



***31st Annual Report  
2011-12***

BOARD OF DIRECTORS	:	Mr. A.K.Jain	Whole Time Director
		Dr. A.A.Sisodia	Director
		Mr. M.K.Bothra	Director
		Mr. J. Singha	Director
REGISTERED OFFICE	:	4, N. S. Road, 1 <sup>st</sup> Floor, Kolkata – 700 001	
AUDITORS	:	M/s. Mohindra Arora & Co. Chartered Accountants Mumbai	
COMPANY SECRETARY	:	Ms. Sujata Dange	
BANKERS	:	HDFC Bank ICICI Bank	
REGISTRAR & TRANSFER AGENT	:	Adroit Corporate Service Pvt. Ltd. 19, Jaferbhoy Industrial Estate, 1 <sup>st</sup> Floor, Makwana Road, Marol Naka, Mumbai – 400 059.	



**NOTICE**

**NOTICE** is hereby given that the 31<sup>st</sup> Annual General Meeting of Adinath Bio-Labs Limited will be held on Monday, 10<sup>th</sup> September, 2012 at 10.00 A.M. at Hotel Rose Valley, RB – 29, Raghunathpur, VIP Road, Kolkata – 700 059 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet, the Statement of Profit & Loss Account and the Cash Flow Statement for the year ended 31st March, 2012, together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. M.K.Bothra, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**By Order of the Board  
For Adinath Bio-Labs Limited**

**Place : Kolkata  
Date : 02/08/2012**

**Sujata Dange  
(Company Secretary)**

### NOTES:

1. A member entitled to attend and vote 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.
2. Members who are holding Company's shares in a Dematerialized form are required to bring details of their depository account No. for identification.
3. Register of Members and Share Transfer Books shall remain closed from 03/09/2012 to 10/09/2012 (Both days inclusive).
4. Proxies in order to be effective must be received at the Company's registered office not less than 48 hours before the time fixed for the meeting.
5. Members are requested to kindly notify immediately change if any in their address to the company.
6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Secretary / Director of the Company so as to reach at least seven days before the date of the meeting, so that the information required may be made available at the meeting to the best extent possible.
7. Corporate members are requested to send a duly certified copy of Board Resolution authorizing their representatives to attend and vote at the meeting.
8. Pursuant to the Provisions of Section 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account shall be transferred to the Investor Education and protection Fund set up by the Central Government. No claims shall lie against the company or said fund, in respect of individual amount/s which remain unclaimed or unpaid for a period of seven years from the date of payment, and no payment shall be made in respect of any such claims.

Members who have not encashed the dividend warrant (s) so far, for any of the dividends declared for the earlier year or for any subsequent year/s are requested to make their claims immediately to the Company.

### **Appointment / Re appointment of Directors:**

#### **Details as stipulated under Clause 49 (amended) of the Listing Agreement in respect of the Director seeking re-appointment is furnished below:**

Mr. M.K. Bothra, aged about 36 years, is the Non-Executive Independent Director of the Company. He is a Commerce graduate. He is having vast experience in the field of Accounts, Financial Matters and Administration etc.

At ensuing Annual General Meeting, Mr. M. K. Bothra, Director retires by rotation and being eligible offers himself for re-appointment.

# Adinath Bio-Labs Limited



## Statements pursuant to clause (iv) of proviso to sub - paragraph C of paragraph 1 of section II of Part II of Schedule XIII to the Act

### I. General Information:

#### (1) Nature of industry

The company is engaged in the trading of Products and Commodities (Agricultural, Pharma and Chemicals) and involved in IT activities.

#### (2) Date or expected date of commencement of commercial production

The Company is an existing company

#### (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

The Company is an existing company

#### (4) Financial performance based on given indicators

(Rs.in lacs)

Particulars	31 <sup>st</sup> March, 2012	31 <sup>st</sup> March, 2011
Total Income	4228.29	5362.99
Profit before Tax	70.47	87.44
Profit after Tax	67.92	87.48

#### (5) Export performance and net foreign exchange collaborations

The Company has not earned any income in foreign exchange.

#### (6) Foreign investments or collaborators, if any.

The Company has not any foreign investments or collaboration during the financial year.

### II. Information about the appointee:

#### (1) Background details

#### (2) Past remuneration

#### (3) Recognition or awards

#### (4) Job profile and his suitability

#### (5) Remuneration proposed

#### (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)

#### (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

No Executive Director Appointed during the FY 2011-12

### III. Other information:

#### (1) Reasons of loss or inadequate profits

The profit of the company for the year ended 31.03.2012 is comparatively lower from last year due to sluggish marketing conditions.

#### (2) Steps taken or proposed to be taken for improvement

The company expects to improve its margins and profitability by entering into new emerging market.

#### (3) Expected increase in productivity and profits in measurable terms.

It is difficult to quantify the improvement in productivity and profits in measurable terms.

### IV. Disclosures:

(1) The shareholders of the company shall be informed of the remuneration package of the managerial person.

(2) The following disclosures shall be mentioned in the Board of director's report under the heading "Corporate Governance", if any, attached to the annual report: -

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
- (ii) Details of fixed component and performance linked incentives along with the performance criteria;
- (iii) Service contracts, notice period, severance fees;
- (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Remuneration package of the managerial person is duly entered in the Report on Corporate governance annexed hereto the report of the Board of Directors.

