required to take decisions, which are in the best interest of the Company.

Mr. B.V.S.Koteswara Rao, is the Managing Director of the Company. He works under the direction, control and supervision of the Board of Directors and it meets at regular intervals. Policy formulation, evaluation of performance and control functions vest with Board

The Composition of Board, attendance of each Director at the Board Meetings held during the year under review as well as in the last Annual General Meeting and number of other Directorship/ Committee memberships held by them are as follows:-

Name of Director	Designation and Category	No. of Board Meetings in the Year		Attendance Of Last AGM	Number of directorship held in the Indian Companies (including this Company)	Number of Board Committee membership Held in other companies
		Held	Attended			
V.Koteswara Rao	Chairman - Non Executive Director	05	05	Yes	1	Nil
B.V.S.Koteswara Rao	Managing Director	05	05	Yes	2	Nil
T. Rama Devi	Non Executive Director	05	05	Yes	1	Nil
V.Venkatasubbamma	Non Executive Director	05	05	Yes	1	Nil
S.R.Krishna	Non Executive & Independent	05	05	Yes	1	Nil
B.Suresh Babu	Non Executive & Independent	05	05	Yes	1	Nil
Parthasarathi Ray	Non Executive & Independent	05	05	Yes	1	Nil

The requisite information as prescribed under Clause 49 of the Listing Agreement is placed before the Board from time to time and is generally provided as part of the Agenda papers of the Board Meeting and /or is placed at the table during the course of the meeting.

The Board of Directors met Five (05) times on 29-04-2010, 30-07-2010, 26-08-2010, 29-10-2010, and 29-01-2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, in the Minutes Book maintained for the purpose.

The Annual General Meeting for the financial year ended on 31-03-2010 was held on 30-09-2010 by giving due notice to the members of the Company and the resolutions passed there at were recorded in Minutes Book maintained for the purpose.

Except V.Koteswara Rao, B.V.S.Koteswara Rao, T.Rama Devi and V.Venkatasubbamma none of the Directors are related to each other

Equity Shares held by the Director.

Name of the Directors	No. of Equity Shares as on 31st March 2011
V.Koteswara Rao	2,60,900
B.V.S.Koteswara Rao	1,44,400
T. Rama Devi	38,550
V.Venkatasubbamma	29,000

There are no other shares or convertible instruments held by any other directors

Information about the Directors proposed to be appointed/ re-appointed required to be furnished pursuant to Clause 49 of the listing agreement with the Stock Exchanges is forming part of the notice of the Nineteenth Annual General Meeting to the shareholders of the Company

Audit Committee

Section 292A of the Companies Act, 1956 is applicable to the company.

Terms of reference

Your Company has an independent Audit Committee. The composition procedures, powers and role/functions of the audit committee constituted by the company comply with the requirements of Clause 49 of the Listing Agreement.

The terms of reference of the Audit Committee included the following:

- ◆ Overseeing the company's financial reporting process and the disclosure of its financial information.
- ◆ Recommending appointment and removal of the external auditor, fixing of audit fees and approving payments for any other service.
- ◆ Reviewing with management the quarterly, half yearly and annual financial statement with primary focus on accounting policies and practices, compliance with accounting standards, any related party transaction and stock exchange and legal requirements concerning financial statements.
- ◆ Reviewing adequacy of internal control systems in order to have the effective use and safeguard of resources and compliance with statutes polices and procedures and ensure compliance of internal control systems and reviewing the company's financial and risk management policies.
- ◆ Reviewing reports furnished by the Statutory Auditors and ensuring suitable follow up thereon.

The un-audited/ audited financial results of the Company are also specifically reviewed by the Audit Committee before these are submitted to the Board for approval. Minutes of each audit Committee meetings are placed before the Board for information.

Composition and Attendance

The Company has an Audit Committee of the Board consisting of three "Non-Executive & Independent Directors "as members as detailed below and all members have adequate financial and accounting knowledge, who met Five (05) times during the year 2729-04-2010, 30-07-2010, 26-08-2010, 29-10-2010, and 29-01-2011 during the year and the details of the number of meetings held and attendance record of the members are as follows:

Name of Directors	Status and Category	No. of Meetings	
		Held	Attended
Parthasarathi Ray	Chairman	05	05

	Non Executive & Independent		
S.R.Krishna	Member Non Executive & Independent	05	05
B.Suresh Babu	Member Non Executive & Independent	03	03

All the members, including the Chairman have adequate financial knowledge. The Audit Committee reviews the Un-audited/audited quarterly, half yearly financial results with the management before being submitted to the Board for its consideration and approval. The Chairman of the Audit Committee is always present at the Annual General meeting.

