



AMAR REMEDIES LTD.

A N N U A L R E P O R T

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AMAR REMEDIES LTD.

DOMESTIC PRODUCTS - "AMAR" & "SMILES BRAND"



AFRICAN PRODUCTS - "FRESH SMILES" BRAND





AMAR REMEDIES LTD.

U.S.A. PRODUCTS - "AMAR BRAND"



HIGH END PREMIUM COSMETIC PRODUCTS - "THE NATURE'S CO."



*Select CITYWALK
DELHI*



*Palladium
MUMBAI*



*Express Avenue
CHENNAI*



*ISCON mall
AHMEDABAD*



BOARD OF DIRECTORS

Mr. Pravin Shah	-	<i>Chairman, Non-Executive Director</i>
Mrs. Pratima Shah	-	<i>Non-Executive Director</i>
Mr. Sagar P. Shah	-	<i>Managing Director</i>
Mrs. Natasha S. Shah	-	<i>Non-Executive Director</i>
Mr. Rajiv Chitnis	-	<i>Whole Time Director</i>
Mr. Gaurav Doshi	-	<i>Non-Executive, Independent Director</i>
Mr. Dilip Mehta	-	<i>Non-Executive, Independent Director</i>
Mr. Yusuf Iqbal Yusuf	-	<i>Non-Executive, Independent Director</i>
Mr. Jyotirmay Prakash Varma	-	<i>Non-Executive, Independent Director</i>
Ms. Preeti Balwantraai Desai	-	<i>Non-Executive, Independent Director</i>

COMPANY SECRETARY

Mr. Ashwin Panditpautra

AUDITORS

M/s. Shyam C. Agrawal & Co.
Chartered Accountants
Mumbai

BANKERS

State Bank of India
Indian Bank

REGISTERED OFFICE

Block No-3, 2nd Floor,
Sane Guruji Premises,
386, S.V. Savarkar Marg,
Opp. Siddhivinayak Temple,
Prabhadevi, Mumbai-400 025.
Website : www.amarremedies.com
E-mail : investors@amarremedies.com

REGISTRAR & TRANSFER AGENT

link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.

INDEX

AMAR REMEDIES LTD : STANDALONE

1.	FINANCIAL HIGHLIGHTS	8
2.	NOTICE	9
3.	DIRECTORS' REPORT	13
4.	MANAGEMENT DISCUSSION & ANALYSIS REPORT	17
5.	CORPORATE GOVERNANCE REPORT	21
6.	AUDITORS 'REPORT	29
7.	BALANCE SHEET	32
8.	PROFIT & LOSS ACCOUNT	33
9.	SCHEDULES	34
11.	NOTES ON ACCOUNTS	39
12.	SEGMENT REPORTING	41
13.	GENERAL BUSINESS PROFILE	43
10.	CASH FLOW STATEMENT	44

AMAR REMEDIES LTD : CONSOLIDATED

14.	AUDITORS' REPORT	45
15.	BALANCE SHEET	46
16.	PROFIT & LOSS ACCOUNT	47
17.	SCHEDULES	48
18.	NOTES TO ACCOUNTS	53
19.	CASH FLOW	59

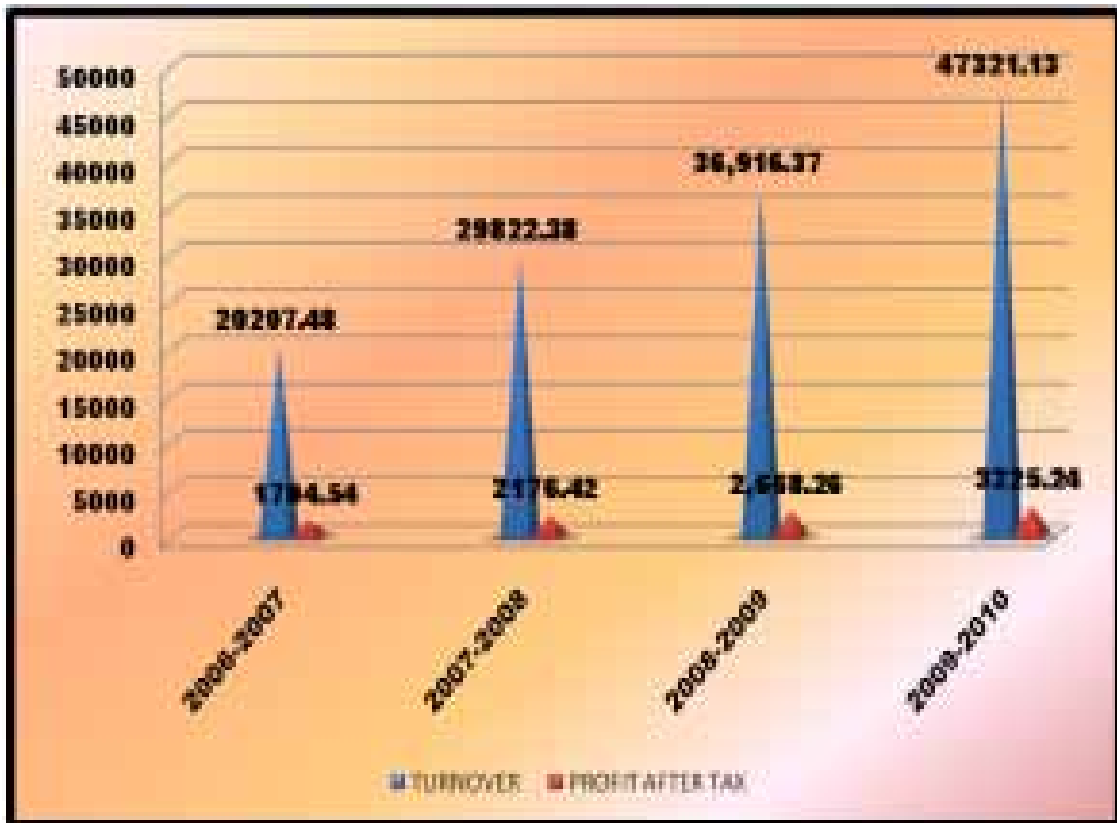
AMAR REMEDIES FZE : UAE

20.	DIRECTORS REPORT	60
21.	AUDITORS REPORT	61
22.	BALANCE SHEET	62
23.	PROFIT & LOSS ACCOUNT	63
24.	SCHEDULES	64
26.	NOTES TO ACCOUNTS	66
25.	CASH FLOW	67



FINANCIAL HIGHLIGHTS

YEAR	(Rs. In Lacs)	
	TURNOVER	PROFIT AFTER TAX
2006-2007	20207.48	1704.54
2007-2008	29,822.38	2,176.42
2008-2009	36,916.37	2,668.26
2009-2010	47321.13	3225.24



NOTICE

Notice is hereby given that the Annual General Meeting of the members of Amar Remedies Limited will be held on Thursday, 30th September, 2010 at 9:30 a.m. at Saina Resort, Madh-Marve Road, Malad (W), Mumbai - 400061 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Profit & Loss Account for the year ended 30th June, 2010 and the Balance Sheet as on that date together with the Reports of Board of Directors and Auditors thereon.
2. To declare the Final Dividend on Equity Shares
3. To appoint a Director in place of Mrs. Pratima P. Shah who retires by rotation and being eligible offers herself for reappointment.
4. To appoint a Director in place of Mr. Yusuf Iqbal Yusuf who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

6. To consider, and if thought fit, pass, with or without modification, the following resolution, as **Ordinary Resolution:**

“**RESOLVED** that Mr. Jyotirmay Prakash Varma who was appointed as an Additional Director of the company by the Board of Directors on 22nd June, 2010 to hold office upto the date of ensuing Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a member in terms of the provisions of Section 257 of the Act proposing his candidature for the office of director of the company, be and is hereby appointed as a Director of the company, liable to retirement by Rotation.”

7. To consider, and if thought fit, pass, with or without modification, the following resolution, as **Ordinary Resolution:**

“**RESOLVED** that Ms. Preeti Balwantra Desai who was appointed as an Additional Director of the company by the Board of Directors on 22nd June, 2010 to hold office upto the date of ensuing Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a member in terms of the provisions of Section 257 of the Act proposing her candidature for the office of director of the company, be and is hereby appointed as a director of the company, liable to retirement by Rotation.”

8. To consider, and if thought fit, pass, with or without modification, the following resolution, as **Ordinary Resolution:**

“**RESOLVED THAT**, in accordance with the provisions of the Section 198,269,309,310,311,340 and other applicable provisions, if any, of the Companies Act, 1956, and approval of members of the Company hereby accords its approval to re-appointment and payment of remuneration and perquisites, benefits and amenities set out hereinafter to Mr. Sagar P. Shah as the Managing Director of the Company, for a period of 5 Years from 1st April, 2010 to 31st March, 2015.

Remuneration

- a) The Managing Director shall be paid the salary of Rs. 2,00,000/- per month with increment as may be decided by Board of Directors from time to time of an amount not exceeding 50% of the salary.

- b) Perquisites-

In addition to the salary mentioned herein above, the Managing Director shall also be paid the following perquisites and benefits within the limits mentioned against each of them respectively.

- i) House rent allowance upto 50% of salary and free furniture, gas, electricity, and water.
- ii) Reimbursement of medical expenditure incurred for self and family subject to the ceiling of 1 month salary in a year or 3 months over a period of 3 years.



- iii) Leave travel concession self and family once in a year in accordance with the rules of the Company.
- iv) Personnel accident insurance for an amount, the annual premium for which shall not exceed Rs. 50,000/-

Explanation:- For the purpose of above perquisites "family" means spouse, dependent children and dependent parents of the Managing Director. Provided the perquisites mentioned at Nos. i to iv here-in-above shall be restricted to an amount equal to annual salary.

- v) Contribution to Provident Fund and Superannuation Fund to the extent not taxable under the Income Tax Act.
- vi) Gratuity at the rate of half months salary for each completed year of service.
- vii) Encashment of leave at the end of tenure as per the rules of the Company.
- viii) Provisions of car for use of Company's business provided that the use of car for private purposes shall be billed by the company to the Managing Director.
- ix) Free telephone facility at residence that personal long distance calls shall be billed by the company to the Managing Director.

Provided that the remuneration aforesaid including all perquisites, benefits and amenities shall be paid or allowed to the Managing Director as minimum remuneration in any year in event of absence or inadequacy of the profits of any year.

RESOLVED FURTHER THAT, The Directors of the Company be and are severally authorized to do any acts, deeds, things, matters as may be necessary to give effect to this resolution.

**By order of the Board of Directors
For Amar Remedies Limited**

Place : **Mumbai**
Date : **28th AUGUST, 2010**

**Sd/-
Sagar P. Shah
Managing Director**

NOTES:

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under items 6 to 8 set out above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
3. Members/ Proxies should bring the attendance slip duly filled in, for attending the meeting, along with Annual report.
4. The Register of Members and the Share Transfer register of the Company shall be remained closed from 23rd September, 2010 to 30th September 2010 (both days inclusive).
5. The Dividend, if declared at the Annual General Meeting, will be paid on or after 1st October 2010 to those persons or their mandates:
 - (a) whose names appear as Beneficial Owners as at the end of the business hours on 22nd September, 2010 in the list Beneficial Owners to be furnished by National Depository Limited and Central Depository Services (India) Limited in respect of the shares held in Electronic form; and
 - (b) whose names appear as Members in the Register of Members of the company on 22nd September, 2010 after giving effect to valid share transfers in physical form lodged with the company/Registrar and share Transfer Agents on or before the aforesaid date.

6. Nomination Facility:
- Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar and Share Transfer Agents.
 - Members holding in electronic for may obtain the Nomination forms from their respective Depository Participants.
7. The members are requested to:
- Intimate changes if any in their registered address to the Registrar and Transfer agents of the company.
 - Quote ledger folio in all their correspondence.
 - Get the multiple folio consolidate and also get the shares transferred in joint names if they are held in single name to avoid inconvenience in future.
 - Write at least 10 days prior to the date of meeting, any information that they desire on accounts, to enable the management to keep the information ready.
8. Given below are the brief resumes of the directors seeking for appointment/ reappointment at the Annual General Meeting as required in terms of clause 49 of the listing agreement:

Directors	Mr. Sagar P. Shah	Mrs. Pratima P. Shah	Mr. Yusuf Iqbal Yusuf	Mr. Jyotirmay Prakash Varma	Ms. Preeti Balwantrai Desai
Age	33	66	32	63	32
Qualification	B.COM & Diploma in Marketing	B.com	BLS. LL.B.	B.Sc.(Hons) LL.B., CAIIB, Diploma in Financial Management	B.Com C.A.
Date of Appointment	1/4/1997	18/06/1995	30/08/2007	22/06/2010	22/06/2010
Expertise	AS MENTIONED BELOW				
Details of Directorship	1) Rolloy Wires Private Limited	Rolloy Wires Private Limited	NIL	-	-
Chairman/ Members of Committee	Audit Committee	Nil	Nil	Sanskar Committee (Chairman)	
No. of Shares held in the company	6643361	4437626	Nil	Nil	Nil

Expertise of Directors

Mr. Sagar P. Shah

Mr. Sagar P. Shah, aged 33 years is the Managing Director of our Company. He graduated in commerce from Mumbai University and has done Diploma in Marketing. He started his career with Amar Remedies Limited at the age of 20 years as Marketing / Sales-in-Charge for toothpastes in the year 1996. Under his leadership in the Sales and Marketing Department the company started growing 25% to 35% every year. After a continuous growth in sales, Mr. Sagar P. Shah was taken in as a Director Sales and Marketing in the year 1997. Further he contributed his expertise by developing unique sales techniques such as insurance policy on a toothpaste pack, various gift schemes for Super-Stockiest and innovative marketing strategies for rural areas. After successful growth in Company's profits and Turnover, In the year 2000, Mr. Sagar P. Shah was appointed as a Managing Director of our Company to look after all departments so that the growth could be consolidated more strongly. He has been responsible in discovering new markets outside India for our company like USA, Africa, Nepal and Dubai, that marked a major turnaround in Exports of the Company including our entire Turnover.



AMAR REMEDIES LTD.

Mrs. Pratima P. Shah

Ms. Pratima P. Shah, aged 66 years is a Promoter-Director of the Company. She has graduated in Commerce. She has been actively involved in administration and co-ordination within the organization, especially between factory and office. She has hands on experience of more than 10 years of administration.

Mr. Yusuf Iqbal Yusuf

Mr. Yusuf Iqbal Yusuf, aged 32 years is a Non-Executive Independent Director. He is BLS. LL.B and Supreme Court Advocate. He has been giving legal advice to our Company on civil and corporate matters. He has been in practice for last 10 years with current focus on Corporate Law.

Mr. Jyotirmay Prakash Varma

Mr. Jyotirmay Prakash Varma aged 63 years is a Non-Executive Independent Director. He is B.Sc.(Hons),LL.B , retired General Manager of State Bank of India and Currently CEO with Pranjal Corporate Services Pvt. Ltd. His vast experience in the field of Banking as General Manager and his current experience as CEO together, will act as an advice to our Company in Banking & Financial Matters

Ms. Preeti Balwantra Desai

Ms. Preeti Balwantra Desai aged 32 years is a Non-Executive Independent Director. She is B.com Graduate and Member of Institute of Chartered Accountant. Her Knowledge and Expertise will help to contribute in improving accounting system and taxation related matters.

EXPLANATORY STATEMENT IN PURSUANT TO THE PROVISIONS OF SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 6 & 7

Mr. Jyotirmay P Varma and Ms. Preeti B. Desai were appointed by the Board of Directors of your Company at its meeting held on 22nd June, 2010 as an Additional Director in terms of Section 260 of the Companies Act, 1956.

Mr. Jyotirmay P Varma and Ms. Preeti B. Desai vacate their office at this Annual General Meeting pursuant to the provision of Section 260 of the Act. Notice under Section 257 of the Act has been received from a member proposing the appointment of Mr. Jyotirmay P Varma and Ms. Preeti B. Desai as a Director of the Company. Requisite consent pursuant to the provisions of Section 264 (1) of the Act, has been obtain from Mr. Jyotirmay P Varma and Ms. Preeti B. Desai to act as such Director, if appointed.

The Board recommends resolution for your approval.

None of the Directors, except Mr. Jyotirmay P Varma and Ms. Preeti B. Desai, are concerned or interested in the resolution.

Item No. 8

The Board of Director has decided to re-appoint Mr. Sagar P. shah as Managing Director of the Company for further period of five years from 1/04/2010 to 31/3/2015. The Company has immensely benefited and also grown leap bound over the years by his active contributions to the company. His appointment as Managing Director would also benefit company for its future growth. The remuneration would be payable as detailed in the resolution for his appointment as Managing Director.

The said resolution may be taken as intimation under section 302 of the Companies Act, 1956.

The Board recommends resolution for your approval.

None of the Directors, except Mr. Sagar P. Shah in relation to his appointment, are concerned or interested in the resolution.

**By order of the Board of Directors
For Amar Remedies Limited**

Place: **Mumbai**
Date : **28th AUGUST, 2010**

**Sd/-
Sagar P. Shah
Managing Director**

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the Annual Report of the company and Audited Accounts along with Auditors Report for the year ended 30th June, 2010.