## DIRECTOR'S REPORT TO THE SHAREHOLDERS

Dear Shareholders,

Your Directors are pleased to present the 31<sup>st</sup> Annual Report together with the Audited Statement of Accounts and the Auditors Report of your company for the year ended 31<sup>st</sup> March, 2012. The Financial highlights for the year under review are given below:

### FINANCIAL RESULTS

(Rs. in Lacs)

	<b>31<sup>st</sup> March, 2012</b>	<b>31<sup>st</sup> March, 2011</b>
Total Income	4228.29	5362.99
Profit before Depreciation & Tax	126.06	126.38
Depreciation	55.59	38.94
<b>Profit before Tax</b>	<b>70.47</b>	<b>87.44</b>
Less – Tax	2.55	-0.04
<b>Profit after Tax</b>	<b>67.92</b>	<b>87.48</b>
Add: Balance of Profits for earlier years	211.47	123.99
<b>Balance available for Appropriation</b>	<b>279.39</b>	<b>211.47</b>

### DIVIDEND

Due of lower profit and requirement of funds for the existing business activities, your Directors do not propose any dividend for the financial year 2011 – 2012 (Previous year – Nil Dividend).

### PERFORMANCE

The Total Income for the financial year under review decreased to Rs. 4228.29 Lacs against Rs.5362.99 Lacs during previous year whereas the Profit after Tax generated by the company during the year under review is Rs.67.92 Lacs as compared to Rs. 87.48 Lacs during the previous year. The PAT for the financial year under review is lower due to lower margins in the business and reduction in total income during this financial year. However, the company is working hard to increase the profitability in the forthcoming years.

### DIRECTORS

Mr. M. K. Bothra, Director of the Company, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

### LISTING OF SHARES

Equity shares of the Company are listed at Calcutta Stock Exchange. Equity shares of the company are also traded under permitted category at Bombay Stock Exchange. Listing fees had already been paid in pursuance to clause 38 of the listing agreement.

## **AUDITORS & AUDITORS OBSERVATION**

M/s. Mohindra Arora & Co., Chartered Accountants, the auditors of the company who hold office until the conclusion of the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

The observations of the Auditors as referred to in the Auditor's Report are properly explained in the financial statements.

## **FIXED DEPOSITS**

The company has not accepted any public deposit and, as such, no amount of principal or interest was outstanding on the date of Balance Sheet.

## **COMPLIANCE WITH THE ACCOUNTING STANDARDS**

The Company prepares its accounts and other financial statements in accordance with the relevant accounting principles and also complies with the accounting standards issued by the Institute of Chartered Accountants of India.

## **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

Your Company has in place adequate Internal Control system, which is duly supported by Internal Audit and management reviews with documented policies and procedures.

## **CORPORATE GOVERNANCE**

A separate section on Corporate Governance is included in the Annual Reports and the Certificate from Company's auditors confirming the compliance with the code of Corporate Governance as enumerated in clause 49 of the listing of agreements with the Stock Exchange is annexed hereto.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review as stipulated under clause 49 of the Listing agreement with Stock Exchange is presented separately forming part of the Annual Report.

## **HRD INITIATIVES**

The Company strongly believes that the growth of the organization can be sustained through the continuous development of its people who contribute to the business success. Today the Company is proud of its performance driven team. It is the strategy of the leadership team and the execution skills of our people that will take the organization to greater heights.

Today HR has become a critical catalyst for continuous transformation during a phase of rapid growth and transition from a midsized company to a large corporation, in line with the company's vision.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to the Directors responsibility statement, it is hereby confirmed that:



## Adinath Bio-Labs Limited



- (i) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2012, the applicable accounting standards have been followed and there are no material departures from the same;
- (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 at the end of the financial year 31<sup>st</sup> March, 2012 and of the profits of the company 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 Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

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

The statement of particulars under section 217(1)(e) of the Companies Act, 1956 regarding conservation of energy , technology absorption and Foreign exchange earnings and outgo are given below::

- a) Your Company, being involved in Trading and IT activities, has not consumed energy of any significant level. Accordingly, no measures were taken for energy conservation and no investment is required to be for reduction of energy consumption.
- b) No comment is made on technology absorption, considering the nature of activities undertaken by your company during the year under review.
- c) No Expenditure has been made for research and development.
- d) There were no Foreign Exchange earnings or out go during the year under review.

### **PARTICULARS OF EMPLOYEES**

There are no employees drawing remuneration in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956 read with companies (Particulars of employees) Rules 1975.

### **ACKNOWLEDGEMENT**

The Directors wish to place on record their appreciation of the contributions made by the employees at all levels, whose continued commitment and dedication helped the company achieve better results. The Directors also wish to thank customers, bankers, Central and State Governments for their continued support. Finally your directors would like to express their sincere & whole-hearted gratitude to all of you for your faith in us and your Co-operation & never failing support.

**For and on behalf of the Board of Directors**

**Place : Kolkata**  
**Date : 02/08/2012**

**A. K. Jain**  
**(Whole Time Director)**

## MANAGEMENT DISCUSSION AND ANALYSIS

The management of Adinath Bio-Labs Limited presents the analysis of performance of the Company for the financial year 2011-2012 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments.

### Company Overview

Adinath Bio-labs Ltd. is engaged in the trading of pharmaceutical raw material and chemicals for the pharmaceutical and aromatic industries alongwith trading of commodities with an excellent track record in the Indian domestic market since 31 years.