Remuneration Committee

Your Company has constituted a Remuneration Committee under the chairmanship of Mr.B.Suresh Babu. The Remuneration committee consisting of Mr.B.Suresh Babu, Mr.Parthasarathi Ray and Mr. S.R.Krishna to decide the structure of the Executive Director's Remuneration.

Executive Director

The Company has a Managing Director. There was no revision to the salary of the Managing Director during the year under review. The remuneration paid to him during the period 01-04-2010 to 31-03-2011 was as under

(Amount in Rs.)

Name and Designation	Period	Salary	Perquisites	Total
B.V.S.Koteswara Rao	01-04-2010 to 31-03-2011	60,000/-	NIL	60,000/-

Mr.B.V.S.Koteswara Rao, was not paid any sitting fees for the Board meetings or of any Committees of the Board attended by him.

Non-Executive Director

Non-Executive Directors of the Company are remunerated by way of sitting fees for the meetings of the Board/Committees of the Board attended by them. There was no other payment to the Non-Executive Directors.

None of the non-executive directors has pecuniary relationship with company, its promoters, management.

Shareholders/ Investor's Grievance Committee

The Investors Grievance Committee of the Board oversees share transfers and monitor investors grievances such as complaints on transfer of shares, non receipt of balance sheet, non receipt of declared dividends etc., and redressal thereof, within the purview of the guidelines setout in the listing agreement.

Composition and Attendance

The Shareholders/Investors' Grievance Committee consist of the following Directors

Name	Status	Position held
Parthasarathi Ray	Non Executive and Independent	& Chairman
S.R.Krishna	Non Executive and Independent	Member
B.V.S.Koteswara Rao	Managing Director	Member

Mr.B.V.S.Koteswara Rao is the Compliance officer. The Company use to give a detailed report on steps taken by it to the Committee to specifically look into redressing shareholders and investor's complaint, break up of the nature of complaints received including number of complaints not resolved to the satisfaction of the complainants. Additionally details of communication received from agencies like Stock Exchanges/SEBI/ Ministries of Companies Affairs were placed with an explanation as to how such communication were responded to and within how may days/ weeks.

The Company has not received any investors' compliant during the year.

General Body Meetings:

The details of the Annual General Meetings held during the last three years are as follows: -

Financial Year	Location	Date	Time
2007-2008	No.24,Railway Colony,III Street, Aminjkarai, Chennai- 600 029,	September 30, 2008	3.30 p.m
2008-2009	No.24,Railway Colony, III Street, Aminjkarai, Chennai- 600 029,	September 30, 2009	3.30 p.m
2009-2010	No.24,Railway Colony, III Street, Aminjkarai, Chennai- 600 029,	September 30, 2010	3.30 p.m

All the resolutions including the special resolutions, if any as set out in the respective notices were passed by the shareholders.

No resolution is proposed to be passed at the forthcoming Annual General meeting through postal ballot.

Disclosure made by the senior managerial personnel to the Board

During the year no material transaction has been entered into by the Company with the Senior Managerial personnel where they had or were deemed to have had personal interest that may have potential conflict with the interest of the Company.

Disclosures on materially significant related party transactions

The details of the transaction with related parties or others if any as prescribed in the listing agreement are being placed before the Audit committee from time to time There were no other transactions of material nature has been entered into by the Company with related parties (i.e.) Directors or Management, or relatives that had potential conflict with the interest of the Company at large in the financial year ended March 31, 2011.

Disclosure of Accounting Treatment

No treatment different from that prescribed in an Accounting Standard have been followed by the Company

Risk Management

In order to ensure that management controls risk through means of properly defined frame work a report on Risk Management and minimize on procedures as received from the Individual functional heads of the Company is placed before the Board of Directors of the Company.

Code of Conduct for the Directors and Senior Management Personnel

The Company has laid down a Code of Conduct (Code) for all the Board Members and Senior Management Personnel of the Company. The Code is also posted on the Website of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended 31st March, 2011. A declaration to this effect signed by Mr. B.V.S.Koteswara Rao, Managing Director of the Company forms part of this report.

CEO/CFO Certification

In terms of Clause 49 (V) of the Listing Agreement, the Certificate duly signed by Mr. B.V.S.Koteswara Rao, Managing Director was placed before the Board of Directors along with financial statement for the financial year ended March 31, 2011 at its meeting held on 26th day of August, 2011.

Proceeds from Public/ Rights/ Preferential Issues, etc,

The Company does not have any unutilized money raised through Public/ Rights/ Preferential Issues, etc.

Compliances by the Company

The Board of Directors is periodically reviewing the Compliance Reports of the Laws applicable to the Company and the Company initiates requisite actions for strengthening of its statutory compliance procedures as may be suggested by the Board from time to time.