FINANCIAL RESULTS

Particulars	(Rs. in Lacs)	
	2009-2010	2008-09
Total Income	47321.13	37104.80
Profit before depreciation, interest and tax	6906.19	4948.23
Less: Depreciation	1035.72	719.86
Interest	2077.13	1243.34
Profit before tax	3793.34	2985.02
Less: Provision for taxation	568.10	316.76
Profit after tax	3225.24	2668.26

OPERATIONAL REVIEW

It's with pride we declare that, during the year, your Company once again performed above par and registered an upsurge with **27.97%** growth in Turnover compared to last year 2008-09. Like every year this year as well, your Company was engaged in expansion of business activity in Domestic as well as International markets reflecting an upward growing trend in FMCG and Ayurvedic OTC Market. **The Company achieved total income of Rs. 47321.13 Lacs and the PAT of Rs. 3225.24 lacs**, as compared to the total income of Rs. 37104.80 lacs and the PAT of Rs. 2668.26 lacs in the previous year i.e during the year 2008- 2009. **The company has registered an impressive growth of 27.53% in Total Income, PBDIT has grown up to 39.57 % & PAT grown up by 20.87% compared to previous year performance.** Your management has made all efforts to keep its promise of increasing revenues & market share and the impact of the same is visible from current financial figures.

This year 2009-10, a Value addition was done by Introducing a New brand – “SMILES” in the domestic markets, under this brand 6 different products were launched viz - Smiles Toothpaste, Smiles Shaving Cream, Smiles Almond Soap, Smiles Talcum Powder, Smiles Petroleum Jelly and Smiles Chest Rub. Under “Amar” brand for the domestic markets, 3 new products were launched, Amar Heel Up, Amar Antiseptic Cream & Amar Super Six Toothpaste.

The Company's performance in International Markets – U.S.A., DUBAI, and AFRICA has registered consistent growth with AMAR WHITENING TOOTHPASTE, AMAR REGULAR TOOTHPASTE, AMAR TALCUM POWDER, AMAR PETROLEUM JELLY and AMAR BABY OIL. Further in extension to brand “Amar” in the International Markets, AMAR BAKING SODA TOOTHPASTE, AMAR HERBAL TOOTHPASTE, AMAR CHEST RUB and AMAR ICE GEL were introduced.

The Demand graph being in upward direction for High end Premium Cosmetics products market and with noticeable success of our high end luxurious natural beauty care products under the brand “The Natures Co” in most prominent metropolitan cities- Delhi, At Select City Walk, Saket and in Mumbai at Palladium, Phoenix Mills, your Company during this Financial Year opened 2 more stores at Express city mall at Chennai & Iscon mall at Ahmadabad and intends to open as many as 4 to 6 new stores in the coming financial year.

ACHIEVEMENTS

Crossing the Hindrance of volatility of Financial Markets, Your Company has achieved remarkable growth of 27.97 % in Sales; PBDIT has grown up to 39.57% & PAT grown up by 20.87 % as compared to previous year financial performance. In addition to this remarkable growth, your Company has also acquired a Plant in Daman and this plant is in addition to our 3 existing Ultra Modern plants at Surat, Daman and Dehradun.

During the year, the company applied for registration of “AMAR” & “FRESH SMILES” brands and its Sub - Brands in lots of Foreign Countries viz – U.A.E., U.S.A., NEPAL, ANGOLA, EGYPT, KENYA, SOUTH AFRICA and NIGERIA. During the year 2009-10, our Dubai subsidiary entered into a JOINT VENTURE with a NIGERIAN company, M/s UNION PRODUCTS in order to set up a plant in NIGERIA for manufacturing Toothpastes, Petroleum Jelly, Talcum Powder etc under our own “Brand Amar and our new BRAND - FRESH SMILES” to cater to the ever growing Nigerian markets and a few neighboring countries. This Plant in Nigeria will be our 1st overseas Plant in addition to our 4 plants in India viz – Surat, Daman 1, Daman 2 and Dehradun. This will form an excellent infrastructure for our future uninterrupted growth in domestic as well as international markets. Keeping in



AMAR REMEDIES LTD.

mind Africa, your company developed a new brand "FRESH SMILES" under which 24 new products were developed. List of the same is as mentioned below -

- Fresh Smiles Regular Toothpaste
- Fresh Smiles Regular Toothpaste + Brush
- Fresh Smiles Ultra Whitening Toothpaste
- Fresh Smiles Ultra Whitening Toothpaste + Brush
- Fresh Smiles Red Gel Toothpaste
- Fresh Smiles Red Gel Toothpaste + Brush
- Fresh Smiles Herbal Green Gel Toothpaste
- Fresh Smiles Herbal Green Toothpaste
- Fresh Smiles Herbal Green Gel Toothpaste + Brush
- Fresh Smiles Kids Strawberry Gel Toothpaste
- Fresh Smiles Fair & Beautiful
- Fresh Smiles Moisturizing Dawn 2 Dusk Cream
- Fresh Smiles Moisturizing Aloe Vera Cream
- Fresh Smiles Moisturizing Cocoa Butter Cream
- Fresh Smiles Lanolin Lotion
- Fresh Smiles Floral Moisturizing Hand & Body Lotion
- Fresh Smiles Chamomile Talc
- Fresh Smiles Lavender Talc
- Fresh Smiles Baby Talc
- Fresh Smiles Baby Oil
- Fresh Smiles Kids Petroleum Jelly White
- Fresh Smiles Adults Petroleum Jelly Yellow
- Fresh Smiles Hair Styling Gel Green
- Fresh Smiles Hair Styling Gel Blue

DIVIDEND

With strong support of your Customers, Suppliers, Shareholders and Bankers, Your Board has again for the Year 2009-10, recommended dividend of Rs. 1.00/- per share on Equity Shares of Rs. 10/- each for the financial year 2009-10, subject to the same being approved by shareholders at the forthcoming Annual General Meeting.

CONSOLIDATED FINANCIAL STATEMENTS AND SUBSIDIARY COMPANY

In accordance with the Accounting Standard 21 on Consolidated Financial Statements issued by Institute of Chartered Accountants of India, your Directors provide the Audited Consolidated Financial Statements in the Annual Report. AMAR REMEDIES FZE, is a wholly owned subsidiary company incorporated at UAE. The business activity of the company is trading and marketing of FMCG and other items.

The Directors and Auditors Report and Accounts of the subsidiary companies are annexed to this Report along with the statement pursuant to section 212 of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS

"Management discussion and analysis report" as required under the Listing Agreements with the stock exchanges has been furnished separately in this Annual Report.

LISTING AT STOCK EXCHANGE

The equity shares of the company continued to be listed on the Bombay Stock Exchange and the National Stock Exchange of India Ltd. The Annual Listing fees for the year 2009-10 have been paid to these Stock Exchanges.

FIXED DEPOSITS

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act 1956, from the public during the year under review.

INSURANCE

The assets of the company including buildings, Plant & Machinery and stocks, etc. have been adequately insured.

INDUSTRIAL RELATIONS

Relation with staff and workmen of the company continue to be cordial and peaceful. The directors express their gratitude towards dedication and support given by the employees.

PARTICULARS OF EMPLOYEES

Employees receiving the Remuneration in excess of the Limits, during the year, as set out under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is provided in Annexure II of the Report.

In May 2010, employee stock option scheme was approved by members through Postal ballot. Amar ESOS 2010 has been since approved by Compensation Committee of Directors for upto 10,00,000 options. Each option is convertible into one equity share of Rs.10/- each.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the company, Mrs. Pratima P. Shah and Mr. Yusuf Iqbal Yusuf, Directors of the company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. Mr. Jyotirmay P Varma and Ms. Preeti B. Desai were appointed on 22nd June, 2010 as an Additional Director in accordance with the provision of the Companies Act, 1956, resolution seeking approval of Members for their appointment has been incorporated in Notice of ensuing Annual General Meeting.

AUDITORS

M/s. Shyam C. Agrawal & Co., Chartered Accountants, retire as Auditor of the company at the conclusion of ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed. Accordingly, the said Auditors may be reappointed as Auditors of the Company at the forthcoming Annual General Meeting.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the stock exchanges a separate section titled "Corporate Governance" has been included in this Annual Report.

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

As required u/s. 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in report of Board of Directors) Rules, 1988, the particulars in respect of conservation of Energy Resources, technology absorption and Foreign Exchange Earnings & Outgo are set out in the Annexure I to the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of section 217(2AA) of the Companies Act, 1956 your directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed, alongwith proper explanation to material departure, wherever applicable;
- ii) 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 as at 30th June,2010 and of the profit for the year ended on that date;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts for the financial year ended 30th June, 2010 on a going concern basis.

ACKNOWLEDGEMENTS

The Board of Directors commends the commitment and dedication of the employees at all levels that have contributed to the growth and success of the company. The directors would also like to thank Government, statutory authorities, Shareholders, and all other stakeholders including bankers, Financial Institutions, business associates, consumers who have continued to provide support and encouragement.

**By order of the Board of Directors
For Amar Remedies Limited.**

Place: **Mumbai**
Date : **28th AUGUST, 2010**

**Sd/-
Sagar P. Shah
Managing Director**



AMAR REMEDIES LTD.

ANNEXURE I TO THE DIRECTORS' REPORT

Additional information as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

FORM A

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

The operations of the Company are not energy intensive. However, all the necessary steps are taken to use the energy conservatively. Measures introduced include preventive maintenance programme for all electrical and mechanical equipments.

A. Average Power and fuel consumption:

		2009- 2010	2008- 2009
1.	Electricity		
	a. Purchased:		
	Units	7110849	6183347
	Total amount (Rs. in Lacs)	218.43	181.17
	Average rate/ Unit Rs.	3.07	2.93
	b. Own generations	NIL	Nil
2.	Coal , Furnace oil, others	NIL	Nil

FORM B

TECHNOLOGY ABSORPTION: NOT APPLICABLE

FORM C

	EARNINGS & OUTGO	2009- 2010	2008- 2009
A.	EARNINGS: Realisation value of Exports (Rs. in Lacs)	814.66	1290.7
B.	OUTGO : Realisation value of Imports (Rs. in Lacs)	44.67	149.53
	FCLR Repayment	NIL	NIL
	CIF Value of Import	NIL	NIL

ANNEXURE II

Information as per section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 30th June, 2010

Name	Designation	Qualification	Age	Joining Date	Experience (Years)	Gross Remuneration (Rs.)	Relationship With Director	% of Equity Shares Held	Last Employment Before Joining The Company Held
Mr. Sagar P. Shah	Managing Director	B.Com	33	1/4/1997	13	Rs. 16.00 Lacs	Son of Mr. Pravin N. Shah	25.39%	Marketing Sales-Manager - Amar Remedies Ltd.

NOTES :

- 1) Designation denotes the nature of duties also.
- 2) Gross Remuneration includes salary, contribution to Provident Fund, provision for leave encashment, allowances, perquisites but excludes Gratuity unless paid/ payable.
- 3) Nature of employment and terms and conditions: The nature of employment is contractual and terms of remuneration are governed under Board and Members' Resolutions.
- 4) Experience includes number of years of service elsewhere, wherever applicable.

By order of the Board of Directors
For Amar Remedies Limited.

Place : Mumbai
Date : 28th AUGUST, 2010

Sd/-
Sagar P. Shah
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

FMCG OVERVIEW 2010

FMCG companies are witnessing a 40% growth in rural sales as against 25% in urban areas. Rural India accounts for more than 40% consumption for major FMCG categories.

In 2008, India's FMCG sector had a value of INR 86,000cr and analysts projected a growth of 15% in 2010 (2009: 12%) as the economy shows signs of recovery. **According to the FICCI Technopak report, the FMCG sector will grow at a rate of 10-12% within the next decade to reach INR 206,000cr by 2013 and INR 355,000cr by 2018.**

As the fourth largest sector in the Indian economy, it is distinguished by a good distribution network and a strong competition between organised and unorganised segment. According to Financial Express, the sector will witness a growth of 15 per cent in 2010, compared to last year.

The urban area will continue to dominate the market share of the FMCG products, with increasing incomes and new categories. Currently urban populace has a 66 per cent share in terms of consumption. The home and personal care category, including skin care, household care and feminine hygiene will keep going stronger. In the food segment-processed foods, bakery and dairy are key growth areas in both rural and urban areas.

The Indian consumer continued to enjoy royalty and hence the sales saw a hike. The issue was balanced by downsizing packaging. "The sector has coped well with recent challenges and grew by 15 per cent over the last year," says industry chamber FICCI

PERSONAL CARE

Is the segment of FMCG which has been experiencing growth for the past few years and has an estimated worth of USD4bn. Key segments of India's personal care industry include personal hygiene products, hair care, skin care, color cosmetics, and fragrances. In addition, the largely dominated bar soap segment saw annual growth of approximately 5% for the past four years.

ORAL CARE

In India, ORAL CARE market offers huge potential as penetration and per capita consumption of oral care products is very low. However, rising per capita income and increasing awareness is driving demand of oral care products. Consumers have started switching to value-added toothpastes like gels, mouth washes, and teeth whitening products. In rural areas, consumers are switching from toothpowders to toothpastes. A key industry trend is the move towards natural products comprising of herbs, vitamins and minerals.

The oral care market can be segmented into:

- Toothpaste - 60%
- Toothpowder - 23%
- Toothbrushes - 17%

This Segment is characterized by high entry barriers, a few major players, high advertisement spending, and frequent product variant launches.

The penetration level of toothpowder/toothpaste in urban areas is three times that of rural areas. Neem tree, salt, ash, and tobacco are some traditional materials that are still popular for cleaning teeth in rural areas. According to a survey, only 15% of toothpaste users brush their teeth twice a day in India. The per-capita consumption is very low in India.

About 50 % of India's population uses toothpastes, 27 % uses toothpowder while 23% in the rural areas are yet to adopt oral care. Mouth freshening washes, dental floss and teeth whitening products are at a primary stage in India. The use of these products is limited to urban areas. Industry sources expect an increase in penetration level of oral care products to 70% from current level of around 49% because of increase in advertising campaigns and awareness.

HEALTH CARE

The healthcare industry in the country, which comprises hospital and allied sectors, is projected to grow 23 per cent per annum to touch US\$ 77 billion by 2012 from the current estimated size of US\$ 35 billion, according to a Yes Bank



and an industry body report published in November 2009. The sector has registered a growth of 9.3 per cent between 2000-2009, comparable to the sectoral growth rate of other emerging economies such as China, Brazil and Mexico. According to the report, the growth in the sector would be driven by healthcare facilities, both private and public sectors, medical diagnostic and pathlabs and the medical insurance sector. According to the report, diagnostics would contribute US\$ 2.5 billion to the healthcare industry by 2012. An increasing number of public and private healthcare facilities are expected to propel demand for the industry, accounting for another US\$ 6.7 billion in this period.

The public sector however is likely to contribute only around 15-20 per cent of the required US\$ 86 billion investment. The corporate India is therefore, leveraging on this business potential and various health care brands have started aggressive expansion in the country.

The rural healthcare sector is also on an upsurge. The Rural Health Survey Report 2009, released by the Ministry of Health, stated that during the last five years rural health sector has been added with around 15,000 health sub-centres and 28,000 nurses and midwives. The report further stated that the number of primary health centres have increased by 84 per cent, taking the number to 20,107.

Government Initiative

The Government launched the National Rural Health Mission (NRHM) in 2005. It aims to provide quality healthcare for all and increase the expenditure on healthcare from 0.9 per cent of GDP to 2-3 per cent of GDP by 2012.

According to Union Budget 2010-11, the Finance Minister, Mr Pranab Mukherjee increased the plan allocation for Ministry of Health and Family Welfare from US\$ 4.2 billion in 2009-10 to US\$ 4.8 billion in 2010-11.

Moreover, in order to meet revised cost of construction, in March 2010 the government allocated an additional US\$ 1.23 billion for six upcoming AIIMS-like institutes and upgradation of 13 existing Government Medical Colleges.

ASSOCHAM reported that India's INR3,360cr oral care market (includes toothbrush and tooth powder) experienced a 10.8% growth during the first quarter of 2009-10. Analysts projected market size of INR3,450cr. However, the INR18.5bn skin care and cosmetics market that includes skin/fairness creams, shaving creams and deodorants, experienced a 11.52% growth during the first quarter of 2009-10. Meanwhile, the hair care market size (includes hair oils, shampoos, creams, conditioners, hair dyes and etc.) was approximately INR8,000cr with strong growth of 14.68% in the first quarter of 2009-10. The key trend in the personal care segment is moving away from health products towards beauty products, hence consumers are switching demand from basic products (such as soaps, shampoos, hair oils and etc.) to specialized products (such as skin whitening cream, anti-ageing products, sun block lotions and etc.). With rising disposable income from USD2,720 in 2008 to an estimated USD3,482 in 2012 as well as growing female population (2008: 178mn; 2012: estimated 191mn) between the age group 25-44 years will definitely boost this market segment.

Growth in Rural Market

According to a report by IBEF, FMCG companies concentrate on rural markets for volume and urban markets for value while the previous market remained a major market for FMCG companies (52.5% of total demand in 1998-99). Most companies offer convenient packaging and low-priced products to the rural market, and offer urban consumers with higher-valued products. A study projected that India's consumer will treble to become the fifth largest consumer market by 2025 and (2007: 12th largest consumer market). A report indicated that the nation's per capita disposable income is currently at USD556 (annual) and will more than doubled to a projected USD1,150 by 2015.

A hike in MAT and bringing in products such as chocolates, biscuits, sanitary napkins, diapers and toilet papers under fresh or additional tax net will definitely result in companies having to pay higher tax in the current fiscal.

"Rural India will see a combination of demand-pulled and cost-pushed inflation and this will be much better than mostly cost-pushed inflation for basic FMCG products in urban India to continue to provide tailwind to continue the GDP growth" averred Mukherjee. So already rural India-pro FMCG companies in India may further increase their focus on the hinterlands to drive growth.

The following factors make India a competitive player in FMCG sector:

Availability of raw materials

Because of the diverse agro-climatic conditions in India, there is a large raw material base suitable for food processing industries. India is the largest producer of livestock, milk, sugarcane, coconut, spices and cashew and is the second largest producer of rice, wheat and fruits & vegetables. India also produces caustic soda and soda ash, which are required for the production of soaps and detergents. The availability of these raw materials gives India the location advantage.