A professionally managed organization, Adinath Bio-Labs Ltd is listed on the Bombay Stock Exchange and the Calcutta Stock Exchange.

With adherence to strong business ethics and transparent corporate policies, we have established ourselves as one of the established trader of Natural Essential Oils and pharmaceutical ingredients. We have been serving our esteemed clientele with complete reliability, exactness and assurance for quality.

Corresponding to the need gaps & requirement of pharmaceutical and the aroma industry, we are driven by a vision to offer high quality products.

Our main products in the essential oil division are Mentha Piperata, Spearmint oil, Basil oil, clove, eucalyptus oil etc.

### Financial Performance

The Company's performance was satisfactory during Financial Year 2011-2012. During the financial year 2011-12, the Company reported revenues of Rs.4217.32 Lacs a decline of 25.29% compared with Rs. 5645.05 Lacs in the previous financial year. The PAT decreased from Rs. 87.48 Lacs in 2010-11 to Rs. 67.92 Lacs in FY 2011-12. This is due to increased purchase costs.

### Mission

Our mission is to achieve business excellence and dedicate ourself for increasing long – term business relationship with our customers, keeping in the view the needs and interests of all our stakeholders.

### Vision

To provide a range of international quality products at competitive prices through integration, research & development.

### Management Team

Adinath Bio-Labs possesses a multi skilled, highly experienced management team with highly qualified professionals having extensive operational, marketing, and financial experiences of many years, who are working together as a team for the success and growth of our company. Our team is committed to developing, manufacturing, marketing and distributing safe, innovative and quality pharmaceuticals which gives us an upper hand over our competitors in the industry.

## Quality Control

The importance of quality cannot be undermined in any organization. The pharma industry is subject to strict quality control and scrutiny. At Adinath Bio-Labs, We believe that quality is the mainstay of competitiveness and we take considerable pride in the quality that we ensure and assure. We are committed to trade and distribute products that meet the highest standards of quality in terms of purity, safety and efficacy.

Highly specialised training programmes, seminars, workshops are conducted on an ongoing basis and form a part of the quality management programme.

## Products

The Company is marketing pharmaceutical raw material and chemicals and trading commodities. The Products of the Company are enjoying wide acceptance in various user industries even though the cost pressures and competition among major pharmaceutical players has increased.

The company is engaged in trade of natural menthol and peppermint oil like liquid menthol, mentha oil, natural recryst flakes, crude menthol oil etc.

## Mint Products

- Menthol Crystals
- Natural Melted Menthol
- Crude Mentha Oil Natural
- Liquid Menthol
- Peppermint Oil

## Essential Oil Products

- Menthones
- Mentha Piperata Natural
- Spearmint Oil
- Basil Oil Natural

## Other Products

- Carboxylic Acids / Dicarboxylic Acids
- Laboratory Reagents
- Morpholine / Phenanthroline
- Quinoline / Isoquinolines
- Phenol / Resorcinol / Anisole
- Chemical Compounds - 5-bromovanillin, 4-cyanobenzaldehyde, isovanillin, phloroglucinol, suberonitrile etc.
- Commodities- Sack, Soya, Chana, Jute, Isabgol, Copra, Guar gum

## Industry Overview

### Essential Oils

The Global Chemical industry is valued at about US\$ 1.7 trillion. After the nosedive in 2008-09, the global chemical industry has witnessed signs of recovery in 2009-10. According to Moody's Investors Service, the sector outlook for the chemical industry in both North America and Europe had changed from negative to stable. The stable industry sector outlook reflects a broad improvement in industrial demand across these regions since early 2009, and chemical buyers are appearing to be more open to price increases now than they were a year ago.

The BRIC & T (Brazil, Russia, India, China & Turkey) region is expected to be the main growth driver for the global industry propelling demand for end-used industries such as construction, automobiles and consumer durables. According to the ACC, the BRIC & T region is expected to witness 6.9% growth in 2010 and 7.6% in 2011 and 2012, while developed regions such as US, UK and Japan will report an average growth of 3.3% between 2010 and 2012.

According to Chemexcil, Global turnover of Essential Oil Industry business is estimated to around US\$14 billion. In this turnover India's share is just about 10% though potential is much more. Based on population ratio, the potential is estimated to be 18%. The lack of coordination is responsible for not exploiting the potential to the full extent. There are 400,000 plant species of both aromatic and medicinal plants known to the scientists. Of these about 2000 species come from nearly 60 botanical families of essential oils. Total production of essential oils in the world is over 100,000 tones. India's share is estimated to be about 15%. This is almost stagnant for quite sometime due to a variety of reasons.

Aromatherapy is one of the more popular natural therapies across the globe. Essential Oils, which are extracted from flowers, fruits, roots, resins and leaves are some of the earliest recorded medicines. More than 300 essential oils are in use today. Essential oils contain on average 100 chemical components and have myriad functions. Some are antibacterial, antiseptic or digestive while others are antidepressant. The major drivers for Essential oils and perfumes are Other Mint oils, Peppermint Oil (Mentha Piperita), Perfumes and Perfumery Compounds, Other perfumes and Toilet Waters and Synthetic Perfumery compounds.