Details of non-compliances with regard to Capital Market

The Company equity shares are suspended due to non compliance of listing agreement and apart from the same there were no instances of non-compliance by the Company on any matter related to capital markets during the last three years. Hence there was no penalty, strictures imposed by SEBI/Stock Exchange or any other statutory/local authorities against the Company.

The Management Discussion and Analysis report forms part of the Annual Report.

General Shareholder's Information

Financial Calendar (Tentative)

Financial year First Quarter Result Second Quarter Result and Half-yearly Result Third Quarter Result Fourth Quarter Result Annual Result (Audited) Annual General Meeting	April 1, 2011 to March 31, 2012(Subject to Change) By fourth week of July 2011 By fourth week of October 2011 By fourth week of January, 2012 By fourth week of April, 2012 Within 6 months of the close of the financial year In accordance with Section 166 of the Companies Act, 1956.
Dates of book closure	27 th September, 2011 to 28 th September, 2011. (Both days Inclusive)
Venue and other details of the Annual General Meeting	No.24,Railway Colony, III Street, Aminjikarai, Chennai- 600 029, Wednesday, the 28 th day of September 2011 at 3.30 p.m
Dividend Payment Date	N.A
Listing on Stock Exchange and Stock Code The Equity Shares of Rs.10/- each are Listed at	Bombay Stock Exchange, Madras Stock Exchange, Hyderabad Stock Exchange and Cochin Stock Exchange (Annual Listing for fee for the year 2010-2011) is being paid) Scrip Code 531689 and ID : INAMPHA

Stock Market Data

No shares were traded during the financial year and accordingly Stock Market data for the period April 01 2010 to March 31, 2011 and Graphical representation of volume of Shares of during April 01 2010 to March 31, 2011 are not provided.

Dematerialization of Shares and Liquidity

The Company propose to get admitted its Equity Shares for dematerialization with National Securities Depository Limited (NSDL and Central Depository Services (India) Limited (CDSL) and will intimate the same to all shareholders once International Securities Identification Number (ISIN) got allotted. Considering the advantages of scrip less trading, shareholders are requested to consider dematerialization of their shareholding so as to avoid inconvenience in future. The Shares of your Company are under compulsory demat settlement mode and can be traded only in the demat form. Shares dematerialized upto March 31, 2011 are under

Sl No.	Particulars of Capital Structure	No. of shares	% of Total issued capital
1.	Listed Capital(Exchange wise) per Company's Record	50,09,200	100%
2.	Held in dematerialized Form in CDSL	Nil	Nil
3.	Held in dematerialized Form in NSDL	Nil	Nil
4.	Physical	50,09,200	100%

Registrar and Share Transfer Agents (RTA)

The Company has not appointed Registrar and Share Transfer Agents (RTA) and Pursuant to newly introduced regulations 53A of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996, the Company has identified and in the discussion to appoint a Registrar and Share Transfer Agents (RTA). At present the Company has in-house Registrar and Share Transfer Agents (RTA). Their complete address is as under

In house : Secretarial Department

INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED

No.24,Railway Colony,

III Street, Aminjikarai, Chennai- 600 029

Tel : 91- 44 – 42555528. Email ID : kiranbvs@yahoo.com

All requests received by the Company/ RTA for dematerialisation/ re-materialisation, transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address are disposed off expeditiously.

Distribution of Share holding as on 31-03-2011

S.No	Category	No of Holders	% of No of Holders	No of Shares
1	Upto 500	2570	77.25	1286200
2	501 - 1000	109	3.27	89800
3	1001 - 2000	104	3.12	191500
4	2001 - 3000	295	8.79	780800
5	3001 - 4000	114	3.33	405600
6	4001 - 5000	78	2.28	372400
7	5001 - 10000	25	0.81	222500
8	10001 and Above	37	1.14	1660400
	Total	3332	100	5009200

As required under Circular No.D&CC/FITC/CIR-16/2004 dated 31st December, 2004 issued by the Securities and Exchange Board of India and amended thereafter, the Company has appointed a Practicing Company Secretary to do the Secretarial Audit and the report was placed before the Board and sent forthwith to Stock Exchanges for their information and record.