Labour cost comparison

Low cost labor gives India a competitive advantage. India's labor cost is amongst the lowest in the world, after China & Indonesia. Low labor costs give the advantage of low cost of production. Many MNC's have established their plants in India to outsource for domestic and export markets.

Presence across value chain

Indian companies have their presence across the value chain of FMCG sector, right from the supply of raw materials to packaged goods in the food-processing sector. This brings India a more cost competitive advantage. For example, Amul supplies milk as well as dairy products like cheese, butter, etc.

Courtesy: google, the-infoshop.com, articlebased.com, bharatbook.com, wordpress.com, euroasiaindustry.com, rediff.com, livemint.com, economywatch.com, ibef.org.in

OUTLOOK ON THREATS, RISKS AND CONCERNS

Trade discounts and sales incentives

Under the present VAT law there is a lot of ambiguity regarding treatment to discounts, sales commission, incentives given post sale through issue of credit notes. Unambiguous provisions should be enshrined in the GST for treatment of discounts, commission and incentives in the taxable value to avoid valuation disputes and disallowance of credits.

Damages and obsolescence

An integral part of the FMCG industry is the damages to the goods in the course of transfer before sale. Lot of goods becomes obsolete and unsaleable due to obsolescence and expiry of use period. Such losses are integral part of the business costs.

The industry suggests that such losses should be treated as business losses and allowed without reduction in the entitlement of credit.

Refunds of excess credit

FMCG sector, like other sectors such as engineering, iron and steel, has dedicated manufacturing facilities at a centralized location from where the goods are cleared for sale across the country.

A natural consequence of this is that under GST the input credit is expected to be more than the output tax resulting in refunds to be obtained from the dept. It has been the experience of the industry that both centre and state Governments are reluctant to grant refunds without long drawn legal process. This will delay refunds and cause severe financial hardships to the assesses.

VAT/CST processed food

Few states are charging VAT rate of 12.5% and others are charging it at 4%. This anomaly of different tax rates should be brought on the same level to bring parity among state.

Analysts/market expectations

There is expectation of roll back of stimulus, which is hike in excise duty from 8% to 10% and service tax from 10% to 12%. Excise duty on filter cigarette is also expected to go up by 5% to 8%. Also there is industry expects that there may be rise in MAT rate also. GST, which was supposed to be implement from next fiscal year, may get delayed. Fortunately, if the excise duty is hiked by 200 basis points, its impact will be very marginal on margins of the FMCG companies.

But any increase in service tax will be negative for the FMCG companies due to increasing advertising cost, which is in the range of 13% to 14% of the revenue. Also, If MAT is increased further, it will be negative to MAT paying companies.

Though we do not expect GST to be implemented any sooner, as and when it is introduced, it will be negative for the companies, which have greater share of revenues coming from products manufactured in excise free zone as their indirect tax incidence will go up under GST regime.

Amidst all these, the main concern at this moment for the FMCG companies is high and rising agri inflation. This has the potential to FMCG volume growth in coming quarters.



AMAR REMEDIES LTD.

If the Government roll back stimulus, it will affect the FMCG sector, as companies have to pass on the excise / service tax hike and rising input costs effectively to the consumer whose wallet size is already shrinking due to agricultural inflation.

SEGMENT WISE PERFORMANCE

The company recorded Oral care sales of Rs. **31098.91 lacs** as compared to the last year's sales of Rs. **20036.99 lacs** which resulted in 55.21% growth in Oral Sales as compared to the previous year. The sales in Health care segment also went up to Rs. **9590.76 Lacs** during the year compared to the previous year's sales of Rs. 8332.01 Lacs resulting in 15.11% growth as compared to the previous year. **This upward graph is the result of advanced marketing Strategies, Introduction of SMILES BRAND - consisting of 6 different products within it and addition of an Advance Ultra Modern plant at DAMAN.** Although we have introduced a new brand and intend to expand our business further, Quality as usual will be considered as the top priority followed by Turnover and Profits.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

There are well established internal control systems in the Company for the purchase of inventory and fixed assets and for the sale of goods and services. The company always follows the documented operating procedures at each and every step of the transaction to the largest extent. The Internal Audit function, headed by Gaurav Doshi, reports directly to the MD and the Audit committee. The department consists of a team of well qualified and experienced professionals that conduct regular audit covering the global operations of the company. The internal control system in the company is adequate and effectively in operation.

FINANCIAL PERFORMANCE –

FINANCIAL ANALYSIS

(Rs. in Lacs)

Particulars	Audited Results 2008-09	Standalone Audited Results 2009-10	% change in growth for the Year Ended 30/06/2010
Share Capital	2616.42	2616.42	-
Reserves & Surplus	12572.27	15484.40	23.16%
Total Income	37104.8	47321.13	27.53%
Profit Before Depreciation, Interest & Tax	4948.22	6906.19	39.57%
Profit Before Tax	2985.02	3793.34	27.08%
Profit After Tax	2668.26	3225.24	20.87%
Earnings Per Share	10.07	12.33	22.44%

HUMAN RESOURCES

The company considers human resources as a valuable asset and aims at attracting and retaining talented people having a high level of functional expertise, commitment, and value added orientations. The Company provides a pleasant but productive work environment towards human resources development. Training and development of its personnel is ensured through succession planning, job rotations, simulation through various Training programs and workshops.

CAUTIONARY STATEMENT

Statements in this " Management Discussion and Analysis " describing the company's objectives, estimates, expectations or projections may be " forward looking statements " within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's performance include Government Regulations, Tax regimes, economic development within India and countries in which the company conducts business, litigations, competitions and other allied factors.

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company has adopted the best practices of corporate governance for ensuring protection of the rights and interests of its stakeholders. It always follows the basic principles of corporate governance - Transparency, fairness, accountability and integrity. The company's corporate governance policies and practices have not only complied with the statutory and regulatory requirements but also gone beyond the legal mandate with a view to build up trust with shareholders, employees, customers, suppliers, Government and diverse stakeholders. Given below are the company's corporate governance policies and practices pursuant to the clause 49 of the Listing Agreements.

BOARD OF DIRECTORS

The business of the Company is conducted by the management under the directions of the Board. The board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis.

Composition

The Board comprises of Chairman, Managing Director, Whole Time Director and Non-Executive Directors, representing an optimum combination of Executive, Non-Executive and Independent Directors. All Non-Executive Directors including Chairman are persons of eminence and bring a wide range of expertise and experience to the Board.

Composition of the Board and Directorships / committee positions as on 30th June, 2010

Name of Directors	Category	Directors Liable to retire by rotation	No. of Directorship held in other Companies	No. of Membership/Chairmanship held in Committee	
				Chairman	Member
Mr. Pravin Shah	Chairman, Non-Executive	Yes	0	-	-
Mrs. Pratima Shah	Non-Executive	Yes	1	-	-
Mr. Sagar P. Shah	Managing Director	No	1	-	1
Mrs. Natasha Shah	Non-Executive	Yes	1	-	-
Mr. Rajiv Chitnis	Whole Time Director	No	0	-	1
Mr. Gaurav Doshi	Non-Executive Independent	Yes	2	1	1
Mr. Dilip Mehta	Non-Executive Independent	Yes	1	-	2
Mr. Yusuf Iqbal Yusuf	Non-Executive Independent	Yes	-	-	-
Mr. Jyotirmay P. Varma	Non-Executive Independent	Yes	-	1	-
Ms. Preeti B. Desai	Non-Executive Independent	Yes	-	-	-

Board Procedures

During the year the Board of Directors met 12 times on the following dates: 14th July 2009, 30th September 2009, 6th October, 2009, 31st October, 2009, 23rd November 2009, 23rd December, 2009, 30th January, 2010, 23rd March, 2009, 31st March, 2010, 24th April, 2010, 06th May, 2010 and 22nd June, 2010.

The gap between any two meetings never exceeded 4 months as required in clause 49.

Attendance Record of Directors

The following Table gives the attendance record of all the Directors at 12 Board Meetings held during the year, as well as at the last Annual General Meeting held on 26th December, 2009.

**Attendance Record of Directors at the Board Meetings and last AGM during 2009-10**

Name of Directors	Category	Liabile to retire by rotation	No. of Board Meetings attended	Whether attended last AGM
Mr. Pravin N. Shah	Chairman, Non-Executive	Yes	12/12	No
Mrs. Pratima P. Shah	Non-Executive, Independent	Yes	12/12	No
Mr. Sagar P. Shah	Managing Director	No	12/12	Yes
Mrs. Natasha S. Shah	Non-Executive	Yes	10/12	No
Mr. Rajiv M. Chitnis	Whole Time Director	No	12/12	Yes
Mr. Gaurav M. Doshi	Non-Executive, Independent	Yes	12/12	Yes
Mr. Yusuf Iqbal Yusuf	Non-Executive, Independent	Yes	8/12	No
Mr. Dilip S. Mehta	Non-Executive, Independent	Yes	4/12	No
*Mr. Jyotirmay P. Varma	Non-Executive, Independent	Yes	-	-
* Ms. Preeti B. Desai	Non-Executive, Independent	Yes	-	-

* Note: Mr. Jyotirmay P Varma and Ms. Preeti B. Desai were appointed as an additional director as on 22nd June, 2010.

AUDIT COMMITTEE**Constitution and the Terms of reference:**

With a view to achieve effective Internal control and Financial reporting system within the company the Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in clause 49 of the Listing Agreements with the Stock Exchanges. It consists of 3 Directors out of which two are independent having strong financial and accounting background or related financial management expertise. The terms of reference are extensive and include:

- Overseeing the Financial reporting system within the company and monitoring un-audited and audited financial results for the relevant quarter, half year and the year, before being adopted by the Board.
- Review of Internal control system, its adequacy and effectiveness.
- Approval of Internal Audit Plans and review of audit methodology and process, major accounting policies and practices, compliance with Accounting Standards.
- Discussion with External Auditor about the scope of Audit, including observations.
- Review of Legal compliance reporting system and Risk Managements.
- Discussing with Statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

Composition and Attendance:

During 2009-10 the Audit committee has met 5 times - on 21st July 2009, 30th September 2009, 31st October 2009, 30th January 2010 & 6th May, 2010. The meetings were scheduled well in advance.

Name of the Members	Category	Status	No. of Meetings attended
Gaurav Doshi, Chairman	Non-Executive Director	Independent	5/5
Sagar P. Shah	Managing Director	Non Independent	5/5
Dilip S. Mehta	Non-Executive Director	Independent	5/5

REMUNERATION COMMITTEE

The remuneration payable to Managing Director & Executive Directors is decided by the Board, based on the terms & conditions of appointment approved by the shareholders. Hence no separate Remuneration Committee has been constituted.

Remuneration for the Executive Directors during the year is as follows:

(Rs. In lacs)

Name of Directors	Relationship with other Directors	Salaries	Contribution towards EPF	Total
Sagar P. Shah – MD	Son of Pravin & Pratima Shah, Spouse of Natasha Shah	15.42	0.58	16.00
Rajiv M. Chitnis - Executive Director	N.A.	8.45	-	8.45

Compensation Committee

The Committee has been constituted to administer Amar ESOS 2010. Attendance of each member at the Committee meeting held during the year

Name	Position	Meetings held	Meetings Attended
PRAVIN N. SHAH	CHAIRMAN	2	2
DILIP S. MEHTA	INDEPENDENT DIRECTOR	2	2
GAURAV M. DOSHI	INDEPENDENT DIRECTOR	2	2

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

Composition and the Terms of reference:

The Board has constituted the Shareholders' / Investors' grievance committee to look into investors' queries and complaints regarding transfer of shares, Annual Report, Dividend, etc. The present committee consists of 3 Directors: - (1) Gaurav Doshi Chairman (2) Rajiv Chitnis (3) Dilip S. Mehta

Meetings, attendance and topics discussed:

During the year, the committee met at frequent intervals to review the status of services rendered to Investors. All the members of the committee were present at the meeting. Mr. Rajiv Chitnis, who is the compliance officer for looking into Investors' grievances on a day-to-day basis, was also present.

The company promptly (usually within 21 days except in case of dispute over facts or legal constraints) attends to all shareholders' and investors' queries / grievances through correspondence, fax, phone or e-mail. As such during the year, the company has received 29 complaints / requests and not a single query / complaint received during the year remained unattended. The company has appointed Link Intime India Pvt Ltd. as Registrar and Share Transfer Agent.

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

The company has framed a code of conduct in accordance with SEBI (Insider Trading) Regulations, directing and cautioning the directors, officers and designated employees of the company on the procedures to be followed while dealing in shares of the company. The code, besides other relevant matters, prohibits insiders from trading in shares of the company, while in possession of the unpublished price sensitive information in relation to the company.

Further, the Trading windows for dealing in shares of the company is periodically closed for the Directors, officers and designated employees of the company as per insider trading code in force in the company. In nutshell, the code of conduct is derived from 3 essential fundamental principles which form the ingredient of a growing company viz. Good Corporate Governance, Good Corporate Citizenship and Good Ethic

WHISTLE BLOWER AND PROTECTION POLICY

With a view to build and strengthen a culture of transparency and trust, the company has framed a policy through which employees and Business Associates may report fraud, unethical business practices at work place without fear of reprisal, directly to Managing Director and all the members of Audit Committee.

The MD and Audit Committee periodically review the existence and functioning of the mechanism.

GEO/CFO CERTIFICATION

In terms of the requirement of clause 49(v) of the Listing Agreement the Managing Director and Whole-time Director have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause.



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This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on 28th August, 2009.

GENERAL BODY MEETINGS

a) The last 3 Annual General Meetings of the company were held as per details given below :

Year	Venue	Date	Day	Time	No. of Special Resolutions passed
2006-2007	Saina Resort, Madh-Marve Road, Malad (W), Mumbai-400061.	Nov 15,2007	Thursday	10.00 a.m.	-
2007-2008	Saina Resort, Madh-Marve Road, Malad (W), Mumbai-400061.	Dec 5, 2008	Friday	09.30a.m.	1
2008-2009	Saina Resort, Madh-Marve Road, Malad (W), Mumbai-400061.	Dec 26, 2009	Saturday	3.00 p.m.	-

- b) Special Resolutions were passed through Postal Ballot during the year and was voted in favour by 99.99% votes by the members. Postal Ballot was conducted by Practicing Company Secretary duly appointed by the Board.
- c) Whether any special resolution is proposed to be conducted through postal ballot
No
- d) Procedure for postal ballot:
Prescribed procedure for postal Ballot as per the provisions contained in this behalf in the Companies Act, 1956 and the rules made thereunder namely Companies (Passing of resolution by Postal Ballot) Rules, 2001 shall be complied with whenever necessary.

DISCLOSURES

Related Party Transactions:

The company has not entered into any transaction of material nature with the promoters, the directors or the management, their subsidiaries or relatives, etc. that may have any potential conflicts with the interests of the company.

Compliances by the Company:

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there has been no penalty or stricture imposed by the stock exchanges, SEBI or any other statutory / regulatory body or authority.

MEANS OF COMMUNICATION

The company regularly intimates unaudited as well as audited Financial Results to the Stock Exchanges, immediately after these are taken on record by the Board. These Financial Results are normally published in newspapers-Free Press Journal (English) and Navshakti (Marathi).

Management Discussion and Analysis Report forms part of Annual Report and is furnished separately.

SHAREHOLDERS INFORMATION

Annual General Meeting:

Date : 30th September, 2010

Time : 9:30 a.m.

Venue : Saina Resort, Madh-Marve Road, Malad (w), Mumbai - 400061.

Financial Calendar:

Adoption of Unaudited Quarterly Financial Results for -

The First quarter ending 30th September, 2009: - By the last week of October, 2009

The Second quarter ending 31st December, 2009: - By the last week of January, 2010

The Third quarter ending 31st March, 2010: - By the first week of May, 2010

The Fourth quarter ending 30th June, 2010: - By the second week of August, 2010*

Audited Annual Financial Results for the year ending 30th June, 2010:- By 28th August, 2010.

*Note: The Company has decided to publish Audited results for the year ended 30th June, 2009 as per clause 41 of the Listing Agreement. Hence company has not provided unaudited result for the Quarter ended 30th June, 2010.

Date of Book Closure:

The Register of members and share transfer books of company remains closed from 23rd September, 2010 to 30th September, 2010 (both days inclusive).