### Indian Pharma Industry

The Indian Pharmaceutical Industry is a high technology industry and over the last three decades has transformed into a world leader in production of high quality drugs. The Indian Pharma Market is valued at Rs. 46,787 Crores. The industry has been growing due to contribution coming from existing products as also successful new product launches although the number of new launches in the recent times has reduced which has been pushing companies to work more on Brand building.

Mergers, acquisitions and in-licensing on one hand and the changing dynamics of the market-place on the other, are forcing the industry players to constantly find newer ways to succeed. As the market is getting fiercely competitive, companies need to look at exploiting the newer opportunities to augment growth.

There is a general increase in healthcare needs owing to population growth along with higher disposable income in the hands of urban population and healthcare accessibility significantly increasing, even in rural markets. The Specialist doctors are gaining importance due to the increased number of prescriptions by them compared to General Practitioners. Significant growth is being witnessed in the Chronic therapy

space although Acute therapy continues to grow at a healthy pace. The nature of Doctors' practice is also changing with more Specialists getting trained in newer procedures. At the same time, the importance of Hospitals is increasing as the patients are finding comfort in comprehensive care under one roof.

The industry simultaneously has its share of challenges like mushrooming of small-time companies, Price controls by the Government despite increasing raw material and operational costs and price pressure due to sheer competition thereby eroding the operating margins.

### **Pharma Industry Outlook**

The pharmaceutical industry continues to witness major challenges such as pricing pressure, intense generic competition, an increasing tender business thanks to change in government policies across the globe, Foreign Exchange fluctuations, stringent regulatory requirements and increase in the spate of plant inspections even from regulatory authorities of countries from Emerging markets. Higher input cost and interest rates are also turning out to be a cause of concern. Some of these factors have contributed in raising the bar for competitors and the future outlook still remains favourable.

The future outlook of the Indian Pharma Market seems to be positive and is expected to grow approximately @ 14 - 15 % for the next four to five years.

### **Business Outlook**

The global pharma industry is going through a rough patch even after the economic recession has ended and the global economy is improving. This is due to the increasing cost of production of pharma products, which is causing a dip in the overall profitability of the pharma companies. Thus these companies are looking at potential locations for outsourcing their manufacturing process, India being the most preferred one. India is not only a cost effective option, but also a convenient location for marketing and transportation of pharma products.

Hence, the contract manufacturing industry in India is expected to grow at a magnificent CAGR of over 45% during 2011-2013.

The company will focus on not just consolidating its existing operations but also look at expanding into newer segments of the pharmaceutical industry. Valuations have shrunk and a lot of existing companies are available at attractive valuations considering that the long term prospects remain bright. The outlook on the pharma industry is positive from a long-term perspective.

The Company is making right balance between trades of Pharmaceuticals and Chemicals. The company aims to provide its shareholders and commercial partners with reasonable economic returns by maintaining its growth rate and providing higher and higher quality services to its customers.

### **Opportunity, Threat, Risk and Concerns**

The business and operations of the Company are susceptible to risks which are inherent to any Pharma & essential oils business, as well as to those inherent to international operations. Apart from these, there is always an exposure to general commercial risks which accrue to any commercial organization.

Some of these risks are:-

- Sharp spike in raw material prices including menthe oil due to low production and speculation on the commodity markets.
- Competition from local and overseas MNCs
- Increasing inflation and cost of human resources resulting in pressure on margins
- Regulatory interventions

Your Company's products and services enjoy wide acceptance in various user industries. Yet the business environment will continue to remain challenging. Above risks pose many challenges and opportunities to companies operating in this environment. The company practices a prudent and alert risk management mechanism which helps it in addressing all risk concerns and ensures the smooth running of the operations.

### **Internal Control**

The Company has a reasonable system of internal control which is reviewed and updated on an on-going basis. The Company is committed to ensuring a comprehensive internal control structure across its operations to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition.

### **Research and Development**

The pharmaceutical business is one of the most knowledge-intensive businesses. The company is planning to set up a highly advanced and cost effective state-of-art research system to be manned by widely experienced professionals to develop new and value-added services to cater various industrial, academic and research needs of the country. This research system will help to develop and strengthen expertise and to achieve excellence and sustainability in pharmaceutical industry.

### **Human Resource Development & Industrial Relation**

The Company strongly believes that the growth of the organization can be sustained through the continuous development of its people who contribute to the business success. Today the Company is proud of its performance driven team. It is the strategy of the leadership team and the execution skills of our people that will take the organization to greater heights.

Today HR has become a critical catalyst for continuous transformation during a phase of rapid growth and transition from a mid-sized company to a large corporation, in line with the company's vision. The company continues to maintain excellent industrial relation while ensuring development of its human resources through appropriated training and further educational programs.

### **Cautionary Statement**

Statements made in the 'Management Discussion and Analysis' describing the Companies' objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement important factors that influence the Company's operations, include global and domestic supply and demand conditions.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## CORPORATE GOVERNANCE

### Company's Philosophy on code of Governance:

The company will continue to focus its resources, strengths and strategies to achieve its vision of brand building, maximizing stakeholders return and developing people to deliver the same, while upholding the core value of excellence integrate responsibility, unity and understanding which are fundamentals to the running of the company's business. Your directors perceive their role as trustee to the stakeholders in particular and the society at large including a culture of transparency, accountability and integrity across the Company. Your company confirms the compliance of corporate governance as contained in clause 49 of the listing agreement, details of which are given below;

### Board of Directors:

The Board of the Company comprises of four members. The board has combination of Executive and Non Executive of Directors. The Company has a Non-executive Chairman and the number of Independent and Non- Executive Directors are more than 50% of the total number of Directors. The Non-Executive Directors with their diverse knowledge experience and expertise bring in their independent judgment in the deliberation and decisions of the Board. The Director have disclosed to the Company about the committee positions they occupy in other companies and have notified changes as and when they take place.