Categories of Shareholdings as on March 31, 2011

	Category	No. of shares held	Percentage of shareholding
A	Promoter's holding		
1.	Promoters* - Indian Promoters - Foreign Promoters	920400	18.37%
2.	Persons acting in concert #		
	Sub-Total	920400	18.37%
B.	Non-Promoters Holding	0	0
3.	Institutional Investors	0	0
a.	Mutual Funds and UTI	0	0
b.	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non-government Institutions)	0	0
c.	FIs	0	0
	Sub-Total	0	0
4.	Others		
a.	Private Corporate Bodies	0	0
b.	Indian Public	4088800	81.63%
c.	NRIs/OCBs	0	0
d.	Any other (please specify)	0	0
	Sub-Total	4088800	81.63%
	GRAND TOTAL...	5009200	100.00%

Company Registration Details

The Company is registered in the State of Tamil Nadu. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24231TN1992PLC022562

Legal Proceedings:

There is no legal proceeding pending against the Company.

Plant Location

Gauravaram Village,
Kavali (M), Nellore District,
Andhra Pradesh.

The Company has not issued any GDRs/ADRs/ Warrants/Convertible Instruments.

Address for Communication

INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED

No.24,Railway Colony,
III Street, Aminjikarai,
Chennai- 600 029
Tamilnadu, India

Tel : 91- 44 – 42555528. Email ID : kiranbvs@yahoo.com

In terms of clause 47(f) of the Listing Agreement of Stock Exchanges, investors may please use kiranbvs@yahoo.com as email id for redressal of investor request/complaint.

MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

As required by clause 49 of the Listing Agreement the Managing Director's declaration on code of conduct is as under.

I, **B.V.S.Koteswara Rao**, Managing Director of the Company declare that all the Board members and senior Management of the Company have affirmed compliance with the code of conduct

Chennai, the 26th day of August, 2011

Sd/-
B.V.S.Koteswara Rao
Managing Director

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE FROM AUDITORS

The Certificate dated 26th day of August 2011, obtained from Statutory Auditors of the Company Mr.G.Sivaprakash, Chartered Accountant, Chennai, confirming compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement, is annexed hereto.

For and on behalf of the Board

For INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED

Sd/-

B.V.S.Koteswara Rao

Managing Director

Chennai, the 26th day of August, 2011

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The management of **Indo-American Advanced Pharmaceuticals Limited (IAAPL)** presents below its analyses and performance of the Company for the year 2010-11 and an outlook for the future. The report conveys expectations on future performance based on an assessment of the current business environment. These could vary based on future developments.

Industry's Structure and Development:

The global pharmaceutical industry is expected to grow by 5% to 7% in 2011 to reach USD 880 billion compared to 4 to 5% in 2010. In this growth the emerging markets pharmaceutical growth is at a higher pace of 17% in 2011 to reach USD 180 billion. The major emerging markets are China, Brazil, Russia, India, Mexico, Turkey, Argentina, Indonesia, Thailand, South Africa and Egypt. Greater Government spending on Health Care and broader public and private Health Care funding are likely to be the key drivers of growth for many of the Pharmaceutical Emerging Markets. China, the world's 3rd largest pharmaceutical market is predicted to grow by 25% to 27% to more than USD 50 billion in 2011 while the US is likely to grow at 3% to 5%.

India has emerged as one of the leading economies when it comes to opportunities in the pharmaceutical sector. The Indian Pharmaceutical market is projected to grow to about USD 20 billion by 2015, as against USD 6.3 billion in 2005. Currently, the Indian pharmaceutical industry is ranked fourth in terms of volume and fourteen in terms of value in the global pharmaceutical market. The industry has attained self-reliance in the production of formulations, and produces almost 70% of the bulk drug requirements of the country. India is also one of the major producers of generic drugs in the world. Indian Pharmaceutical Industry has not been affected much by the global slow down, largely because of the cost advantages in medicine production and due to their long term contracts, especially the generic manufactures, with their preferred suppliers. During the year 2010-11, the performance of the export front has been good to reach USD 6 billion. The rising middle and upper class who can afford high quality health care and the widespread adoption of Health Insurance Products, which will enable a large proportion of the population to access medical treatments, are expected to drive the Indian Pharmaceutical Market in the foreseeable future. In addition, significant economic growth rates, favourable demographics, and new intellectual property protection laws would provide future impetus to the industry.

Business Outlook

The Company is in the business of trading of tablet, liquid orals, capsules and ointments under the allopathic system and capsules and liquid orals under the ayurvedic/ sidha systems. The Company's business involves significant investments in marketing for its operations. These expose the Company to risks in terms of timely and adequate availability of funds at competitive rates to finance its growth.

Regulatory and Legal Risks

IAAPL is exposed to regulatory and legal risks in carrying out its business. These include legal proceedings on properties, customer complaints, noncompliance of regulations including environmental regulations and those pertaining to the hospitality sector. The company has systems and controls in place to mitigate these risks and minimize instances of non-compliance.

Risk Management Systems

The Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with best practices.