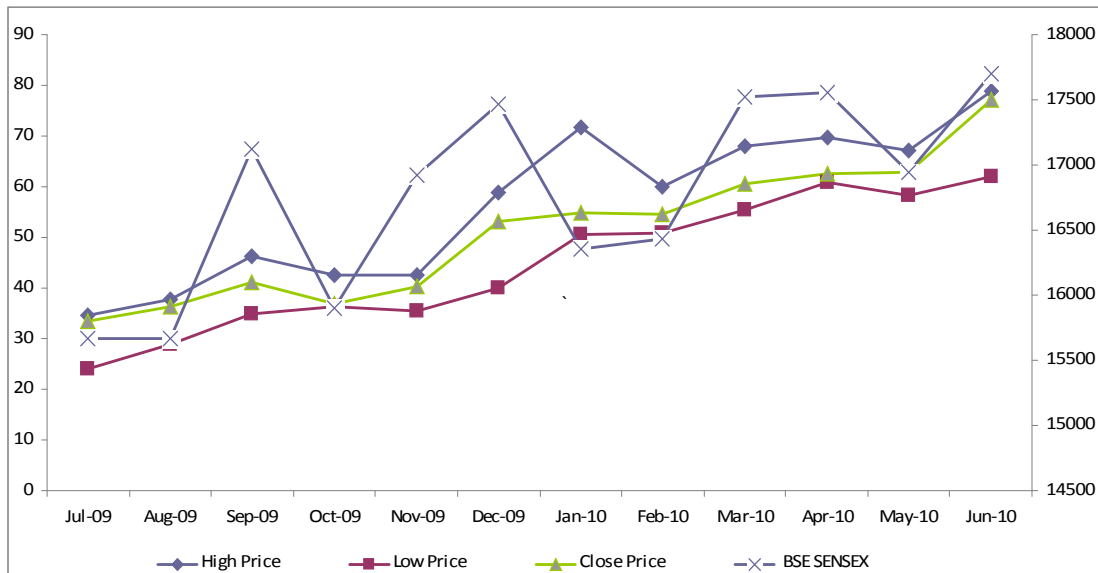
Listing on Stock Exchanges & Stock Code Nos.:

Name	Address	Stock Code No.	Payment of Listing fees for 2010-2011
Bombay Stock Exchange	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	532664	Yes
National Stock Exchange of India Ltd.	Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051.	Amar	Yes

International Securities Identification Number (ISIN) - INE787G01011 (with NSDL & CDSL)

Stock Price Data

Month	BSE (in Rs./ Share)			BSE SENSEX
	High Price	Low Price	Close Price	
Jul-09	34.55	24.10	33.40	15,670.31
Aug-09	37.70	28.90	36.25	15,666.64
Sep-09	46.30	35.00	41.25	17,126.84
Oct-09	42.50	36.20	37.00	15,896.28
Nov-09	42.70	35.35	40.30	16,926.22
Dec-09	59.00	40.05	53.25	17,464.81
Jan-10	71.80	50.55	54.95	16,357.96
Feb-10	60.00	51.00	54.65	16,429.55
Mar-10	68.10	55.50	60.65	17,527.77
Apr-10	69.65	61.00	62.60	17,558.71
May-10	67.25	58.25	62.80	16,944.63
Jun-10	79.00	62.00	77.20	17,700.90





AMAR REMEDIES LTD.

Registrar and Share Transfer Agent : **Link Intime India Pvt. Ltd.**
C-13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup (W),
Mumbai - 400 078.

Share Transfer System:

Share transfers in physical form are registered by the Registrars and returned to the respective transferee within a period of 2-3 weeks, provided the documents lodged with the Registrars/ company are clear in all respects. In case of Shares in electronic form, the transfers are processed by NSDL and CDSL through respective Depository participants. In compliance with the Listing Agreement with the Stock Exchanges, a practicing Company Secretary audits the System of Transfer and a Certificate to that effect is issued.

Dematerialisation of Shares:

The Shares of company are in compulsory demat segment and are available for trading in depository systems of both NSDL & CDSL. As on 30th June, 2010 26162789 Equity Shares of Company forming 99.99% of Share Capital of the company stand dematerialized.

Liquidity

The Shares of your company are actively traded at the Stock Exchanges (BSE & NSE), Mumbai and thus considered as Liquid securities.

CATEGORY	AS ON 30-6-2010	
	NO. OF SHARES	% TO TOTAL CAPITAL
Indian Promoters	1,10,81,157	42.35
Foreign Institutional Investors	4,83,266	1.85
Bodies Corporate	53,76,716	20.55
NRIs & Overseas Corporate Bodies (OCB)	1,91,713	0.73
Financial institutions and Banks'	333040	1.27
Indian Public	8698258	33.25
Total	26,164150	100.00

Distribution of Shareholdings according to size class as on 30th June, 2010:

SIZE CLASS	NO. OF SHAREHOLDERS		SHARES HELD IN EACH CLASS	
	NUMBERS	% TO TOTAL	NUMBERS	% TO TOTAL
1 to 500	11840	85.1676	1976608	7.5546
501 to 1000	1042	7.4953	895267	3.4217
1001 to 2000	460	3.3089	723937	2.7669
2001 to 3000	154	1.1078	405602	1.5502
3001 to 4000	79	0.5683	290478	1.1102
4001 to 5000	83	0.5970	400832	1.5320
5001 to 10000	106	0.7625	803074	3.0694
10001 and above	138	0.9927	20668352	78.9949
Total	13902	100.00	26164150	100.00

Outstanding GDRs/ ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity.

- Not Applicable.

Plant Locations:

- 1) Daman 1: 375/14, Hill Industrial Estates, Kachigam, Zari Road, Daman & Diu (U.T.)-396210.
- 2) Daman 2 : Survey No. 168/31, Dabhel Industrial Co-op. Society Ltd., Dabhel, Daman (UT) - 396219, India
- 3) Surat : 464, New G.I.D.C.,Katargam, Surat-395008 (Gujarat).
- 4) Dehradun: Plot No.1051-1/2, Central Hope Town, Selaqui, Dehradun-248001. (Uttarakhand)

Address for Correspondence:

Amar Remedies Limited

Block No-3, 2nd Floor,
Sane Guruji Premises,
386, S.V.Savarkar Marg,
Opp. Siddhivinayak temple,
Prabhadevi, Mumbai-400025.
Tel No. 022-30409100
Fax No. 022-30409120 / 21
Web-site: www.amarremedies.com

COMPLIANCE OF NON-MANDATORY REQUIREMENT

- (1) A Director's office with requisite facilities has been provided and maintained by the Company for use by its Chairman / Directors.
- (2) As the Quarterly financial Results of the company are published in the Newspapers having wide coverage, the same are not separately circulated to the shareholders.

Declaration

All the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct as laid down by the Company for the Year ended 30th June, 2010

***By order of the Board of Directors
For Amar Remedies Limited.***

Place : ***Mumbai***
Date : ***28th AUGUST, 2010***

**Sd/-
Sagar P. Shah
Managing Director**



AMAR REMEDIES LTD.

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

To,

The Members of **Amar Remedies Ltd.**

We have reviewed the records concerning the company's compliance of condition of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the company, with the Stock Exchanges of India, for the year ended 30th June, 2010.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an Audit nor an Expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us by the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that based on the records maintained by the Company and confirmation received from its Registrar & Share Transfer Agents, no Investor Grievances are pending for a period exceeding one month against the Company as at 30th June, 2010.

We further state that such Compliance is neither an assurance as to future viability of the Company, nor as to the efficiency of effectiveness with which the Management has conducted the affairs of the Company.

For SHYAM C. AGRAWAL & CO.
Chartered Accountants

SD/-
SHYAM C. AGRAWAL
(Proprietor)
(Membership No. 31774)

Place : **Mumbai**
Date : **28th AUGUST, 2010**

AUDITOR'S REPORT

To,
The Shareholders
Amar Remedies Ltd.
Block No.3, 2nd floor,
Sane Guruji Premises,
S.V. Savarkar Marg,
Opp. Siddhivinayak Temple,
Prabhadevi,
Mumbai - 400 025.

We have audited the attached Balance Sheet of AMAR REMEDIES LTD. as at 30th June'2010 and its Profit & Loss Account & the cash flow statement for the year ended on that date attached thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement of the matter specified in paragraphs 4 & 5 of the said order.
3. Further to our comments in the annexure referred to in paragraph 2 above, we report that :
 - a) We have obtained all the information and the 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 accounts, as required by law have been kept by the company so far as appears from our examination of books of accounts.
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion the Balance Sheet and Profit & Loss Account referred to in this report, comply with the accounting standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) Based on the representations made by all the Directors of the Company and the information and explanations as made available to us by the company, None of the Directors of the company has prima facie any disqualification as referred to in clause (g) of sub-section (1) of section 274 of the Act.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the and subject to the notes to the accounts relating to Balance Sheet and Profit & Loss account give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view.
 - i) In the case of Balance Sheet of the state of Affairs of the Company as at 30th June, 2010.
 - ii) In the case of Profit & Loss account, of the profit of the Company for the year ended on that date.
 - iii) In case of cash flow statement, cash flow for the year ended on that date.

For SHYAM C. AGRAWAL & CO.
Chartered Accountants

SD/-
SHYAM C. AGRAWAL
Proprietor
(Membership No. 31774)

Place : Mumbai
Date : 28th AUGUST, 2010



ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 2 of our report of even date

1 In respect of its Fixed Assets

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Fixed Assets. Fixed Assets were physically verified by the management during the period ended on 30th June, 2010.
- b) We were informed that no material discrepancies were noticed by the management on such verification. In our opinion, the frequency of verification is reasonable having regards to the size of the Company and the nature of the assets. None of the Fixed Assets have been revalued during the period ended on 30th June, 2010.
- c) According to the information and explanation given to us, the company has not disposed off substantial part of fixed assets during the year

2 In respect of Inventories:

- a) As explained to us, inventories have been physically verified by the management at regular intervals during the period ended on 30th June, 2010.
- b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The company has maintained proper records on inventories. As explained to us there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- d) The company has reasonable system of authorization at proper levels and an adequate system of internal control commensurate with the size of the nature of its business on issue of its business on issue of stores and allocation of stores and labour to jobs.

3 The company had neither granted loan to any person nor taken any loan from any person.

4 In our opinion and according to the information and explanation given to us , there are adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of inventory fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weakness in internal controls.

5 a. In our opinion and according to the information and explanation given to us, the transaction made in pursuance of contracts or arrangements that needed to be entered in the register maintained under section 301 of the companies act 1956, have been so entered.

b. According to the information and explanation given to us, we are of the opinion that the transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6 The company has not accepted any deposit from the public.

7 In our opinion, the internal audit system of the company is commensurate with the size of its business.

8 We have been informed that the maintenance of cost records has not been prescribed by the central government under section 209 (1) (d) of the companies act, 1956.

9 According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee State Insurance, Income Tax, Sale Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid dues were outstanding as at 30th June, 2010 for a period of more than six months from the date they become payable.

- 10 The company does not have accumulated losses and has not incurred any cash losses during the period ended on 30th June, 2010 covered by our audit or in the immediately preceding financial year.
- 11 Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institution, banks or debentures holders.
- 12 According to the information and explanations given to us, the company has not granted any loan or advances on the basis of security by way of pledge share, debenture or other security.
- 13 The company is not a chit fund or a Nidhi/ Mutual benefit fund/ Society. Therefore, the provisions of clause 4(xiii) of the order are not applicable to the company.
- 14 In our opinion and according to the information and explanations given to us, the company is not dealing in shares securities and debentures and other investment. Therefore the provisions of clause 4 (xiv) of the order are not applicable to the company.
- 15 In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loan taken by others from bank or financial institutions.
- 16 According to the information and explanations given to us and the records examined by us, on an overall basis, the term loans have been applied for the purpose for which the loans were obtained.
- 17 In our opinion and according to the information and explanations given to us and on an overall examination of the Balance sheet of the company, we report that no funds raised on short term basis have been utilized for long term investment.
- 18 According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies act, 1956.
- 19 According to the information and explanations given to us, the company has not issued any secured debenture during the period covered by our report. Accordingly, the provisions of clause (xix) of the order are not applicable to the company.
- 20 During the year the company has not raised any amount by way of public issue.
- 21 During the course of our examination of the books and records of the company, carried in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across by instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For **SHYAM C. AGRAWAL & CO.**

Chartered Accountants

SD/-

SHYAM C. AGRAWAL

Proprietor

(Membership No. 31774)

Place : *Mumbai*

Date : *28TH AUGUST, 2010*



AMAR REMEDIES LTD.

STANDALONE AMAR REMEDIES LTD. - BALANCE SHEET AS ON 30TH JUNE 2010

PARTICULARS	SCH	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
I - SOURCE OF FUNDS			
SHARE CAPITAL :			
Share Capital	I	261,641,500.00	261,641,500.00
Reserve & Surplus	II	1,548,439,549.63	1,257,227,916.50
LOAN FUNDS :			
Secured Loans	III	1,240,951,693.93	882,788,718.42
Deferred Tax Liability		3,243,755.00	1,433,327.00
TOTAL FUNDS EMPLOYED		3,054,276,498.56	2,403,091,461.92
II - APPLICATION OF FUNDS			
FIXED ASSETS :			
Gross Block	IV	1,413,302,339.23	1,237,896,006.23
Less : Depreciation		259,479,040.33	155,907,204.90
NET BLOCK		1,153,823,298.90	1,081,988,801.33
INVESTMENTS :	V	4,069,807.00	1,302,400.00
CURRENT ASSETS, LOANS & ADVANCES :			
Current Assets, Loans & Advances	VI	2,437,165,210.47	1,762,950,906.48
Less : Current Liabilities	VII	568,914,192.74	476,268,652.08
		1,868,251,017.73	1,286,682,254.40
MISCELLANEOUS EXPENDITURE :	VIII		
(To the extent not written off)		28,132,374.92	33,118,006.18
TOTAL FUNDS APPLIED		3,054,276,498.56	2,403,091,461.92
NOTES TO ACCOUNTS	XIV		

As per our report of even date

**FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS**

**Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)**

**PLACE : MUMBAI
DATE : 28th August, 2010**

For and on behalf of the Board

**Sd/-
SAGAR P. SHAH
(MANAGING DIRECTOR)**

**Sd/-
PRATIMA P. SHAH
(DIRECTOR)**

STANDALONE AMAR REMEDIES LTD. - PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2010

PARTICULARS	SCH	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
I. INCOME :			
Sales		4,724,044,652.64	3,691,637,727.24
Income From Other Source	IX	8,068,083.09	18,843,195.10
TOTAL		4,732,112,735.73	3,710,480,922.34
II. EXPENDITURE :			
Cost of Goods Sold	X	3,737,908,660.30	2,988,068,306.19
Manufacturing & Other Expenses	XI	97,951,669.75	78,437,080.68
Administrative Expenses	XII	336573463.57	217,074,791.05
Selling Expenses	XIII	77474298.54	57,192,166.36
Depreciation	IV	103,571,835.44	71,986,054.80
		4,353,479,927.60	3,412,758,399.08
Profit (Loss) for appropriation		378,632,808.13	297,722,523.26
Revaluation Account		702,010.00	780,011.00
		379,334,818.13	298,502,534.26
Provision for Income Tax		55,000,000.00	35,000,000.00
		324,334,818.13	263,502,534.26
Deferred Tax Liability / Assets		1,810,428.00	(3,323,922.00)
Profit (Loss) for the year		322,524,390.13	266,826,456.26
General Reserve		30,000,000.00	30,000,000.00
		292,524,390.13	236,826,456.26
Less : Provision for dividend		26,164,150.00	26,164,150.00
Less : Provision for distributed Tax		4,446,597.00	4,446,597.00
		261,913,643.13	206,215,709.26
Profit (Loss) c/f from previous year		909,366,565.00	703,150,855.73
Balance carried to Balance Sheet		1,171,280,208.13	909,366,565.00
As per our report of even date			

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE : MUMBAI
DATE : 28th August, 2010

For and on behalf of the Board

Sd/-
SAGAR P. SHAH
(MANAGING DIRECTOR)

Sd/-
PRATIMA P. SHAH
(DIRECTOR)



AMAR REMEDIES LTD.

SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE-I		
SHARE CAPITAL		
Authorised Share Capital(500,00,000/- Equity shares of Rs. 10/- each) (Previous year 280,00,000 Equity shares of Rs. 10/- each)	500,000,000.00	280,000,000.00
Issued Subscribed and Paid-up Capital(2,61,64,150/- Equity shares of Rs. 10/- each Previous Year 2,61,64,150 of Rs. 10/- each)	261,641,500.00	261,641,500.00
TOTAL RS.	261,641,500.00	261,641,500.00
RESERVE & SURPLUS – II		
REVALUATION RESERVES		
Opening Balance	12,861,351.50	13,641,362.50
Less : Depreciation charged on Revaluation during the year.	702,010.00	780,011.00
—————> a	12,159,341.50	12,861,351.50
SECURITIES PREMIUM	275,000,000.00	275,000,000.00
	275,000,000.00	275,000,000.00
GENERAL RESERVES		
Opening Reserves	60,000,000.00	30,000,000.00
Add : Transfer from General reserves	30,000,000.00	30,000,000.00
	365,000,000.00	335,000,000.00
Profit & Loss A/C :	1,171,280,208.13	909,366,565.00
—————> b	1,536,280,208.13	1,244,366,565.00
—————> a+b TOTAL RS.	1,548,439,549.63	1,257,227,916.50
SCHEDULE – III		
SECURED LOANS		
Cash credit A/c	1,210,815,360.82	845,400,595.40
Term Loan	17,332,800.00	26,000,000.00
Auto Loan	12,803,533.11	11,388,123.02
TOTAL RS.	1,240,951,693.93	882,788,718.42