### Code of conduct

The Board has laid down a code of conduct for its members and senior management personnel of the Company. The code of conduct is available on the website of the company [www.adinathbio.com](http://www.adinathbio.com). All the Board members and senior management personnel have affirmed compliance with the code conduct. The Whole Time Director has affirmed to the Board that this code of conduct has been compiled by the Board members and senior management personnel.

The Company held at least one meeting of the Board of Directors in every three months and the maximum time gap between any two meetings was not more than three months. During the financial year 2011-2012, five meetings of the Board of Directors were held on 12/04/2011, 26/07/2011, 17/08/2011, 28/10/2011 and 27/01/2012.

The composition of the Board of Directors, their attendance at Board meeting, last Annual General Meeting, number of other Directorship, committee membership and Chairmanship are as under:

### Composition of the Board:

Name of Director	Category	No. of Board Meeting Attended	Attendance at Last AGM	No. of Other Directorship	No. of Other committee membership
Mr. A.K.Jain	Whole Time Director	5	Yes	5	6
Dr. A.A Sisodia	Non-Executive Independent Director	5	Yes	4	2
Mr. M.K.Bothra	Non-Executive Independent Director	4	Yes	2	4
Mr. J. Singha	Non-Executive Independent Director	3	No	Nil	Nil



### **Audit Committee:**

The Audit committee comprises of three Non-Executive Directors. Out of them two members are Independent Directors. Dr. A.A. Sisodia is Chairman of the Audit Committee. All the members of the Audit Committee are financially literate and possess necessary expertise in finance, accounting, etc. During financial year 2011 – 2012, the Audit Committee met four times viz., 11/04/2011, 22/07/2011, 25/10/2011 and 24/01/2012.

The role powers and functions of the Audit Committee are as per Section 292A of the Companies Act 1956, and guidelines stated in the revised Clause 49 of the Listing agreement. The scope of the committee includes:

- To Review with the management and statutory auditors, the adequacy of internal control systems;
- To review the quarterly, half yearly and annual accounts before submission to the Board ;
- To review with the management and statutory auditors, the annual financial statements before submission to the Board;
- To review the company's financial and risk management policies;
- To consider such other matters as may be required by the Board;
- To hold periodical discussions with statutory auditors on the scope and content of the audit;
- To review the Company's financial reporting process and the disclosure of its financial information;
- To review the functioning of the Whistle Blower mechanism, in case, the same exists;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee as amended from time to time by the listing agreement and companies Act 1956.

The composition and attendance at the Audit Committee are as follows:

<b>Members</b>	<b>Meeting Attended</b>
Dr. A.A. Sisodia Chairman (Non-Executive Independent)	4
Mr. M. K. Bothra (Non-Executive Independent)	4
Mr. J. Singha (Non-Executive Independent )	2

### **Share Holders / Investors Grievances Committee:**

The company has constituted the shareholders/ investor grievance committee comprising of Mr. M. K. Bothra, Dr. A.A Sisodia and Mr. J. Singha. The committee has appointed Dr. A.A Sisodia as the Chairman of shareholders / investor grievance committee, whereas Ms. Sujata Dange, Company Secretary cum Compliance Officer is the Secretary of the Committee. The shares being in compulsory demat list are transferable through the depository system. Shares in physical & dematerialised form are processed through Registrar & Transfer Agent of the company. The committee supervises the mechanism for redressal of investor grievances and ensures cordial relations.

The Committee approves and monitors transfers, transmission, sub-division, consolidation of shares issued by the company. The committee oversees performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services. The committee meets periodically and shares are transferred within 15 days from the date of receipt of valid transfer request. The committee has sorted out all complaints/ queries received from shareholders/ investors during the year ended 31/03/2012.



## Adinath Bio-Labs Limited



The Shareholders/ Investor's Grievance Committee is empowered to perform all the functions of the Board in relation to handling of Shareholders' Grievances. The committee also monitors, redresses / replies to investor's complaints queries and requests relating to transfers of shares, non-receipt of Annual Reports, etc.

Below-mentioned table gives the composition and attendance record of the Shareholders' Grievance Committee.

<b>Members</b>	<b>Meeting Attended</b>
Dr. A.A. Sisodia Chairman (Non-Executive Independent)	4
Mr. M. K. Bothra (Non-Executive Independent)	4
Mr. J. Singha (Non-Executive Independent )	2

Share transfers and other related records duly signed by a practicing Company Secretary have been furnished to Stock Exchanges.

### **Remuneration Committee:**

The Remuneration Committee is comprised by Non-executive Independent Directors, reviews the performance of the Whole Time Director and senior executives one level below the Board, and also reviews the remuneration package offered by the Company to different grades/ levels of its employees. While reviewing the remuneration of senior management personnel, the Committee takes into account the following:

- Financial position of the Company;
- Trends in the industry;
- Appointee's qualifications and experience;
- Past performance;
- Past remuneration; etc.