Internal Control System

The Company has adequate internal control procedures commensurate with its size and nature of the business. These business control procedures ensure efficient use and protection of the resources and compliances with the policies, procedures and status. The internal control system provides for well-documented policies, guidelines, authorizations and approval procedures.

Discussion on Financial performance with respect to operational performance:

Your Company has made a turnover of Rs. 24,03,191 /- as compared Rs. 19,18,104/- of previous year and has made a Loss after Tax of Rs.4,71,856 /- as compared to Rs.6,29,036/- in the previous year.

Material developments in Human Resources /Industrial Relations front, including number of people employed.

There have been no material changes / developments in Human relations front.

**For and Behalf of the Board
For INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED**

**Sd/-
B.V.S.Koteswara Rao
Managing Director**

Chennai, the 26th day of August, 2011

G. Sivaprakash

AUDITOR'S REPORT

To the Members of **INDOAMERICAN ADVANCED PHARMACEUTICALS LIMITED**

I have audited the attached Balance Sheet of **INDO AMERICAN ADVANCED PHARMACEUTICALS LIMITED** as at 31ST March, 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company management. My responsibility is to express an opinion on the financial statements based on my audit.

1. I conduct my audit in accordance with auditing standards accepted in India. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosing 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. I believe that my audit provides a reasonable basis for my opinion.
2. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further My comments in the Annexure referred to above, I report that :
 - (i) We have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of my audit.
 - (ii) In my opinion, proper books of accounts as required by law have been kept by the Company so far as appears from my examination of these books.
 - (iii) The Balance Sheet and Profit and Loss Account is dealt with by this report are in agreement with the books of account.
 - (iv) In my report, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act.
 - (v) On the basis of written representations received from the directors as on 31st March 2009, and taken on record by the Board of Directors, I report that none of the directors are disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (vi) In my opinion and to the best my information and according to the Explanations given to me the Balance Sheet and Profit and Loss Account give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (a) in the case of the sheet, of the state of affairs of the Company as at 31st March 2011 and
 - (b) in the case of the Profit and Loss Account of the loss for the year ended on that date.

Place: Chennai
Date: 26/08/2011

Sd/-
G.Sivaprakash
Chartered Accountant

G. Sivaprakash, Chartered Accountant
No.5, Fifth Cross Street, West Shenoy Nagar, Chennai 600 030.
Ph. No.044-26212338, Email: gsp_ca@hotmail.com

G. Sivaprakash

ANNEXURE REFERRED TO IN PARAGRAPH 2 OF MY REPORT OF EVEN DATE TO THE MEMBERS OF INDO AMERICAN ADVANCED PHARMACEUTICALS LIMITED ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2011.

1. The Company generally maintained proper records showing full particulars including quantitative details and location of its Fixed Assets. The management has physically verified the Fixed Assets at reasonable intervals and no material discrepancies are reported to have been observed on such verification as compared to book records.
2. None of the Fixed Assets of the Company have been revalued during the year.
3. The stocks, finished goods, stores and spares, raw materials etc., have been physically verified by the management at reasonable intervals during the year.
4. The Company has not taken any loans, secured or unsecured from the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. I am informed that there is no Company under the same management as defined under section 370 (1B) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. I am informed that there is no Company under the same management as defined under section 370 (1B) of the Companies Act, 1956.
6. In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the Company and the nature of the business with regard to purchase of spares and stores, raw materials, plant and machinery equipment and other assets and for the sale of goods.
7. According to the information and explanations given to me, there is no transactions of purchase of goods and sale of medicines made in pursuance of contracts or arrangements entered in the register maintained under Section 301 or more during the year in respect of each party have been made at prices, which were reasonable having regards to the prevailing market prices for such medicines or prices at which the transactions for similar goods have been made with other parties.
8. As informed to me, the Company generally has a reasonable system of determination of unserviceable or damage stores and spares, raw materials, and finished goods, and adequate provision for the loss arising on such items has been made during the year and review.
9. The Company has not accepted any deposited from the public within the meaning of Section 58A of the Companies Act, 1956 and the rules framed thereunder.
10. In my opinion, the Company has maintained reasonable records for the sale of disposal of its realizable scrap.
11. The Company is yet to install an internal Audit System commensurate with the size and nature of

G. Sivaprakash, Chartered Accountant
No.5, Fifth Cross Street, West Shenoy Nagar, Chennai 600 030.
Ph. No.044-26212338, Email: gsp_ca@hotmail.com

G. Sivaprakash

business.

12. According to the information and explanations given to us no personal expenses of employees of directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.

13. I have been informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act 1956 for any of the products of the Company.