**SCHEDULE - IV FIXED ASSETS
SCHEDULE FORMING PART OF THE ACCOUNTS**

NAME OF THE ASSETS	AS ON 01.07.2009	GROSS BLOCK ADDITION		DEDUCTION	AS ON 30.06.2010	Upto 30.06.2009	DEPRECIATION		NET BLOCK	
		More than six months	Less than six months				During the year	Upto 30.06.2010	AS ON 30.06.2010	AS ON 30.06.2009
Land - Surat	2,562,731.00				2,562,731.00	-	-	-	2,562,731.00	2,562,731.00
Land - Daman - I	7,207,500.00				7,207,500.00	-	-	-	7,207,500.00	7,207,500.00
Land - Daman - II			30,450,000.00		30,450,000.00	-	-	-	30,450,000.00	-
Land - Dehradun	71,471,911.00				71,471,911.00	-	-	-	71,471,911.00	71,471,911.00
Plant & Machinery - Surat	7,142,924.72				7,142,924.72	543,406.98	13.91%	543,406.98	6,599,517.74	4,426,061.45
Plant & Machinery - Daman - I	113,497,895.70				113,497,895.70	8,634,495.16	13.91%	14,586,499.02	90,276,901.52	91,342,436.10
Plant & Machinery - Daman - II			92,748,562.00		92,748,562.00	-	13.91%	-	92,748,562.00	-
Plant & Machinery - Dehradun	149,986,311.70	182,815.00			150,169,126.70	11,410,397.26	13.91%	19,301,339.27	119,457,390.17	144,133,424.18
Factory Building - Surat	79,771,205.82				79,771,205.82	11,090,161.58	0.00%	-	68,681,044.24	68,681,044.24
Factory Building - Daman - I	118,083,916.23				118,083,916.23	14,060,734.51	10.00%	9,320,311.09	94,702,870.63	90,324,974.93
Factory Building - Daman - II			44,810,949.00		44,810,949.00	-	10.00%	-	44,810,949.00	-
Factory Building - Dehradun - I	242,422,801.00				242,422,801.00	35,673,254.60	10.00%	20,674,954.64	186,074,591.76	228,113,355.03
Factory Building - Dehradun - II	217,326,200.00				217,326,200.00	29,304,437.85	10.00%	18,802,176.22	169,219,585.94	185,015,912.19
Factory Building - Dehradun - III	95,794,462.50				95,794,462.50	10,099,017.53	10.00%	8,569,544.50	77,125,900.47	91,172,604.08
Furniture & Fixtures	12,512,388.50	10,694.00	862,138.00		13,385,220.50	2,606,962.07	18.91%	1,956,653.52	8,821,604.91	9,905,426.43
Office Premises	65,508,192.50				65,508,192.50	10,601,243.35	5.00%	2,745,347.46	52,161,601.70	54,906,949.15
Computer & Printer	6,623,093.59	620,256.00	348,773.00		7,592,122.59	4,855,973.71	40.00%	1,024,704.95	5,880,678.66	1,767,119.88
Telephone System	1,221,279.00				1,221,279.00	628,762.82	20.00%	118,503.24	474,012.94	592,516.18
Fax Machine	79,832.00				79,832.00	51,072.07	20.00%	5,751.99	23,007.94	28,759.93
Cars	27,414,256.70		4,844,356.00		32,258,612.70	10,824,761.98	25.89%	4,758,903.77	16,674,946.95	16,589,494.72
Air Condition	1,181,284.77				1,181,284.77	612,178.48	13.91%	79,162.68	489,943.61	569,106.29
Electrical Installation	6,886,274.50	7,297.00	451,980.00		7,345,551.50	802,835.61	10.00%	631,672.59	5,911,043.30	6,083,438.89
Refrigerator	207,150.00				207,150.00	141,998.57	13.91%	9,062.56	56,088.87	65,151.43
Laboratory Instruments	9,966,598.00				9,966,598.00	3,616,928.93	13.91%	883,238.97	5,466,430.10	6,349,669.07
Office Equipment	1,027,797.00	68,513.00			1,096,310.00	348,581.84	13.91%	104,008.99	643,719.17	679,215.16
TOTAL RS.	1,237,896,006.23	889,575.00	174,516,758.00		1,413,302,339.23	155,907,204.90		103,571,835.44	1,153,823,298.90	1,081,988,801.34
PREVIOUS YEAR	924,165,100.53	287,189,301.00	28,575,805.16	1,976,772.30	1,237,896,006.23	83,921,150.09		71,986,054.80	1,155,907,204.89	1,081,988,801.34

NOTE : 1) Depreciation is provided proportionately for months for which the assets are used.

2) Depreciation charged on increment value of factory premises, for Rs. 702010/- has been reduced from the Revaluation Reserve.



AMAR REMEDIES LTD.

SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE – V		
INVESTMENTS		
INVESTMENT IN SUBSIDIARY(Amar Remedies Ltd. FZE)	4,069,807.00	1,302,400.00
TOTAL	4,069,807.00	1,302,400.00
SCHEDULE – VI		
CURRENT ASSETS AND LOANS & ADVANCES		
INVENTORIES		
Raw Materials	918,170,313.79	681,055,976.78
Packing Materials	92,644,850.83	44,120,034.94
Finished Goods	118,812,102.48	70,277,057.06
Work In Progress(As produced and certified by the management)	8,407,336.39	7,201,701.63
TOTAL RS.	1,138,034,603.49	802,654,770.41
DEBTORS		
Debt for the period below 6 months	1,065,924,898.03	823,191,026.00
Debt for the period exceeding 6 months(Unsecured considered good as percertificate of management)	14,236,956.00	-
TOTAL RS.	1,080,161,854.03	823,191,026.00
CASH & BANK BALANCE		
Cash in Hand	825,326.00	728,967.00
Bank Balance- Current a/c	33,791,093.59	5,970,344.43
TOTAL RS.	34,616,419.59	6,699,311.43
LOANS & ADVANCES Advances recoverable in cash or in kind (Unsecured considered good as certified by the management)		
	85,519,603.74	85,077,765.02
Advance Income Tax Paid	50,000,000.00	-
OTHERS CURRENT ASSETS		
ICICI prodential life Insurance	2,882,508.00	2,807,508.00
TOTAL RS.	138,402,111.74	87,885,273.02
INVESTMENT & DEPOSITS		
INVESTMENT IN INTER CORPORATE DEPOSITS	45,950,221.62	42,520,525.62
TOTAL RS.	45,950,221.62	42,520,525.62
GRAND TOTAL RS.	2,437,165,210.47	1,762,950,906.48

SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE - VII		
CURRENT LIABILITIES AND PROVISIONS		
Creditors for goods	79,016,574.39	71,993,415.97
Creditors for expenses	12,097,166.04	9,972,993.58
Creditors for Capital Goods	3,352,087.71	3,484,249.80
Creditors for Advertisement	816,615.00	1,379,673.00
Provision for income tax	55,000,000.00	35,000,000.00
Provision for Dividend	26,164,150.00	26,164,150.00
Provision for Distributed Tax	4,446,597.00	4,446,597.00
Other Liability	388,021,002.60	323,827,572.73
TOTAL RS.	568,914,192.74	476,268,652.08
SCHEDULE - VIII		
MISCELLANEOUS EXPENDITURE		
Preliminary Expenses	550,864.89	884,047.39
Less: Written off during the year	333,182.50	333,182.50
(To the extent not written off/ adjusted)	217,682.39	550,864.89
PUBLIC ISSUE EXPENSES	32,567,141.29	37,219,590.05
Less: Written off during the year	4,652,448.76	4,652,448.76
(To the extent not written off/ adjusted)	27,914,692.53	32,567,141.29
TOTAL RS.	28,132,374.92	33,118,006.18
SCHEDULE - IX		
INCOME FROM OTHER SOURCE		
Intetrest Income	1,191,622.00	2,040,418.00
Sale of DEP B License	5,912,961.09	2,443,323.00
Scrap Sales	963,500.00	855,082.00
Other Income (Keyman Insurance)	-	13,504,372.10
TOTAL RS.	8,068,083.09	18,843,195.10
SCHEDULE - X		
COST OF GOODS SOLD		
Opening Stock	802,654,770.41	489,714,594.86
Add: Purchases during the year	4,073,288,493.38	3,301,008,481.74
	4,875,943,263.79	3,790,723,076.60
Less: Closing stock	1,138,034,603.49	802,654,770.41
TOTAL RS.	3,737,908,660.30	2,988,068,306.19



AMAR REMEDIES LTD.

SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE – XI		
MANUFACTURING & OTHER EXPENSES		
Wages	25,372,744.00	19,609,882.00
Coolie Cartage & Transport etc.	16,069,873.57	13,409,090.30
Electricity Charges	21,842,825.00	18,117,208.00
Repairs & Maintainance	11,984,355.00	8,823,547.88
Factory Expenses	8,831,710.18	7,852,004.50
Reserch & Development exps.	13,850,162.00	10,625,348.00
TOTAL RS.	97,951,669.75	78,437,080.68
SCHEDULE – XII		
ADMINISTRATIVE EXPENSES		
Interest & Bank Charges	207,713,340.26	124,334,285.73
Audit Fees	400,000.00	400,000.00
Telephone Expenses	2,833,651.84	2,650,824.01
Salary	74,481,393.00	55,916,581.24
Office Expenses	1,921,506.00	1,736,349.50
Staff Welfare Expenses	1,718,763.00	1,447,934.00
Printing & Stationery	2,313,926.00	2,224,334.50
Conveyance	1,372,592.00	959,810.00
Directors Remuneration	2,445,000.00	1,335,000.00
Rent, Rates & Taxes	7,198,124.00	5,428,817.00
Insurance & LIC Premium Staff	2,539,461.00	2,042,615.00
Postage, Telephone & Telegram	1,638,993.00	767,177.00
Employee's P.F, ESIC, P.T. & Others	2,451,768.00	1,589,090.00
Professional Charges	13,598,803.00	8,068,356.81
Priliminary Expenses W/off	333,182.50	333,182.50
Public Issue Expenses W/off	4,652,448.76	4,652,448.76
Stamping & Stamp Duty, Mortgage Charges,& Legal ch.	6,068,931.00	1,636,270.00
Motor Car Expenses	611,714.00	504,610.00
Miscellaneous Expenses	1,228,421.00	1,047,105.00
Gain or Loss in Exchange	1,051,445.21	-
TOTAL RS.	336,573,463.57	217,074,791.05
SCHEDULE - XIII		
SELLING EXPENSES		
Travelling & Daily Allowances	17,658,412.00	14,518,346.36
Advertisement & Publicity	27,214,411.00	18,360,387.00
Sales Promotion Expenses	18,862,224.54	15,371,709.00
Commission & Brokerage	11,173,976.00	8,941,724.00
Bad Debts	2,565,275.00	-
TOTAL RS.	77,474,298.54	57,192,166.36

SCHEDULE – XIV**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS :****A) SIGNIFICANT ACCOUNTING POLICIES :****1. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS:**

The financial statements have been prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles as adopted consistently by the Company and the provisions of the Companies Act 1956.

2. REVENUE RECOGNITION:

Items of Income and Expenditure are recognized on accrual basis except duty draw back, insurance claims and Dividend which are being accounted for on cash basis, as it is not possible to ascertain the exact amount with reasonable accuracy.

3. FIXED ASSETS:

Fixed Assets are recorded at cost of acquisition or construction less CENVAT credit avail. Interest during the period of acquisition or construction is added to the cost of the assets. Revalued assets are recorded at revalued amounts less Depreciation.

4. EMPLOYEE STOCK OPTION SCHEME:

Employee Stock Options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed by Guidance Note on 'Accounting for Employee Share-based payments' issued by ICAI read with SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines 1999 issued by SEBI. The excess of market value, if any, of the stock options as on the date of grant over the exercise price of the options is recognised as deferred employee compensation and is charged to the profit and loss account on vesting basis over the vesting period of the options. The un-amortized portion of the deferred employee compensation is reduced from Employee Stock Option Outstanding, which is shown under Reserves and Surplus

5. CAPITAL WORK IN PROGRESS:

Advance paid towards acquisition of fixed assets which have not been installed or put to use, and the cost of assets not put to use, before the year end are disclosed under Capital Work in Progress

6. DEPRECIATION:

Depreciation on fixed assets is provided using the written down value method and as per rate provided in the XIV schedule of the Companies Act, 1956, based on the useful life as estimated by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

7. INVENTORIES:

Raw material/Packing material : At cost net off CENVAT computed on first in first out method.

Finished Goods & Work In Process : At cost including material cost net of CENVAT, Labour cost and all overheads other than selling and distribution overheads for work in process and the same or realizable value, whichever is lower in case of finished goods.

8. FOREIGN CURRENCY TRANSACTIONS:

Foreign currency transactions are recorded at the rate of exchange prevailing to the date of transaction. At the year end all monetary assets and liabilities denominated in foreign currency are restated at the year end exchange rates.

The premium or discount on forward contracts are amortised over the period of the contract. Exchange differences on arising on actual payment/realisation and year end reinstatement referred to the above are adjusted:

- i In. respect of fixed assets acquired outside the country to the related cost of fixed assets and
- ii All other cases in the profit and loss account.

9. RETIREMENT BENEFITS:

The retirement benefits such as contribution of provident fund, leave encashment, etc. are accounted for on accrual basis and charge to profit and loss account as per applicable rules/statutes.

10. MISCELLANEOUS EXPENDITURE:

Expenditure on formation of company being in the nature of preliminary expenses is amortized over the period of five years.

The expenditure incurred in respect of IPO have been treated as deferred revenue expenditure and amortized over a period of 10 years.

**11. CASH FLOW STATEMENTS:**

The Cash flow statement is prepared by the indirect method set out in Accounting Standard 3 on cash flow statements and present cash flows by operating, investing & financing activities of the company.

12. TAXATION:

Provision for current tax is made on the basis of Tax liability computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for timing differences arising between the taxable incomes and accounting income computed using the tax rates and the laws enacted as on the date of balance sheet.

13. IMPAIRMENT OF FIXED ASSETS:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds recoverable amount.

B) NOTES FORMING PARTS OF ACCOUNTS :

1. 'The Previous Years' figures have been regroup/restated, whenever necessary to make them comparable with the current years
2. Sales, other than exports sales, are exclusive of Excise Duty and shown net of returns and discounts.
3. In the absence of the information available with the company the amounts due to the suppliers who constitute small scale industrial undertakings have not been given. No claims has been received from any small scale industrial undertaking up to the date of the Balance Sheet relating to dues, if any.
4. Balances with Sundry Creditors, Debtors, Loans and Advances and deposits are subject to confirmation & reconciliation.
5. **SECURITY FOR TERM LOAN :** The loan, all interest and other monies in respect of the term loan is secured by:
 - * First and exclusive charge in favour of State Bank Of India over the office premises of the company located at Mumbai.
 - * Secured Loan: Cash Credit A/c – Hypothecation of Stocks, Book Debt, Factory Premises and Plant & Machinery.
6. **INTER CORPORATE DEPOSIT :** Company has given Rs.4,59,50,222/- (Rs. Four Crore Fifty Nine Lacs Fifty Thousand Two Hundred Twenty Two Only) as inter corporate deposits for the year ended 30th June 2010. The terms & conditions are not against the interest of the company.
7. **CONTINGENT LIABILITEIS :**
Claims against the company not acknowledge as debts : Rs. Nil (Previous Year : Rs. Nil)
8. **AUDITORS REMUNERATION :**

PARTICULARS	2009-2010 (RUPEES)
Statutory Audit Fee	150000.00
Tax Audit Fees	50000.00
Internal Audit Fees	150000.00
Others	50000.00
Total	400000.00

9. DIRECTOR'S REMUNERATION :

Details of Remuneration paid/payable to Mr. Sagar P. Shah, Managing Director and Rajiv Chitnis (Whole Time Director) is as follows:

Particulars	(Rs. In Lacs)	
	2010	2009
Remuneration	23.87	12.77
Contribution towards Provident Fund	0.58	0.58
Total	24.45	13.35

10. In accordance with Accounting Standard 22 "Accounting for Taxes of Income" issued by the Chartered Accountants of India which became mandatory from 01.04.2002, the Deferred Tax Liability (net) for earlier years till 30.06.2009 amounting to Rs. 14,33,327 has been recognized and adjusted against the General Reserve. The Deferred Tax Liability (net) of the current year amounting to Rs.32,43,755 has been recognized in the Profit and Loss account.

EARNING PER SHARE :	2009-2010	2008-2009
Net Profit after tax	32,25,24,390.13	26,68,26,456.26
No. Equity shares	2,61,64,150	2,61,64,150
Nominal value of equity share	10/-	10/-
Earning Per share	12.33	10.20

12. **SEGMENT REPORTING :** (Rs. in Lacs)

PARTICULARS	Year Ended 30.06.2010
1. Segment Revenue	
Oral Care	31098.91
Health Care	9590.76
Others	6550.77
Total	47240.44
2. Segment Results	
Oral Care	3764.87
Health Care	1394.93
Others	972.96
Total	6132.76
Add : Other Income	80.68
Less : Interest	2077.13
Less : Unallocated Expenses	342.97
Profit Before Taxes	3793.34

13. As per Accounting Standards (AS-18) on related party disclosures issued by the Institute of Chartered Accountants of India,

- 1.) Transaction from related parties: (Rs. In Lacs)

Sr. No.	Nature of Transactions	Key Management Personnel	
		2009-2010	2008-2009
1.	Remuneration & Perquisites	24.45	13.35

- 2.) Detailed of Related Parties

Key Management Personnel

- Mr. Sagar P. Shah (Managing Director)
- Mrs. Natasha Shah
- Mrs. Pratima P. Shah
- Mr. Pravin N. Shah
- Mr. Rajiv Chitnis



14. Additional Information Pursuant to the provisions 3&4 of part II of schedule VI of the Companies Act, 1956.

a) LICENSED CAPACITY, INSTALLED CAPACITY AND PRODUCTION

(In Tones)

Product	Installed capacity	ACTUAL PRODUCTION
Oral Care	49550	33997
Health Care	22150	3150

b) DETAILS OF OPENING AND CLOSING STOCK OF FINISHED GOODS AND TURNOVER

PRODUCTS	OPENING STOCK	CLOSING STOCK	TURN OVER Rs. in Lacs
	AMOUNT RS.	AMOUNT RS.	2009-2010
ORAL CARE	63118900.78	90309667.82	31098.91
HEALTH CARE	7158156.28	10439480.66	9590.76
OTHERS	-	-	6550.77
TOTAL	70277057.06	100749148.48	47240.44

c) Raw Material Consumed

Details of consumption of Raw Materials during the year 30th June, 2010

Particulars of products	Amount Rs.
Raw Material :	
Herbal items & Base Materials	264,11,09,821.33
Packing Materials	109,67,98,838.97
TOTAL	373,79,08,660.30

15. FOREIGN EXCHANGE EARNING AND OUTGO :

- a) Earning : The Realisation value of exports of the company during the period ended as on 30/06/2010 aggregated to Rs. 814.66/- Lacs.