The Chief of Human Resources makes periodic presentations to the Remuneration Committee on organization structure, performance appraisals, increments and performance bonus recommendations. The Committee keeps the Directors updated on various Human Resources matters.

The Remuneration Committee met two times during the year. The composition and attendance record of the Compensation Committee is given in below table. The Chief of Human Resources division is the Secretary of the Committee.

<b>Members</b>	<b>Meeting Attended</b>
Dr. A.A. Sisodia Chairman (Non-Executive Independent)	2
Mr. M. K. Bothra (Non-Executive Independent)	2
Mr. J. Singha (Non-Executive Independent )	1

### **Remuneration of Director**

The Non-Executive Directors/ Independent Directors are paid only sitting fees for attending Board/ committee meetings. There is no pecuniary relationship or transaction of the Company with its Non-Executive Directors/ Independent Directors other than payment of sitting fees @ Rs. 500/- per meeting.

## Adinath Bio-Labs Limited



During the year, company has paid remuneration to its executive directors. The detail of remuneration of Mr. A.K. Jain (Whole-time Director) is as under:

Name of Director	Salary cum Allowances	Stock Option	Other Benefits	Service Contract Tenure
Mr. A.K. Jain	Rs.3,85,000/-	Nil	Nil	3 Years

### **General Body Meeting:**

The last three Annual General Meetings were held as per details given below:

Year	Address	Date	Day	Time
2010-2011 AGM	02 Hotel, VIPRoad, Kolkata- 700 052	27/09/2011	Tuesday	10:00 A.M.
2009-2010 AGM	Shivam Conference Hall, B-267, Bangur Avenue, Kolkata- 700 055	25/09/2010	Saturday	10.00 A.M
2008-2009 AGM	Shivam Conference Hall, B-267, Bangur Avenue, Kolkata- 700 055	23/09/2009	Wednesday	10:00 A.M.

No special Resolution was put through postal ballot last year nor is it proposed to put any special resolution to vote through postal ballot.

### **Disclosure**

There is no non-compliance with the regulations; no penalties or strictures have been imposed on the company by the Stock Exchanges, SEBI or any other authority on any matter relating to the capital markets during the last three years.

There are no significant transaction with the related parties namely, promoters/ Directors or the management their Associates or relatives etc. that may have a conflicting with the interest of the company.

The Company has not issued any GDRs /ADRs /Warrants/ Equity share or any Convertible instruments or any other instruments during the year.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in an Accounting standard.

The Company does not have any subsidiary Company.

The Company has complied with all mandatory requirement of revised clause 49 of the listing agreement. The non-mandatory requirement to the extent followed by the Company has been duly stated in this report.

## Secretarial Audit

A qualified Practicing Company Secretary carried out secretarial audit to reconcile the total admitted equity share capital with National Securities Depository Limited and Central Depository Services Limited and the total issued and listed equity share capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized share held with NSDL and CDSL.

## Code for prevention of insider trading practices

In compliance with SEBI regulation on prevention of insider trading, the company has instituted comprehensive code of conduct for its management and staff. The code lays down guidelines which advise them on procedures to be followed and disclosures to be made while dealing with shares of the company and cautioning them of the consequences of violations.

## Means of Communication

The quarterly/ half yearly and audited financial results of the company are published in leading English / Bengali (regional) newspapers. No half yearly report is sent to the shareholders directly. Such financial are covered by limited review reports by the statutory auditors. The quarterly results as well as the proceedings of the AGM / EGM are submitted to BSE / CSE immediately after conclusion of the respective meeting.

Financial results are posted on Company's website: **[www.adinathbio.com](http://www.adinathbio.com)**.

The management discussion and analysis is a part of the Annual Report and annexed separately.

## General Share Holder Information:

1.	Company Secretary-cum Compliance Officer	...	Ms. Sujata Dange 4, Netaji Subhash Road, 1st Floor, Kolkata-700001
2	Annual General Meeting.		
	a) Date & Time	...	10/09/2012 at 10.00 A.M.
	b) Venue	...	Hotel Rose Valley, RB – 29, Raghunathpur, VIP Road, Kolkata – 700 059
	c) Dividend	...	No dividend has been recommended by the Board of Directors for the F.Y 2011-12
	d) Financial Calendar	...	1 <sup>st</sup> April to 31 <sup>st</sup> March
	e) Quarterly Results	...	First Quarter - July Second Quarter - October Third Quarter - January Fourth Quarter - April

## Adinath Bio-Labs Limited



f) Date of Book Closure	...	03/09/2012 to 10/09/2012
g) Listing on Stock Exchange	...	The Calcutta Stock Exchange Assn. Ltd., BSE Limited
h) Stock Code	...	10012130 (CSE), 590088 (BSE)
l) Demat ISIN in NSDL & CDSL for equity shares	...	INE129D01039
j) Registrar and Share Transfer Agent (For Physical & Dmat Segment)	...	Adroit Corporate Services Pvt. Ltd. 19, Jaferbhoy Industrial Estate, 1 <sup>st</sup> Floor, Makwana Road, Andheri (E), Mumbai – 400 059 Tel. : 022 – 28590942 Fax : 022 – 28503748

k) Market Price data high, low, during each month in last financial year is given below:

<b>High, Low and Number of Shares Traded per month on BSE</b>			
<b>Month</b>	<b>High (Rs)</b>	<b>Low (Rs.)</b>	<b>No. of Shares</b>
April 2011	2.50	2.19	730802
May 2011	2.30	1.52	2638523
June 2011	2.20	1.55	879881
July 2011	1.78	1.54	204543
August 2011	1.62	1.27	383753
September 2011	1.43	1.17	304690
October 2011	1.30	1.13	227108
November 2011	1.25	0.98	680015
December 2011	1.17	0.83	376673
January 2012	1.26	1.05	321606
February 2012	1.23	1.08	283622
March 2012	1.21	0.96	494952

Note: There has been no trade at Calcutta Stock Exchange.