14. The Company does not have any Provident Fund Scheme.

15. The Company has generally been regular in depositing Employees State Insurance with appropriate authorities in time.

16. According to the information and explanation given to me and the books records examined by me, there is no undisputed amounts payable in respect of income-tax, Wealth Tax, Sales Tax, Customs duty and Excise duty outstanding as at 31st March 2009 for a period exceeding six months from the date it became payable.

17. The Company is not a sick industrial Company as defined in the sick industrial Companies (Special provisions) Act, 1956.

Place: Chennai
Date :26/08/2011

Sd/-
G.SIVAPRAKASH
CHARTERED ACCOUNTANT.

G. Sivaprakash, Chartered Accountant
No.5, Fifth Cross Street, West Shenoy Nagar, Chennai 600 030.
Ph. No.044-26212338, Email: gsp_ca@hotmail.com

INDO AMERICAN ADVANCED PHARMACEUTICALS LTD.,
NO.24 RAILWAY COLONY THIRD STREET, CHENNAI - 600 029
BALANCE SHEET AS ON 31-03-2011

Schedules	As on 31.3.2011 Rs.	As on 31.3.2010 Rs.
<u>SOURCES OF FUNDS</u>		
SHARE CAPITAL	1	37,580,000
RESERVES & SURPLUS		37,580,000
Profit & Loss Appropriation A/c		-28227777
LOANS & ADVANCES		
Total	8,880,367	9,352,223
<u>APPLICATION OF FUNDS</u>		
FIXED ASSETS		
Gross Block	7	4,866,589
Less: Depreciation	7	396,281
Net Block	7	4,470,308
		0
INVESTMENTS	3	6,000
		0
DEPOSITS		495,862
		0
CURRENT ASSETS LOANS & ADVANCES (I)	2	1,569,700
LESS: CURRENT LIABILITIES & PROVISIONS (II)	5	1,526,454
NET CURRENT ASSETS (I - II)		43,246
Miscellaneous Expenditure	6	3,864,951
TOTAL	8,880,367	9,352,223

Place: Chennai

0

0

Date: 26/08/2011

For and on behalf of the Board

As per my Audit Report
of Even Date

sd/-

Director

sd/-

Managing Director

sd/-

G. Siva Prakash

INDO AMERICAN ADVANCED PHARMACEUTICALS LTD.,
NO.24 RAILWAY COLONY THIRD STREET, CHENNAI - 600 029

PROFIT & LOSS A/C FOR THE YEAR ENDING 31-03-2011

Schedules	As on 31.3.2011 Rs.	As on 31.3.2010 Rs.
<u>I. INCOME</u>		
By Sales	2,403,191	1,918,104
By Other Income		0
TOTAL	2,403,191	1,918,104
<u>II. EXPENDITURE</u>		
To Difference in Stock	0	0
To Raw Material	1,567,823	1,303,648
To Packing Material	79,580	60,000
To Administrative Expenses	8	536,570
To Selling & Distribution Expenses	9	294,793
TOTAL	2,478,766	2,100,438

Profit before depreciation & Tax (I - II)	-75,575	-182,334
Depreciation	396281	446701
Profit before Tax	-471856	-629036
Less: Provision for tax	0	0
Profit after tax	-471856	-629036
Add: Balance brought forward from previous year	-28227777	-27598742
Profit available for appropriation	-28699633	-28227777

III. APPROPRIATION

Proposed dividend (Subject to Tax)		0
Surplus-Balance carried to balance sheet	-28699633	-28227777

Place: Chennai	For and on behalf of the Board	As per my Audit Report of even date
Date: 26/08/2011	sd/- Director	sd/- G.Sivaprakash Chartered Accountant
	sd/- Managing Director	

INDO AMERICAN ADVANCED PHARMACEUTICALS LTD.,
NO.24 RAILWAY COLONY THIRD STREET, CHENNAI - 600 029
Schedule for the year ended 31-3-2011

	As on 31.3.2011 Rs.	As on 31.3.2010 Rs.
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Schedule - 1 : SHARE CAPITAL

Authorised

5500000 Equity Shares of Rs. 10/- Each	50,000,000	50,000,000
		0
<u>Issued, Subscribed and paid up Capital</u>	50,092,000	50,092,000
		0
Less: Calls in arrears	12,512,000	12,512,000
2502400 Equity Shares of Rs. 10/- Each Allotment Money Rs. 5/- unpaid	37,580,000	37,580,000

Schedule - 2: CURRENT ASSETS

Accrued Interest of Government Securities	1,048	1,048
Closing Stock - Finished Goods	0	0
Sundry Debtor		0
- For Others	0	0
- Trade Debtors (More than Six Months)	1,065,498	1,123,023
Cash & Bank Balance		0
Cash on Hand	75,820	178,302
Cash at Bank (Schedule - 4A)	7,418	7,418
Sub Total	1,149,784	1,309,791