This is the Direct Export and do not include sale through Merchant Exports.

- b) Outgo : The Realisation value of Import of the company during the period ended 30.06.2010 aggregated to Rs. 44.67 lacs

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION :

Particulars	Unit	Avg. Rate	(Rs. In Lacs)
Electricity	7110849	3.07	218.43

As per attached Report of even date

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE : MUMBAI
DATE : 28th August, 2010

For and on behalf of the Board

Sd/-
SAGAR P. SHAH
(MANAGING DIRECTOR)

Sd/-
PRATIMA P. SHAH
(DIRECTOR)

Additional Information in Pursuant to Part iv of the Schedule Vi to the Companies Act, 1956.

Balance Sheet Abstracted and Company's General Business Profile

I. Registration Details:

a) Registration No.	:	32687	b) State Code	:	11
c) Balance Sheet Date	:	30.06.2010			

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

a) Public Issue	:	NIL	b) Right Issue	:	NIL
c) Bonus Issue	:	NIL	d) Private Placement	:	NIL

III. Position of Mobilisation and Development of Funds : (Amount in Rs. Thousands)

a) Total Liabilities	:	3058457	b) Total Assets	:	3058457
c) Sources of Fund	:				
Paid Up Capital	:	261641	Reserves & Surplus	:	1548439
Secured Loans	:	1240952	Unsecured Loans	:	Nil
Deferred Tax	:	3244			
d) Application of Funds	:				
- Net Fixed Assets	:	1153823	Investments & Deposits	:	4070
- Net Current Assets	:	1868251	Misc. Expenditure	:	28132
- Accumulated Losses	:	Nil			

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

a) Turnover (Sales)	:	4724045	b) Total Expenditure	:	4353480
c) Profit Before Tax	:	379335	d) Profit After Tax	:	322524
e) Earning per Share	:	12.33	f) Dividend per Share	:	Rs. 1/-

V. Generic Names of three principal products of the Company:

Sr. No.	Product	Description Item Code No.(ITC)
1	Tooth paste	330610.02
2	Tooth Powder	330610.01
3	Ointment	

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE : MUMBAI
DATE : 28th August, 2010

For and on behalf of the Board

Sd/-
SAGAR P. SHAH
(MANAGING DIRECTOR)

Sd/-
PRATIMA P. SHAH
(DIRECTOR)



AMAR REMEDIES LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 2010

	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
A) CASH FLOW STATEMENT FOR THE YEAR ENDED		
Net profit Before Tax	378,632,808.13	297,722,523.26
Ajustments for :		
Depreciation	103,571,835.44	71,986,054.78
Miscellaneous expenses w/o interest paid	4,985,631.26	4,985,631.26
interest received	207,713,340.26	124,334,285.73
Income Tax	-	-
Income Tax	(55,000,000.00)	(35,000,000.00)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	639,903,615.09	464,028,495.04
Adjustment for :		
Increase & decrease in current assets	(646,297,195.84)	(503,763,184.23)
Increase & decrease in current liabilities	92,645,540.66	193,470,454.41
Misc. expenditure	-	-
CASH GENERATED FOR OPERATION	86,251,959.91	153,735,765.22
Interest paid	(207,713,340.26)	(124,334,285.73)
Direct Taxes	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(121,461,380.35)	29,401,479.49
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(175,406,333.00)	(313,730,905.70)
Sale of fixed assets	-	-
interest received	-	-
Investment in ICD, Subsidiary & Bank Deposits	(2,767,407.00)	-
NET CASH USED IN INVESTING ACTIVITIES (B)	(178,173,740.00)	(313,730,905.70)
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Refund of share application money	-	-
Increase in share capital Securities Premium	358,162,975.51	320,582,739.59
proceeds of bank loans & other financial institute	-	-
Increase in Miscellaneous exp. & R & D	-	-
Proposed Dividend	(26,164,150.00)	(26,164,150.00)
Provision for Distributed Tax	(4,446,597.00)	(4,446,597.00)
NET CASH FLOW FROM FINANCING ACTIVITIES ©	327,552,228.51	289,971,992.59
NET CASH FLOW DURING THE YEAR FROM FINANCING ACTIVITIES ©	327,552,228.51	289,971,992.59
NET CASH FLOW DURING THE YEAR (A+B+C)	27,917,108.16	5,642,566.38
Opening Cash & Cash equivalents	6,699,311.43	1,056,745.05
Cash and Cash equivalent of Chartered Accountants of India.	34,616,419.59	6,699,311.43

NOTE :

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 issued by The Institute of Chartered Accountants of India.

For and on behalf of the Board

Sd/-
Sagar P. Shah
(Managing Director)

Sd/-
Pratima P. Shah
(Director)

Auditor's Report

I have examined the above cash flow statement of Amar Remedies Limited for the years ended 30th June, 2010 and 30th June, 2009 derived from books of accounts maintained by the Company & found the same in agreement.

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE: MUMBAI
DATE : 28th August, 2010

**AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENT
TO THE BOARD OF DIRECTORS OF AMAR REMEDIES LIMITED**

To,

The Board of Directors,

Amar Remedies Limited

1. We have audited the attached Consolidated Balance Sheet of Amar Remedies Limited and its subsidiary as at 30th June, 2010, and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date annexed thereto.
2. These financial statements are the responsibility of the company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
3. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
4. We Report that the consolidated financial statement have been prepared by the Group's Management in accordance with the requirements of Accounting Standard issued by the Institute of Chartered Accountants of India viz. Accounting Standard 21 'Consolidated Financial Statements' and on the basis of the separate financial statements of Amar Remedies Limited and its subsidiary included in the consolidated financial statement.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and the Notes forming parts of accounts give the information required by the companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:-
 - i) In the case of the Consolidated Balance Sheet, of the state of affairs of the Amar Remedies Limited and its subsidiary as at 30th June, 2010,
 - ii) In the case of the Consolidated Profit and Loss Account, of the profit of the Amar Remedies Limited and its subsidiary for the year ended on that date,
 - iii) In the case of Consolidated Cash Flow Statement, of the cash flow of the Amar Remedies Limited and its subsidiary for the year ended on that date,

For SHYAM C. AGRAWAL & CO.
Chartered Accountants

SD/-
SHYAM C. AGRAWAL
Proprietor
(Membership No. 31774)

Place: **Mumbai**
Date : **28TH AUGUST, 2010**



AMAR REMEDIES LTD.

CONSOLIDATED BALANCE SHEET AS ON 30TH JUNE 2010

PARTICULARS	SCH	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
I - SOURCE OF FUNDS			
SHARE CAPITAL :			
Share Capital	I	261,641,500.00	261,641,500.00
Reserve & Surplus	II	1,552,620,335.13	1,256,712,822.42
LOAN FUNDS :			
Secured Loans	III	1,240,951,693.93	882,788,718.42
Deferred Tax Liability		3,243,755.00	1,433,327.00
TOTAL FUNDS EMPLOYED		3,058,457,284.06	2,402,576,367.84
II - APPLICATION OF FUNDS			
FIXED ASSETS :			
Gross Block	IV	1,421,561,979.59	1,237,953,434.39
Less : Depreciation		261,490,080.86	155,907,683.47
		1,160,071,898.73	1,082,045,750.92
INVESTMENTS :	V	4,069,807.00	1,302,400.00
CURRENT ASSETS, LOANS & ADVANCES :			
Current Assets, Loans & Advances	VI	2,467,357,581.70	1,762,431,022.81
Less : Current Liabilities	VII	601,174,378.30	476,320,812.08
		1,866,183,203.40	1,286,110,210.73
MISCELLANEOUS EXPENDITURE :	VIII		
(To the extent not written off)		28,132,374.92	33,118,006.18
TOTAL FUNDS APPLIED		3,058,457,284.06	2,402,576,367.84
NOTES TO ACCOUNTS	XIV		

As per our report of even date

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE : MUMBAI
DATE : 28th August, 2010

For and on behalf of the Board

Sd/-
SAGAR P. SHAH
(MANAGING DIRECTOR)

Sd/-
PRATIMA P. SHAH
(DIRECTOR)

**CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
30TH JUNE 2010**

PARTICULARS	SCH	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
I. INCOME :			
Sales		4,911,210,787.14	3,691,637,727.24
Income From Other Source	IX	8,068,083.09	18,843,195.10
TOTAL		4,919,278,870.23	3,710,480,922.34
II. EXPENDITURE :			
Cost of Goods Sold	X	3,913,539,193.69	2,988,068,306.19
Manufacturing & Other Expenses	XI	99,113,477.25	78,437,080.68
Administrative Expenses	XII	339659175.52	217,589,406.56
Selling Expenses	XIII	78055923.97	57,192,166.36
Depreciation	IV	105,582,412.09	71,986,533.37
		4,535,950,182.52	3,413,273,493.16
Profit (Loss) for appropriation		383,328,687.71	297,207,429.18
Revaluation Account		702,010.00	780,011.00
		384,030,697.71	297,987,440.18
Provision for Income Tax		55,000,000.00	35,000,000.00
		329,030,697.71	262,987,440.18
Deferred Tax Liability / Assets		1,810,428.00	(3,323,922.00)
Profit (Loss) for the year		327,220,269.71	266,311,362.18
General Reserve		30,000,000.00	30,000,000.00
		297,220,269.71	236,311,362.18
Less : Provision for dividend		26,164,150.00	26,164,150.00
Less : Provision for distributed Tax		4,446,597.00	4,446,597.00
		266,609,522.71	205,700,615.18
Profit (Loss) c/f from previous year		908,851,470.92	703,150,855.73
Balance carried to Balance Sheet		1,175,460,993.63	908,851,470.92

As per our report of even date

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE : MUMBAI
DATE : 28th August, 2010

For and on behalf of the Board

Sd/-
SAGAR P. SHAH
(MANAGING DIRECTOR)

Sd/-
PRATIMA P. SHAH
(DIRECTOR)



AMAR REMEDIES LTD.

CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE-I		
SHARE CAPITAL		
(500,00,000/- Equity shares of Rs. 10/- each)(Previous year 280,00,000 Equity shares of Rs. 10/- each)	500,000,000.00	280,000,000.00
Issued Subscribed and Paid-up Capital(2,61,64,150/- Equity shares of Rs. 10/- each)(Previous Year 2,61,64,150 of Rs. 10/- each)	261,641,500.00	261,641,500.00
TOTAL RS.	261,641,500.00	261,641,500.00
RESERVE & SURPLUS - II		
REVALUATION RESERVES		
Opening Balance	12,861,351.50	13,641,362.50
Less : Depreciation charged on Revaluation during the year.	702,010.00	780,011.00
—————> a	12,159,341.50	12,861,351.50
SECURITIES PREMIUM	275,000,000.00	275,000,000.00
	275,000,000.00	275,000,000.00
GENERAL RESERVES		
Opening Reserves	60,000,000.00	30,000,000.00
Add : Transfer from General reserves	30,000,000.00	30,000,000.00
	365,000,000.00	335,000,000.00
Profit & Loss A/C :	1,175,460,993.63	908,851,470.92
—————> b	1,540,460,993.63	1,243,851,470.92
—————> a+b TOTAL RS.	1,552,620,335.13	1,256,712,822.42
SCHEDULE – III		
SECURED LOANS		
Cash credit A/c	1,210,815,360.82	845,400,595.40
Term Loan	17,332,800.00	26,000,000.00
Auto Loan	12,803,533.11	11,388,123.02
TOTAL RS.	1,240,951,693.93	882,788,718.42

**SCHEDULE - IV FIXED ASSETS
CONSOLIDATED SCHEDULE FORMING PART OF THE ACCOUNTS**

NAME OF THE ASSETS	AS ON 01.07.2009	GROSSBLOCK ADDITION		DEDUCTION	AS ON 30.06.2010	Upto 30.06.2009	DEPRECIATION		NET BLOCK	
		More than six months	Less than six months				During the year	Upto 30.06.2010	AS ON 30.06.2010	AS ON 30.06.2009
Land - Surat	2,562,731.00				2,562,731.00	-	-	-	2,562,731.00	2,562,731.00
Land - Daman - I	7,207,500.00				7,207,500.00	-	-	-	7,207,500.00	7,207,500.00
Land - Daman - II	-		30,450,000.00		30,450,000.00	-	-	-	30,450,000.00	-
Land - Dehradun	71,471,911.00				71,471,911.00	-	-	-	71,471,911.00	71,471,911.00
Plant & Machinery - Surat	7,142,924.72				7,142,924.72	543,406.98	13.91%	917,992.92	1,461,399.90	5,681,524.82
Plant & Machinery - Daman - I	113,497,895.70				113,497,895.70	8,634,495.16	13.91%	14,586,495.02	23,220,994.18	90,276,901.52
Plant & Machinery - Daman - II	-		92,748,562.00		92,748,562.00	-	13.91%	-	-	92,748,562.00
Plant & Machinery - Dehradun	149,986,311.70	182,815.00			150,169,126.70	11,410,397.26	13.91%	19,301,339.27	30,711,736.53	119,457,390.17
Plant & Machinery - UAE	-		8,203,973.80		8,203,973.80	-	0.00%	-	-	8,203,973.80
Factory Building - Surat	79,771,205.82				79,771,205.82	11,090,161.58	0.00%	-	11,090,161.58	68,681,044.24
Factory Building - Daman - I	118,083,916.23				118,083,916.23	14,060,734.51	10.00%	10,402,318.17	24,463,052.68	93,620,863.55
Factory Building - Daman - II	-		44,810,949.00		44,810,949.00	-	10.00%	-	-	44,810,949.00
Factory Building - Dehradun - I	242,422,801.00				242,422,801.00	35,673,254.60	10.00%	20,674,954.64	56,348,209.24	186,074,591.76
Factory Building - Dehradun - II	217,326,200.00				217,326,200.00	29,304,437.85	10.00%	18,802,176.22	48,106,614.07	169,219,585.94
Factory Building - Dehradun - III	95,794,462.50				95,794,462.50	10,999,017.53	10.00%	8,569,544.50	18,668,562.03	77,125,900.47
Furniture & Fixtures	12,512,388.50	10,694.00	862,138.00		13,385,220.50	2,606,962.07	18.91%	1,956,653.52	4,563,615.59	8,821,604.91
Office Premises	65,508,192.50				65,508,192.50	10,601,243.35	5.00%	2,745,347.46	13,346,590.80	52,161,601.70
Computer & Printer	6,623,093.59	620,256.00	348,773.00		7,592,122.59	4,855,973.71	40.00%	1,024,704.95	5,880,678.66	1,711,443.93
Computer & Printer - UAE	55,666.56				55,666.56	463.88	20.00%	10,576.65	11,040.53	44,626.03
Telephone System	1,221,279.00				1,221,279.00	628,762.82	20.00%	118,903.24	747,266.06	474,012.94
Fax Machine	79,832.00				79,832.00	51,072.07	20.00%	5,751.99	56,824.06	23,007.94
Cars	27,414,256.70		4,844,356.00		32,258,612.70	10,824,761.98	25.89%	4,758,903.77	15,583,665.75	16,674,946.95
Air Condition	1,181,284.77				1,181,284.77	612,178.48	13.91%	79,162.68	691,341.16	489,943.61
Electrical Installation	6,886,274.50	7,297.00	451,980.00		7,345,551.50	802,835.61	10.00%	631,672.59	1,434,508.20	5,911,043.30
Refrigerator	207,150.00				207,150.00	141,998.57	13.91%	9,062.56	151,061.13	56,088.87
Laboratory Instruments	9,966,598.00				9,966,598.00	3,616,928.93	13.91%	883,238.97	4,500,167.90	5,466,430.10
Office Equipment	1,027,797.00	68,513.00			1,096,310.00	348,581.84	13.91%	104,008.99	452,590.83	643,719.17
TOTAL RS.	1,237,951,672.79	889,575.00	182,720,731.80		1,421,561,979.59	155,907,668.78		105,582,412.09	261,490,080.86	1,160,071,898.73
PREVIOUS YEAR	924,165,100.53	287,189,301.00	28,575,805.16	1,976,772.30	1,237,953,434.39	83,921,150.09		71,986,533.37	155,907,683.46	1,082,045,750.93

NOTE : 1) Depreciation is provided proportionately for months for which the assets are used.

2) Depreciation charged on increment value of factory premises, for Rs.702010/- has been reduced from the Revaluation Reserve.



AMAR REMEDIES LTD.

CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE – V		
INVESTMENTS		
INVESTMENT IN SUBSIDIARY (Amar Remedies Ltd. FZE)	4,069,807.00	1,302,400.00
TOTAL Rs.	4,069,807.00	1,302,400.00
SCHEDULE – VI		
CURRENT ASSETS AND LOANS & ADVANCES		
INVENTORIES		
Raw Materials	918,170,313.79	681,055,976.78
Packing Materials	92,644,850.83	44,120,034.94
Finished Goods	118,812,102.48	70,277,057.06
Work In Progress(As produced and certified by the management)	8,407,336.39	7,201,701.63
TOTAL RS.	1,138,034,603.49	802,654,770.41
DEBTORS		
Debt for the period below 6 months	1,096,407,466.41	823,191,026.00
Debt for the period exceeding 6 months(Unsecured considered good as per certificate of management)	14,236,956.00	-
TOTAL RS.	1,110,644,422.41	823,191,026.00
CASH & BANK BALANCE		
Cash in Hand	3,631,746.77	758,733.93
Bank Balance- Current a/c	34,299,912.35	6,270,599.69
TOTAL RS.	37,931,659.12	7,029,333.62
LOANS & ADVANCES		
Advances recoverable in cash or in kind(Unsecured considered good as certified by the management)	81,914,167.06	91,555,830.60
Advance Income Tax Paid	50,000,000.00	-
OTHERS CURRENT ASSETS		
ICICI prudential life Insurance	2,882,508.00	2,807,508.00
TOTAL RS.	134,796,675.06	94,363,338.60
INVESTMENT & DEPOSITS		
INVESTMENT IN INTER CORPORATE DEPOSITS	45,950,221.62	35,192,554.18
TOTAL RS.	45,950,221.62	35,192,554.18
GRAND TOTAL RS.	2,467,357,581.70	1,762,431,022.81

CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE – VII		
CURRENT LIABILITIES AND PROVISIONS		
Creditors for goods	102,418,243.97	71,993,415.97
Creditors for expenses	12,751,708.22	10,025,153.58
Creditors for Capital Goods	11,556,061.51	3,484,249.80
Creditors for Advertisement	816,615.00	1,379,673.00
Provision for income tax	55,000,000.00	35,000,000.00
Provision for Dividend	26,164,150.00	26,164,150.00
Provision for Distributed Tax	4,446,597.00	4,446,597.00
Other Liability	388,021,002.60	323,827,572.73
TOTAL RS.	601,174,378.30	476,320,812.08
SCHEDULE – VIII		
MISCELLANEOUS EXPENDITURE		
Preliminary Expenses	550,864.89	884,047.39
Less: Written off during the year	333,182.50	333,182.50
(To the extent not written off/ adjusted)	217,682.39	550,864.89
PUBLIC ISSUE EXPENSES	32,567,141.29	37,219,590.05
Less: Written off during the year	4,652,448.76	4,652,448.76
(To the extent not written off/ adjusted)	27,914,692.53	32,567,141.29
TOTAL RS.	28,132,374.92	33,118,006.18
SCHEDULE – IX		
INCOME FROM OTHER SOURCE		
Intetrest Income	1,191,622.00	2,040,418.00
Sale of DEPB License	5,912,961.09	2,443,323.00
Scrap Sales	963,500.00	855,082.00
Other Income (Keyman Insurance)	-	13,504,372.10
TOTAL RS.	8,068,083.09	18,843,195.10
SCHEDULE – X		
COST OF GOODS SOLD		
Opening Stock	802,654,770.41	489,714,594.86
Add: Purchases during the year	4,248,919,026.77	3,301,008,481.74
	5,051,573,797.18	3,790,723,076.60
Less: Closing stock	1,138,034,603.49	802,654,770.41
TOTAL RS.	3,913,539,193.69	2,988,068,306.19



AMAR REMEDIES LTD.

CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE – XI		
MANUFACTURING & OTHER EXPENSES		
Wages	25,372,744.00	19,609,882.00
Coolie Cartage & Transport etc.	16,069,873.57	13,409,090.30
Electricity Charges	21,842,825.00	18,117,208.00
Repairs & Maintainance	11,984,355.00	8,823,547.88
Factory Expenses	9,993,517.68	7,852,004.50
Reserch & Development exps.	13,850,162.00	10,625,348.00
TOTAL RS.	99,113,477.25	78,437,080.68
SCHEDULE – XII		
ADMINISTRATIVE EXPENSES		
Interest & Bank Charges	207,815,407.25	124,367,323.61
Audit Fees	400,000.00	400,000.00
Telephone Expenses	2,842,001.82	2,652,116.14
Salary	76,191,892.53	55,916,581.24
Office Expenses	1,960,472.59	1,736,349.50
Staff Welfare Expenses	1,718,763.00	1,447,934.00
Printing & Stationery	2,313,926.00	2,224,334.50
Conveyance	1,372,592.00	959,810.00
Directors Remuneration	24,45,000.00	1,335,000.00
Rent, Rates & Taxes	7,799,624.95	5,854,247.00
Insurance & LIC Premium Staff	2,545,769.88	2,042,615.00
Postage, Telephone & Telegram	1,681,670.70	767,177.00
Employer's Contribution to P.F, ESIC & Others	2,451,768.00	1,589,090.00
Professional Charges	13,718,946.20	8,120,516.81
Priliminary Expenses W/off	333,182.50	333,182.50
Public Issue Expenses W/off	4,652,448.76	4,652,448.76
Stamping & Stamp Duty, Mortgage Charges,& Legal ch.	6,068,931.00	1,636,270.00
Motor Car Expenses	631,522.02	504,610.00
Miscellaneous Expenses	1,652,924.91	1,047,105.00
Gain or Loss in Exchange	1,062,331.41	2,695.50
TOTAL RS.	339,659,175.52	217,589,406.56
SCHEDULE – XIII		
SELLING EXPENSES		
Travelling & Daily Allowances	17,834,735.83	14,518,346.36
Advertisement & Publicity	27,354,737.12	18,360,387.00
Sales Promotion Expenses	18,862,224.54	15,371,709.00
Commission & Brokerage &	11,438,951.48	8,941,724.00
Bad Debts	2,565,275.00	-
TOTAL RS.	78,055,923.97	57,192,166.36

SCHEDULE TO CONSOLIDATION ACCOUNTS
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS :
A) SIGNIFICANT ACCOUNTING POLICIES :
1. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles as adopted consistently by the Company and the provisions of the Companies Act 1956.

2. PRINCIPLE OF CONSOLIDATION:

The Consolidation financial statements have been prepared in accordance with Accounting Standard 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India. These relate to Amar Remedies Limited and its Subsidiary.

The Consolidated financial statements have been prepared on the following basis.

- i The Financial statements of the company and its subsidiary company combined on line by line basis by adding together the book value of items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealized profits or losses in year-end inventories
- ii The difference between the Company's cost of investments in Subsidiaries, over its portion of equity at the time of acquisition of shares is recognized in the consolidated financial statements as goodwill or Capital Reserve as the case may be.
- iii The consolidated financial statements are prepared by adopting the uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible in the same manner as the company's separate financial statements except otherwise stated elsewhere in this schedule.

3. REVENUE RECOGNITION:

Items of Income and Expenditure are recognized on accrual basis except duty draw back, insurance claims and Dividend which are being accounted for on cash basis, as it is not possible to ascertain the exact amount with reasonable accuracy.

4. USE OF ESTIMATES:

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

5. FIXED ASSETS:

Fixed Assets are recorded at cost of acquisition or construction less CENVAT credit avail. Interest during the period of acquisition or construction is added to the cost of the assets. Revalued assets are recorded at revalued amounts less Depreciation.

6. CAPITAL WORK IN PROGRESS:

Advance paid towards acquisition of fixed assets which have not been installed or put to use, and the cost of assets not put to use, before the year end are disclosed under Capital Work in Progress

7. DEPRECIATION:

Depreciation on fixed assets is provided using the written down value method and as per rate provided in the XIV schedule of the Companies Act, 1956, based on the useful life as estimated by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

8. INVENTORIES:

Raw material/Packing material: At cost net off CENVAT computed on first in first out method.

Finished Goods & Work In Process : At cost including material cost net of CENVAT, Labour cost and all overheads other than selling and distribution overheads for work in process and the same or realizable value, whichever is lower in case of finished goods.

**9. FOREIGN CURRENCY TRANSACTIONS:**

Foreign currency transactions are recorded at the rate of exchange prevailing to the date of transaction. At the year end all monetary assets and liabilities denominated in foreign currency are restated at the year end exchange rates. The premium or discount on forward contracts are amortised over the period of the contract. Exchange differences on arising on actual payment/realisation and year end reinstatement referred to the above are adjusted:

- i In. respect of fixed assets acquired outside the country to the related cost of fixed assets and
- ii All other cases in the profit and loss account.

10. RETIREMENT BENEFITS:

The retirement benefits such as contribution of provident fund, leave encashment, etc. are accounted for on accrual basis and charge to profit and loss account as per applicable rules/statutes.

11. MISCELLANEOUS EXPENDITURE:

- i. Expenditure on formation of company being in the nature of preliminary expenses is amortized over the period of five years.
- ii. The expenditure incurred in respect of IPO have been treated as deferred revenue expenditure and amortized over a period of 10 years.
- iii. *Pre operative expenses related to UAE subsidiary is been written off in full instead of 5 years as decided earlier years*

12. EARNINGS PER SHARE:

The company reports basic and diluted earnings per share in accordance with Accounting Standard 20 on Earning per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares during the period as adjusted for the effects of all dilutive potential equity shares, except where the results are anti – dilutive.

13. CASH FLOW STATEMENTS:

The Cash flow statement is prepared by the indirect method set out in Accounting Standard 3 on cash flow statements and present cash flows by operating, investing & financing activities of the company.

14. TAXATION:

Provision for current tax is made on the basis of Tax liability computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for timing differences arising between the taxable income and accounting income computed using the tax rates and the laws enacted as on the date of balance sheet.

15. IMPAIRMENT OF FIXED ASSETS :

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds recoverable amount.

16. Accounting Policies and Notes to accounts of the financial statements of the company and its subsidiary are set out in their respective financial statements.

The Subsidiary Company considered in the consolidated financial statement is:

Name of the Subsidiary	Country of Incorporation	Proportion of ownership Interest	Accounting Year ended on
M/S. Amar Remedies Ltd.-FZE	United Arab of Emirates (UAE)	100%	30.06.2010.

SCHEDULE – XIV NOTES TO ACCOUNTS

B) NOTES FORMING PARTS OF ACCOUNTS :

1. In the absence of the information available with the company the amounts due to the suppliers who constitute small scale industrial undertakings have not been given. No claims has been received from any small scale industrial undertaking upto the date of the Balance Sheet relating to dues, if any.
2. Balances with Sundry Creditors, Debtors, Loans and Advances and deposits are subject to confirmation & reconciliation.
3. **SECURITY FOR TERM LOAN** : The loan, all interest and other monies in respect of the term loan is secured by:
 - a. First and exclusive charge in favour of State Bank of India over the office premises of the company located at Mumbai.
 - b. Secured Loan : Cash Credit A/c – Hypothecation of Stocks, Book Debt, Factory Premises and Plant & Machinery.
4. **INTER CORPORATE DEPOSIT** : Company has given Rs. 4,59,50,222/- (Rs.Four Crore Fifty Nine Lacs Fifty Thousand Two Hundred Twenty Two Only) as inter corporate deposits for the year ended 30th June 2010. The terms & conditions are not against the interest of the company.

5. CONTINGENT LIABILITEIS :

Claims against the company not acknowledge as debts : Rs. Nil (Previous Year : Rs. Nil)

6. DIRECTOR'S REMUNERATION :

Details of Remuneration paid/payable to Mr. Sagar P. Shah, Managing Director and Rajiv Chitnis (Whole Time Director) is as follows:

(Rs. In Lacs)

Particulars	2009 - 10	2008- 09
Remuneration	23.87	12.77
Contribution towards Provident Fund	0.58	0.58
Total	24.45	13.35

7. In accordance with Accounting Standard 22 "Accounting for Taxes of Income" issued by the Chartered Accountants of India which became mandatory from 01.04.2002, the Deferred Tax Liability(net) for earlier years till 30.06.2009 amounting to Rs. 14,33,327/- has been recognized and adjusted against the General Reserve. The Deferred Tax Liability (net) of the current year amounting to Rs. 32,43,755/- has been recognized in the Profit and Loss account.

EARNING PER SHARE :	2009-2010	2008-2009
Net Profit after tax	32,72,20,269.71	26,68,26,456.26
No. Equity shares	2,61,64,150	2,61,64,150
Nominal value of equity share	10/-	10/-
Earning Per share	12.51	10.18

9. SEGMENT REPORTING :

(Rs. in Lacs)

PARTICULARS	Year Ended 30.06.2010
1. Segment Revenue	
Oral Care	31098.91
Health Care	9590.76
Others	8422.44
Total	49112.11



PARTICULARS	Year Ended 30.06.2010
2. Segment Results	
Oral Care	3764.87
Health Care	1394.93
Others	1020.95
Total	6180.75
Add : Other Income	80.68
Less : Interest	2078.15
Less : Unallocated Expenses	342.97
Profit Before Taxes	3840.31

10. As per Accounting Standards (AS-18) on related party disclosures issued by the Institute of Chartered Accountants of India,

1.) Transaction from related parties: (Rs. In Lacs)

Sr. No.	Nature of Transactions	Key Management Personnel	
		2009-2010	2008-2009
1.	Remuneration	24.45	13.35

2.) Detailed of Related Parties

Key Management Personnel

- Mr. Sagar P. Shah (Managing Director)
- Mrs. Natasha Shah
- Mrs. Pratima P. Shah
- Mr. Pravin N. Shah
- Mr. Rajiv Chitnis

11. Additional Information Pursuant to the provisions 3&4 of part II of schedule VI of the Companies Act, 1956.

a) LICENSED CAPACITY, INSTALLED CAPACITY AND PRODUCTION

(In Tones)

Product	Installed capacity	ACTUAL PRODUCTION
Oral Care	49550	33997
Health Care	22150	3150

b) DETAILS OF OPENING AND CLOSING STOCK OF FINISHED GOODS AND TURNOVER

PRODUCTS	OPENING STOCK	CLOSING STOCK	TURN OVER Rs. in Lacs
	AMOUNT RS.	AMOUNT RS.	2009-2010
ORAL CARE	63118900.78	90309667.82	31098.91
HEALTH CARE	7158156.28	10439480.66	9590.76
OTHERS	-	-	8422.44
TOTAL	70277057.06	100749148.48	49112.11

c) Raw Material Consumed

Details of consumption of Raw Materials during the year 30th June, 2010

Particulars of products	Amount Rs.
Raw Material :	
Herbal items & Base Materials	264,11,09,821.33
Packing Materials	109,67,98,838.97
Other Purchase	17,56,30,533.39
TOTAL	391,35,39,193.69

12. FOREIGN EXCHANGE EARNING AND OUTGO :

- a) Earning : The Realisation value of exports of the company during the period ended as on 30/06/2010 aggregated to Rs. 814.66/- Lacs.

This is the Direct Export and do not include sale through Merchant Exports.

- b) Outgo : The Realisation value of Import of the company during the period ended 30.06.2010 aggregated to Rs. 44.67 lacs

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION :

Particulars	Unit	Avg. Rate	(Rs. In Lacs)
Electricity	7110849	3.07	218.43

14. AUDITORS REMUNERATION:

PARTICULARS	2009-2010 (RUPEES)
Statutory Audit Fee	150000.00
Tax Audit Fees	50000.00
Internal Audit Fees	150000.00
Others	50000.00
Total	400000.00

As per attached Report of even date

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE : MUMBAI
DATE : 28th August, 2010

For and on behalf of the Board

Sd/-
SAGAR P. SHAH
(MANAGING DIRECTOR)

Sd/-
PRATIMA P. SHAH
(DIRECTOR)



AMAR REMEDIES LTD.

Statement pursuant to section 212 of the Companies Act 1956. Relating to holding Company's Interest in the Subsidiary Company. Balance Sheet Abstracted and Company's General Business Profile

(Rs. in Lacs)

Sr.No.	Discription	Amar Remedies Ltd. FZE - UAE
1	The Financial Year of the Subsidiary Company ended on	June 30, 2010.
2	Date from which it became subsidiary	17-Nov-08
3a	Number of Shares held by Amar Remedies Ltd. (Holding Company at the end of the financial Year of the Subsidiary company	5 equity shares of AED 1,00,000/- each
3b	Extent of Interest of Holding Company at the end of the financial year of the subsidiary companies	100%
4	The net aggregate amount of subsidiary companies profit/(loss) so far as concern Members of the holding company	
	A) Par of the Profit/Loss has not been dealt with in Company's Account for the current year or the previous year since it became subsidiary	NIL
	B) Par of the Profit/Loss has been deal with in Company's Account for the current year or the previous year since it became subsidiary	66.96
	Issued & Subscribed Share Capital	63.20
	Reserves	61.97
	Total Assets	160.37
	Total Liabilities	160.37
	Investments	NIL
	Turnover	1871.66
	Profit / (Loss) Before Taxation	66.96
	Provision for Taxation	-
	Profit / (Loss) after Taxation	66.96

For and on behalf of Board of the Directors

Sd/-

SAGAR P. SHAH
(MANAGING DIRECTOR)

Sd/-

PRATIMA P.SHAH
(DIRECTOR)

PLACE : MUMBAI
DATE : 28th August, 2010

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 2010

	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
A) CASH FLOW STATEMENT FOR THE YEAR ENDED		
Net profit Before Tax	383,328,687.71	297,207,429.18
Ajustments for :		
Depreciation	105,582,412.09	71,986,533.35
Miscellaneous expenses w/o	4,985,631.26	4,985,631.26
interest paid	207,815,407.25	124,367,323.61
interest received	-	-
Income Tax	(55,000,000.00)	(35,000,000.00)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	646,712,138.31	463,546,917.40
Adjustment for :		
Increase & decrease in current assets	(674,024,248.09)	(507,691,340.79)
Increase & decrease in current liabilities	124,853,566.22	193,522,614.41
Misc. expenditure	-	-
CASH GENERATED FOR OPERATION	97,541,456.44	149,378,191.02
Interest paid	(207,815,407.25)	(124,367,323.61)
Direct Taxes	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(110,273,950.81)	25,010,867.41
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(183,608,545.20)	(313,788,333.86)
Sale of fixed assets	-	-
interest received	-	-
Investment in ICD & Bank Deposits	-	-
Investment in subsidiary	(2,767,407.00)	-
NET CASH USED IN INVESTING ACTIVITIES (B)	(186,375,952.20)	(313,788,333.86)
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Refund of share application money	-	-
Increase in share capital Securities Premium	-	5,216,000.00
proceeds of bank loans & other financial institute	358,162,975.51	320,582,739.59
Increase in Miscellaneous exp. & R & D	-	(437,937.58)
Proposed Dividend	(26,164,150.00)	(26,164,150.00)
Provision for Distributed Tax	(4,446,597.00)	(4,446,597.00)
NET CASH FLOW FROM FINANCING ACTIVITIES ©	327,552,228.51	294,750,055.01
NET CASH FLOW DURING THE YEAR FROM FINANCING ACTIVITIES ©		
NET CASH FLOW DURING THE YEAR (A+B+C)	30,902,325.50	5,972,588.57
Opening Cash & Cash equivalents	7,029,333.62	1,056,745.05
Cash and Cash equivalent	37,931,659.12	7,029,333.62

NOTE :

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 issued by The Institute of Chartered Accountants of India.