### **Share Transfer System:**

The shares of the Company, being in the compulsory demat list, are transferable through the depository system. Shares in physical & dematerialized form are processed through M/s. Adroit Corporate Services Private Limited, Mumbai. Shares lodged for transfer at the Registrar's address are normally processed and approved by Share Transfer cum Shareholders Grievance Committee within stipulated period. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. Grievance received from members and other miscellaneous correspondence on change of address etc. is processed by the Registrar within 30 days.

The SEBI vide its circular Nos. MRD/DOP//Cir- 05/2009 dated 20<sup>th</sup> May, 2009 and SEBI /MRD / DOP /SE RTA /cir -03/2010 dated 7<sup>th</sup> January, 2010 has made it mandatory to furnish a copy of Income Tax PAN

## Adinath Bio-Labs Limited



Card to the Company / the Registrar and Share Transfer Agent for Transfer / Transmission / deletion / transposition of securities held in physical Form.

SEBI vide its circular No CIR/CFD/DIL/10/2010 dated 16<sup>th</sup> December 2010 has amended clause 5A of the listing agreement by laying down a uniform procedure for dealing with unclaimed share in physical mode and getting the same dematerIALIZED after completing the said procedure. The Registrar & Share Transfer Agent is in the process of complying with said amendment.

### **Green initiative in the corporate governance Registration of emails**

The ministry of corporate affairs vide its circular dated 21<sup>st</sup> April 2011 has taken a Green initiative in the Corporate Governance by allowing paperless compliance by the Company and stating that service of documents can be made by a company through electronic mode. In order to implement the same, the members are requested to register email address by a written communication with the depository participant / the registrar and share transfer agent of the company i.e. Adroit Corporate Services Pvt. Ltd as the case may be, for communication through electronics mode to receive documents such as, notice calling annual general meeting, annual report comprising of the balance sheet, statement of profit and loss account cash flow statement, directors' report, auditors reports or to receive any other documents prescribed under law.

However, if member does not wish to register his email address, the Company will continue to send documents in physical form by other modes of services as provided in section 53 of the companies Act, 1956

### **Dematerialisation of Shares:**

83.14% (approx) of total equity share capital is held in d-materialization form with NSDL & CDSL as at 31<sup>st</sup> March 2012. Members can hold shares in electronic form and trade the same in depository system. However they may hold the same in physical form also.

### **Distribution of Shareholdings**

#### **Categories of Shareholders as on 31/03/2012**

Category	No. of Shareholders	No. of Shares	% of Equity Capital
Promoters	6	5,68,38,005	25.75
Other Bodies Corporate	157	8,76,86,481	39.72
Foreign Institution Investors	1	1,00,000	0.05
Individual / Others	4881	7,61,18,074	34.48
<b>Total</b>	<b>5045</b>	<b>22,07,42,560</b>	<b>100.00</b>

## Adinath Bio-Labs Limited



### Distribution of Shareholdings as on 31/03/2012

No. of Equity Share held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 500	1840	36.47	4,73,527	0.22
501 – 1000	1046	20.73	9,85,085	0.45
1001 – 2000	689	13.66	11,97,906	0.54
2001 – 3000	328	6.50	8,91,456	0.40
3001 – 4000	147	2.91	5,40,525	0.24
4001 – 5000	269	5.33	13,14,649	0.60
5001 – 10,000	335	6.64	27,42,472	1.24
10001 – above	391	7.75	21,25,96,940	96.31
<b>Total</b>	<b>5045</b>	<b>100.00</b>	<b>22,07,42,560</b>	<b>100.00</b>

### Declaration as required under clause No. 49 of the Listing Agreement:

This is to confirm that the company has adopted a code of conduct for the members of the Board and the senior Management personnel in accordance with the provision of listing agreement. I confirm that the Board and the senior management personnel of the Company have complied with the code of conduct in respect of the financial year ended 31/03/2012.

**A.K. Jain**  
**(Whole time Director)**

Place : Kolkata  
Date : 30/05/2012

**Auditor's Certificate**

To  
The Members of  
**Adinath Bio-Labs Limited**

We have examined the compliance of conditions of Corporate Governance by **Adinath Bio-Labs Ltd.** for the year ended on 31<sup>st</sup> March, 2012, as stipulated in Clause No.49 of the Listing Agreement of the said company with stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management of the company. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the clause. 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 explanations given to us, and based on the representation made by the Directors and Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the **Share Holders / Investors Grievances Committee.**