LOANS & ADVANCES

Telephone Deposit	21,650	21,650
Machineries Advance	165,000	165,000
T.D.S.	28,396	28,396
Refund Due - Asst Year 97-98	1,090	1,090
Electricity Deposit	53,500	53,500
Sales Tax Deposit	15,000	15,000
Advances to Staff	135,280	102,540
Sub Total	419,916	387,176
	1,569,700	1,696,967

SCHEDULE - 3 INVESTMENTS

	As on 31.3.2011 Rs.	As on 31.3.2010 Rs.
Government Securities - N.S.C.	6,000	6,000
	6,000	6,000

SCHEDULE - 4 A CASH AT BANK

Vysya Bank - Kvl	1,964	1,964
Catholic Syrian Bank - Nlr	1,701	1,701
Catholic Syrian Bank - Chennai	3,753	3,753
	7,418	7,418

SCHEDULE - 5 : CURRENT LIABILITIES AND PROVISIONS

Sundry Creditors		
For Goods	573,670	625,362
Audit fees payable	15,000	15,000
God A/c	5,571	5,571
Provision for gratuity	110,830	110,830
Share application money (promoters)	765,633	765,633
Duties and Taxes	0	0
Listing Fees - Stock Exchange	55,750	55,750
	1,526,454	1,578,146

SCHEDULE - 6 : MISCELLANOUS EXPENDITURE

Preliminary Expenses	1,790,520	1,790,520
Public Issue Expenses	2,074,431	2,074,431
	3,864,951	3,864,951

SCHEDULE - 7 : FIXED ASSETS

PARTICULARS	W.D.V.		Total	preciation		W.D.V. 31.3.2011 Rs.
	1.4.2010	Additions Rs.		Rate %	Amount Rs.	
	Rs.					
Land	1,156,610	0	1,156,610	0	0	1,156,610
Office Equipment	20,571	0	20,571	15	3,086	17,485
Dataprocessing Equipment	43,242	0	43,242	15	6,486	36,756
Building	2,921,774	0	2,921,774	10	292,177	2,629,597
Electrical Equipment	113,652	0	113,652	15	17,048	96,604
Furniture & Fittings	94,701	0	94,701	15	14,205	80,496
Vehicles	11,602	0	11,602	20	2,320	9,281
Fax Machine	3,083	0	3,083	15	462	2,621
Electrical Typewriter	2,570	0	2,570	15	385	2,184
Lab Equipment	12,449	0	12,449	20	2,490	9,959
Machineries	309,652	0	309,652	15	46,448	263,204
Tata Sumo	15,589	0	15,589	20	3,118	12,471
Technical Cons. Charges	161,095	0	161,095	5	8,055	153,041
TOTAL	4,866,589	0	4,866,589		396,281	4,470,308

SCHEDULE - 8 ADMINISTRATIVE EXPENSES

	For the year 31.3.2011 Rs.	For the year 31.3.2010 Rs.
Bank Charges	1,458	1,260
Electricity Charges	24,598	22,653
General Expenses	15,784	12,543
Managerial Remuneration	60,000	60,000
Stationery	9,845	9,470
Repairs & Maintenance	35,987	32,500
Staff Welfare	7,854	6,020
Travelling & Conveyance	89,476	86,450
Accounting Charges	72,120	68,274
Coolie	40,875	37,620
Wages	92,429	86,072
Postage	5,478	3,700
Telephone	3,689	2,200
Vehicle Maintenance	30,578	26,054
Printing	6,872	6,183
Transport	23,657	19,306
Factory Maintenance	15,870	0
Salaries	0	0
	536,570	480,305

SCHEDULE - 9 SELLING & DISTRIBUTION EXPENSES

Frieght	26,897	18,250
Salaries Staff\Reps	192,000	152,603
Machinery Maintenance	75,896	85,632
Provident Fund	0	0
	294,793	256,485

INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED

SCHEDULE: NOTES FORMING PART OF ACCOUNTS FOR Y.E. 31.03.2011.

SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of Preparation of Financial Statements:

- i) The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provision of the companies act, 1956 as adopted consistently by the company.
- ii) All Income and Expenditure items having a material bearing on the financial statement are recognized on accrual basis.

(B) Revenue Recognition:

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis.

(C) Amortization of Miscellaneous Expenditure:

Miscellaneous Expenditures are not amortized during the year.

NOTES ON ACCOUNTS:-

1. Depreciation is charged on fixed assets as per The Companies Act, 1956.
2. In the opinion of the Board of directors, current assets, loans and advances have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
3. Balances of Sundry debtors, Sundry creditors, loans and advances are subject to confirmation.
4. Previous Years figures are regrouped or rearranged wherever necessary to make them comparable with the current year's figures.