For and on behalf of the Board

Sd/-
Sagar P. Shah
(Managing Director)

Sd/-
Pratima P. Shah
(Director)

Auditor's Report

I have examined the above cash flow statement of Amar Remedies Limited for the years ended 30th June, 2010 and 30th June, 2009 derived from books of accounts maintained by the Company & found the same in agreement.

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE : MUMBAI
DATE : 28th August, 2010



AMAR REMEDIES LTD.

AMAR REMEDIES FZE (UAE)

DIRECTORS REPORT

To,

The Members,

Amar Remedies FZE

Your Directors are pleased to present the Company's Annual Report together with the Audited Annual Accounts for the year ended June 30, 2010.

FINANCIAL RESULTS

Your Company is a wholly owned subsidiary of Amar Remedies Limited. The business activity of the company is trading and marketing of FMCG and other items. During the year under report your Company has started its commercial activities and there is a profit of Rs. 66,95,879=58 (Rupees Sixty Six lacs Ninety Five thousand Eight hundred Seventy Nine and Paise Fifty Eight only).

DIVIDEND

No dividend is proposed by the Directors.

DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors confirm:

- a) That in the preparation of annual accounts, the applicable accounting standards have been followed.
- b) 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 the true and fair view of the state of affairs of the company at the end of the year ended 30th June, 2010 and the profit of the Company for the year.
- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

During the year under report, the company had no employee who was in receipt of remuneration of not less than Rs 24,00,000/- per annum or not less than Rs. 2,00,000/- per month or any part thereof. The relationship between the company and its employees remained cordial throughout the year.

AUDITORS

M/s. Shyam C. Agrawal & Co, Chartered Accountants retire at the ensuing annual General Meeting and have offered themselves for re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS

AND OUTGO

During the year under review, the Company has not carried out any manufacturing activities. Therefore, information required pursuant to Section 217(1)(e) of the Companies Act, 1956 are not applicable.

For and on behalf of the Board

SD/-

MR. KARAN R. MUNDHRA

MANAGER

AUDITORS REPORT

TO THE MEMBERS OF

AMAR REMEDIES FZE, UAE

1. We have audited the attached Balance Sheet of Amar Remedies FZE, UAE as at 30th June, 2010 and the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. In carrying out our audit we have placed reliance on the work of MASTER AUDITING, Certified Public Accountants, UAE and have carried out such further checks as we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Since the company is a not foreign company as defined in Section 591 of the Companies Act, 1956, the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of subsection (4A) of section 227 of the Companies Act, 1956, does not apply and hence the matters specified therein are not reported upon.
4. Further to our comments above, we report that :
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
 - ii. In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of the books.
 - iii. The Balance sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - iv. These accounts are prepared to comply with the requirements of the Companies Act, 1956 relating to the subsidiary and holding company disclosure requirements.
 - v. In our opinion, 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, 1956.
 - vi. Since the appointment of directors to this company are not governed by the provisions of the Companies Act, 1956 the provisions relating to disqualifications u/s 274(1) (g) of the Companies Act, 1956 does not apply to this company.
 - vii. In our opinion and to the best of our information and according to the explanation given to us, the accounts read with and subject to the notes thereon give the information required by the Companies Act 1956 in the manner so require and give a true and fair view
 - (a) in the case of Balance sheet, of the State of Affairs of the Company as on 30th June 2010.
 - (b) in the case of Profit and Loss Account of the Profit for the year ended on that date and
 - (c) in the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For SHYAM C. AGRAWAL & CO.
Chartered Accountants

SD/-
SHYAM C. AGRAWAL
Proprietor
(Membership No. 31774)

Place : Mumbai
Date : 28th AUGUST, 2010



AMAR REMEDIES LTD.

AMAR REMEDIES FZE - UAE
BALANCE SHEET AS ON 30TH JUNE 2010

PARTICULARS	SCH	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SOURCES OF FUNDS :			
Share holder's Fund			
Share Capital	A	6,320,000.00	6,520,000.00
Reserves and Surplus	B	6,196,585.93	(515,094.08)
Loan Funds			
Unsecured Loan	C	3,520,162.39	807,971.44
TOTAL		16,036,748.32	6,812,877.36
APPLICATION OF FUNDS :			
Fixed Assets			
after Depreciation	D	8,248,599.83	56,949.59
Current Assets, Loans and Advances			
Loans and advances	E	36,733,094.52	6,040,128.00
Cash and Bank Balance	F	3,315,239.53	330,022.19
		40,048,334.05	
Less :			
Current Liabilities and Provisions			
Creditors for Expenses	G	32,260,185.56	7,788,148.49
			(52,160.00)
Pre Operative Expenses		-	437,937.58
TOTAL		16,036,748.32	6,812,877.36
Significant Accounting policies and Notes to the Accounts	L		
As per our annexed audit report of even date			
FOR SHYAM C. AGRAWAL & Co. CHARTERED ACCOUNTANTS		For AMAR REMEDIES FZE	
Sd/- SHYAM C. AGRAWAL (PROPRIETOR) (Membership No. 31774)		Sd/- MR. KARAN R. MUNDHRA (MANAGER)	
PLACE	: MUMBAI		
DATE	: 28th August, 2010		

AMAR REMEDIES FZE - UAE
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2010

PARTICULARS	SCH	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
INCOME :			
Sales	H	187,166,134.50	-
TOTAL		187,166,134.50	-
Cost of Goods Sold	I	175,630,533.39	-
Direct Expenses	J	1,488,526.47	-
		177,119,059.86	-
GROSS PROFIT		10,047,074.64	-
LESS :			
Administrative and Other Expenditures	K	3,351,195.06	515,094.08
TOTAL		3,351,195.06	515,094.08
Net Profit / (Loss)		6,695,879.58	(515,094.08)
Less :			
Appropriations			
Transfer to Statutory Reserves		-	-
Balance Transfer to Balance Sheet		6,695,879.58	(515,094.08)
Basic and diluted earnings per shares ⁵ equity shares of Rs. 10/- each		1,339,175.92	
Significant Accounting policies and			
Notes to the Accounts			
L			
As per our annexed audit report of even date			

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE : MUMBAI
DATE : 28th August, 2010

For AMAR REMEDIES FZE

Sd/-
MR. KARAN R. MUNDHRA
(MANAGER)



AMAR REMEDIES LTD.

**AMAR REMEDIES FZE - UAE
SCHEDULES FORMING PART OF ACCOUNTS**

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE "A"		
Share Capital		
Authorised Share Capital 5 Equity Shares of AED 1,00,000 each	6,320,000.00	6,520,000.00
Issued, Subscribed and Paidup Capital 5 Equity Shares of AED 1,00,000 each	6,320,000.00	6,520,000.00
TOTAL	6,320,000.00	6,520,000.00
SCHEDULE "B"		
Reserves and Surplus		
Opening Balance	(515,094.08)	-
Profit / (Loss) for the year	6,695,879.58	(515,094.08)
Capital Fluctuation Reserves	6,180,785.50	(515,094.08)
	15,800.43	-
TOTAL	6,196,585.93	(515,094.08)
SCHEDULE "C"		
Unsecured Loans		
from holding Company Amar Remedies Limited	3,520,162.39	807,971.44
TOTAL	3,520,162.39	807,971.44
SCHEDULE "D"		
Fixed Assets		
Computer		
Opening Balance	56,949.59	-
Addition During the Year	-	57,428.16
Fluctuation Reserves	(1,761.60)	-
	55,187.99	57,428.16
Less : Depreciation	10,561.96	478.57
TOTAL	44,626.03	56,949.59
Plant and Machineries		
Opening Balance	-	-
Addition During the Year	8,203,973.80	-
	8,203,973.80	-
Less : Depreciation	-	-
	8,203,973.80	-
TOTAL	8,248,599.83	56,949.59
SCHEDULE "E"		
CURRENT ASSETS, LOANS AND ADVANCES		
Sundry Debtors Less than 6 months	30,482,568.38	-
Loans and Advances (Unsecured Considered good)	5,812,550.14	5,800,518.00
Advance recoverable in cash or kindor for value to be received	437,976.00	239,610.00
Prepaid Expenses		
TOTAL	36,733,094.52	6,040,128.00
SCHEDULE "F"		
Cash and Bank balances		
Cash in Hand	2,806,420.77	29,766.93
Cash in Bank	508,818.76	300,255.26
TOTAL	3,315,239.53	330,022.19

AMAR REMEDIES FZE - UAE
SCHEDULES FORMING PART OF ACCOUNTS

Particulars	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
SCHEDULE "G"		
Current Liabilities and Provisions		
Creditors for Capital Assets	8,203,973.80	-
Creditors for Goods	23,378,475.18	-
Provisions for Expenses	677,736.58	52,160.00
TOTAL	32,260,185.56	52,160.00
SCHEDULE "H"		
Income		
Sales – Local	183,885,084.38	-
Sales – Exports	-	-
Income	3,281,050.12	-
TOTAL	187,166,134.50	-
SCHEDULE "I"		
Cost of Goods Sold	-	-
Opening Stock	-	-
Add :		
Purchases During the year	175,630,533.39	-
	175,630,533.39	-
Less : Closing Stock	-	-
TOTAL	175,630,533.39	-
SCHEDULE "J"		
Direct Expenses		
Commission Expenses	186,392.85	-
Freight & Clearance Charges	543,955.07	-
Trade Shows	140,326.12	-
Warehouse Charges	617,852.43	-
TOTAL	1,488,526.47	-
SCHEDULE "K"		
Administrative and other Expenses		
Bank Service Charges	102,066.99	33,037.88
Exchange difference	10,886.20	2,695.50
Licenses and Permits	367,994.77	213,530.00
Professional Fees	120,143.20	52,160.00
Rent	123,240.00	211,900.00
Automobile Expense	11,968.31	-
Commission	78,582.63	-
Corporation Tax	1,345.28	-
Depreciation Expense	10,576.65	478.57
Insurance	6,308.88	-
Office Expenses	38,966.59	-
Parking	7,839.71	-
Postage and Delivery	42,677.70	-
Salaries	1,710,499.53	-
Taxes	108,920.90	-
Telephone	8,349.98	1,292.13
Travel & Ent	176,323.83	-
Preoperative Expenses - USA	424,503.91	-
TOTAL	3,351,195.06	515,094.08



AMAR REMEDIES LTD.

SCHEDULE - ["L"]

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED JUNE 30,2010

1. Accounting Policies

- a) The financial statements are prepared under the historical cost convention on Accrual basis. The financial statements confirm to the requirements of Schedule VI to the Companies Act, 1956.
 - b) Conversion into Indian Rupees:
The translation of financial statements into Indian Rupees is done in accordance with AS 11 (Revised The Effects of Changes in Foreign Exchange Rates issued by the Institute of Chartered Accountants of India, which is mandatory w.e.f. 01.04.2004). The resultant Foreign Exchange Fluctuation reserve is shown separately under shareholders funds or under Profit and Loss account on the asset side. The Assets and Liabilities are translated at closing rate. The income and expenditure are translated at closing rate.
 - c) Revenue Recognition: Revenue of Sales Consideration has been accounted on accrual basis.
- 2) The Company is 100% subsidiary of Amar Remedies Limited. The Accounts have been prepared and audited in Indian Rupees for the purpose of attachment to the accounts of the holding company to comply with the provisions of Indian Companies Act,1956
- 3) For the purpose of conversion of the local currency (AED) into Indian Currency (INR), the exchange rate applied is as per para 1(b) of the accounting policies.
- 4) As per Accounting Standards (AS-18) on related party disclosures issued by the Institute of Chartered Accountants of India,

Details of Related Parties :

- 1) Key Management Personnel **MR. KARAN R. MUNDHRA (Manager)**

SD/-

- 2) Holding Company **Amar Remedies Limited**

- i) Transaction with related parties:

(Rs. in Lacs)

Sr. No.	Name of the Transaction	Holding Company	Key Management Personnel
		2009-10	2008-09
1	Unsecured Loan Received	35.20	8.08

- ii) Balance at the year end of related parties:

(Rs. in Lacs)

Sr. No.	Name of the Transaction	Holding Company	Key Management Personnel
		2009-10	2008-09
1	Unsecured Loan Received	35.20	8.08

As per our annexed Audit Report of even date

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-

SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

For AMAR REMEDIES FZE
For and on behalf of board of the Directors

Sd/-

(Manager)

PLACE : MUMBAI
DATE : 28th August, 2010

AMAR REMEDIES FZE - UAE CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 2010

	30.06.2010 Amount Rs.	30.06.2009 Amount Rs.
A) CASH FLOW STATEMENT FOR THE YEAR ENDED		
Net profit / (Loss) Before Tax	6695879.58	(515094.08)
Adjustments for :		
Depreciation	10576.65	478.57
Miscellaneous expenses w/o interest paid	0.00	0.00
interest received	0.00	0.00
Income Tax	0.00	0.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6706456.23	(514615.51)
Adjustment for :		
Increase & decrease in current assets	(30692966.52)	(6040128.00)
Increase & decrease in current liabilities	32208025.56	52160.00
Misc. expenditure	0.00	0.00
CASH GENERATED FOR OPERATION	8221515.27	(6502583.51)
Interest paid	0.00	0.00
Direct Taxes	0.00	0.00
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	8221515.27	(6502583.51)
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(8203973.80)	(57428.16)
Sale of fixed assets	0.00	0.00
interest received	0.00	0.00
Investment in ICD & Bank Deposits	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES (B)	(8203973.80)	(57428.16)
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Refund of share application money	0.00	0.00
Increase in share capital	(200000.00)	6520000.00
Capital Reserves	15800.43	0.00
Securities Premium	0.00	0.00
proceeds of bank loans & other loans	2712190.95	807971.44
Increase in Miscellaneous exp. & R & D	437937.58	(437937.58)
Proposed Dividend	0.00	0.00
Provision for Distributed Tax	0.00	0.00
NET CASH FLOW FROM FINANCING ACTIVITIES ©	2965928.96	6890033.86
NET CASH FLOW DURING THE YEAR FROM FINANCING ACTIVITIES ©	2965928.96	6890033.86
NET CASH FLOW DURING THE YEAR (A+B+C)		
Opening Cash & Cash equivalents	2983470.43	330022.19
Cash and Cash equivalent	330022.19	0.00
	3313492.62	330022.19

NOTE :

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 issued by The Institute of Chartered Accountants of India.

For and on behalf of the Board

Sd/-
Sagar P. Shah
(Managing Director)

Sd/-
Pratima P. Shah
(Director)

Auditor's Report

I have examined the above cash flow statement of Amar Remedies Limited for the years ended 30th June, 2010 and 30th June, 2009 derived from books of accounts maintained by the Company & found the same in agreement.

FOR SHYAM C. AGRAWAL & Co.
CHARTERED ACCOUNTANTS

Sd/-
SHYAM C. AGRAWAL
(PROPRIETOR)
(Membership No. 31774)

PLACE: MUMBAI
DATE : 28th August, 2010

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AMAR REMEDIES LTD.

Registered Office : Block No-3, 2nd Floor, Sane Guruji Premises, 386,
S.V. Savarkar Marg, Opp. Siddhivinayak Temple, Prabhadevi, Mumbai-400 025.

ATTENDANCE SLIP

FOLIO NO. _____ NO. OF SHARES _____

DP ID / CLIENT ID* _____

NAME OF THE MEMBER _____

AUTHORISED REPRESENTATIVE _____

NAME OF THE PROXY _____

I hereby record my presence at the **ANNUAL GENERAL MEETING** of the Company being held on Thursday, 30th September, 2010 at 9:30 a.m. at Saina Resort, Madh-Marve Road, Malad (W), Mumbai - 400 061 to transact the business.

<i>Signature of the Member/ Authorised Representative</i>	<i>Signature of the Proxy</i>
---------------------------------------------------------------	-------------------------------

*Applicable for investors holding shares in demat form.

Note : To be handed over at the entrance of the meeting hall.

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AMAR REMEDIES LTD.

Registered Office : Block No-3, 2nd Floor, Sane Guruji Premises, 386,
S.V. Savarkar Marg, Opp. Siddhivinayak Temple, Prabhadevi, Mumbai-400 025.

PROXY FORM

DP ID *

CLIENT ID *

I/We _____ of _____ being a member/members of Amar Remedies Limited hereby appoint _____ of or failing him/her _____ of as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, 30th September, 2010 at 9:30 a.m. at Saina Resort, Madh-Marve Road, Malad (W), Mumbai - 400 061 and/or at any adjournment hereof.

Signed this _____ day of _____ 2010

*Applicable for investors holding shares in demat form.

Affix a
1 Rupee
Revenue
Stamp

TEAR HERE

BOOK-POST



If undelivered, please return to :

AMAR REMEDIES LIMITED

Block No-3, 2nd Floor, Sane Guruji Premises,
386, S.V.Savarkar marg, Opp. Siddhivinayak temple,
Prabhadevi, Mumbai-400 025.