As per the Report of even date attached.

For, G.Sivaprakash
Chartered Accountants
Sd/-

For, INDO-AMERICAN ADVANCED
PHARNACEUTICALS LIMITED
sd/-

Place: Chennai
Date: 26/08/2011

INDO AMERICAN ADVANCED PHARMACEUTICALS LTD.
 NO.24 RAILWAY COLONY THIRD STREET, CHENNAI - 600 029
 CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2011

2009-10	PARTICULARS	2010-11
Rs.		Rs.
	CASH FLOW FROM OPERATING ACTIVITIES	
(629,036)	Net profit for the year	(471,856)
	Adjustments for:	
446,701	Depreciation	396,281
(182,334)	Operating Profit Before Working Capital Changes	(75,575)
	Changes in Current assets and current liabilities	
(2,012)	(Increase)/Decrease in Debtors	57,525
(14,543)	(Increase)/Decrease in Loans & Advances	(32,740)
213,807	Increase/(Decrease) in Current Liabilities	(51,692)
14,918	Cash Generated from Operating Activities	(102,482)
14,918	NET CASH FROM OPERATING ACTIVITIES	(102,482)
	CASH FLOW FROM INVESTING ACTIVITIES	
-	Cash received on sale of Fixed Assets	-
-	Net Cash From Investing Activities	-
	CASH FLOW FROM FINANCING ACTIVITIES	
-	Net Cash from Finance Activities	-
14,918	NET INCREASE IN CASH & CASH EQUIVALENTS	(102,482)
170,801	CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE	185,720
185,720	CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	83,238

For and on behalf of Board of Directors

Place: Chennai
 Date: 26-08-2010

sd/-
 T.Rama Devi
 Director

sd/-
 B.V.S.Koteswara Rao
 Managing Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
 (Submitted in terms of Part IV of Schedule VI to the Companies Act, 1956
 (Amount in Rs.Thousands)

A REGISTRATION DETAILS

Registration No	22562
State Code	18
Date of Balance Sheet	31st March, 2011

B CAPITAL RAISED DURING THE YEAR

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

C POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities	8880	Total Assets	8880
-------------------	------	--------------	------

Sources of Fund

Paid Up Capital	37580	Reserve and Surplus	-28699
Secured Loan	Nil	Unsecured Loan	Nil
Deferred Tax	Nil		

Application of Fund

Net Fixed Assets	4470	Investments	6
Net Current Assets	43	Misc. Expenditure	3865
Accumulated Losses	Nil	Deposits	495

D PERFORMANCE OF THE COMPANY

Turnover	2403	Total Expenditure	2478
Profit/Loss before Tax	-472	Profit/Loss After Tax	-472
Earning Per Shares (in Rs.)	-0.94	Dividend Rate	Nil

E GENERIC NAMES OF PRINCIPAL PRODUCTS/ SERVICES OF THE COMPANY

A) Item Code No. (ITC Code)
 B) Product Description Pharmaceuticals

B.V.S.Koteswara Rao

T.Rama Devi

Sd/
 Managing
 Director

Sd/
 Director

Place Chennai
 Date 26/08/2011

For INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED
No.24,Railway Colony, III Street, Aminjikarai, Chennai- 600 029,Tamilnadu,
PROXY FORM

Registered Folio No.*

No. of Shares

I/We

Name(s) in Full	Father/ Husband's Name	Address as registered with the Company

being a member(s) of INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED do hereby appoint _____ of _____ in the district of _____ (or failing him _____ of _____ in the district of _____ as my / our proxy and to vote for me / us on my / our behalf at the 19th Annual General Meeting of the Company scheduled to be held on Wednesday. the 28th day of September 2011 at 3.30.00 p.m. at No.24,Railway Colony, III Street, Aminjikarai, Chennai- 600 029,

Signed by the said _____ this ____ day of ____ 2011



Affix

* As applicable for investor holding shares in physical form

Note: The proxy form duly completed must be deposited so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

For INDO-AMERICAN ADVANCED PHARMACEUTICALS LIMITED
No.24,Railway Colony, III Street, Aminjikarai, Chennai- 600 029,Tamilnadu

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP BEFORE YOU COME TO THE MEETING AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Registered Folio No.*

No. of Shares

Name(s) in Full	Father/ Husband's Name	Address as registered with the Company

I hereby record my presence at the 19th Annual General Meeting of the Company at No.24,Railway Colony, III Street, Aminjikarai, Chennai- 600 029, and at any adjournment thereof.

Member's / Proxy's Signature

* as applicable for investor holding shares in physical form