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

**For Mohindra Arora & Co  
(Chartered Accountants)  
FRN :: 006551N**

**Place : Mumbai  
Date : 30<sup>th</sup> May,2012**

**(A.K.Katial)  
Partner  
M. No. 09096**

## AUDITORS' REPORT

To  
The Members  
**M/s. Adinath Bio-Labs Limited**

1. We have audited the attached Balance Sheet of **M/s. Adinath Bio-Labs Limited, Kolkata as at 31<sup>st</sup> March, 2012**, the Statement of Profit & Loss Account and the Cash Flow Statement 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 the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ,as amended by the Companies (Auditor's Report)(Amendment) Order 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such test checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - 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 account as required by Law have been kept by the Company so far as appears from our examination of those books.
  - iii) The Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - iv) In our opinion, Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report generally comply with all the mandatory Accounting Standard referred to in section 211 (3C) of the Companies Act, 1956 to the extent applicable.
  - v) On the basis of written representations received from the Directors of the Company as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, none of the director is disqualified as on 31<sup>st</sup> March 2012 from being appointed as Director of the Company under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



## Adinath Bio-Labs Limited

---



- vi) In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements, read together with Significant Accounting Policies and Notes to the Accounts there on, give in the prescribed manner the information required by the Companies Act, 1956 and also give respectively a true and fair view in conformity with the Accounting Principle generally accepted in India:
- (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2012;
  - (b) In the case of the Statement of Profit & Loss Account, of the Profit of the Company for the year ended on that date;
  - (c) In the case of the Cash Flow Statement, of the Cash flows of the Company for the year ended on that date;

**For Mohindra Arora & Co**  
**(Chartered Accountants)**  
**FRN :: 006551N**

**Place : Mumbai**  
**Date : 30<sup>th</sup> May,2012**

**(A.K.Katial)**  
**Partner**  
**M. No. 09096**

## Annexure to Auditors' Report

*(Referred to in Paragraph 3 of our report of even date)*

1. In respect of its fixed assets:
  - a) The Company has maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) We are informed that all the fixed assets have been physically verified by the management during the year, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) The company has not disposed off any substantial part of its fixed assets during the year as would affect the going concern status of the Company.
2. In respect of its Inventories :
  - a) We are informed that the Inventory have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
  - c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification by the management.
3. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of sub -clauses (b), (c), (d), (e), (f) and (g) of the clause (iii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there exist an adequate internal control system commensurate with the size of the company and nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system of the company.
5. According to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the register referred to in Section 301 of the Companies Act, 1956. Accordingly, the provisions of sub clause (b) of the Clause (v) of paragraph 4 of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
6. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any

other relevant provisions of the Companies Act, 1956 and the rules framed thereunder are not applicable. We are informed by the management that, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

7. In our opinion, the company has an Internal Audit System commensurate with the size of the Company and nature of its business.
8. We are informed that, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the products/services rendered by the Company.
9. According to the information and explanations given to us, in respect of its statutory dues:
  - a. The company has been generally regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax Customs Duty, Excise Duty, Cess and other material statutory dues, as applicable to it, with the appropriate authorities.
  - b. There were no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax Customs Duty, Excise Duty, Cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2012 for a period of more than six months from the date of become payable.
  - c. There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax Customs Duty, Excise Duty, Cess and other material statutory dues which have not been deposited on account of any dispute.
10. The company does not have any accumulated losses as at 31<sup>st</sup> March, 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediate preceding financial year.
11. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institutions, bank or debenture holders.
12. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society.
14. According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments.
15. The company has not given any guarantees for loans taken by other from banks or financial institutions.
16. The Company has not availed any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short term basis have been used for long –term investment.

## **Adinath Bio-Labs Limited**

---



18. The company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
19. The company has not issued any debentures during the year under review.
20. The company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For Mohindra Arora & Co  
(Chartered Accountants)  
FRN :: 006551N**

**Place : Mumbai  
Date : 30<sup>th</sup> May,2012**

**(A.K.Katial)  
Partner  
M. No. 09096**

# Adinath Bio-Labs Limited



## BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	220,742,560.00	220,742,560.00
(b) Reserves and Surplus	2	62,690,200.00	55,898,362.00
		<b>283,432,760.00</b>	<b>276,640,922.00</b>
<b>2 Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities	3	890,688.00	667,960.00
		<b>890,688.00</b>	<b>667,960.00</b>
<b>3 Current liabilities</b>			
(a) Trade Payables	4	528,761.00	1,524,784.00
(b) Other Current Liabilities	5	383,064.00	384,208.00
(c) Short-Term Provisions	6	32,000.00	126,000.00
		<b>943,825.00</b>	<b>2,034,992.00</b>
<b>TOTAL</b>		<b>285,267,273.00</b>	<b>279,343,874.00</b>
<b>B ASSETS</b>			
<b>1 Non-Current assets</b>			
(a) Fixed Assets			
(i) Tangible assets	7	18,626,653.00	20,137,947.00
(ii) Capital Work In Progress		18,656,065.00	22,704,170.00
(b) Non-Current Investments	8	5,575,000.00	12,695,000.00
(c) Long-Term Loans and Advances	9	123,388,499.00	113,683,873.00
		<b>166,246,217.00</b>	<b>169,220,990.00</b>
<b>2 Current assets</b>			
(a) Inventories	10	31,545,190.00	32,245,330.00
(b) Trade Receivables	11	86,691,117.00	72,927,240.00
(c) Cash and Cash Equivalents	12	784,749.00	1,101,679.00
(d) Other Current Assets	13	-	3,848,635.00
		<b>119,021,056.00</b>	<b>110,122,884.00</b>
<b>TOTAL</b>		<b>285,267,273.00</b>	<b>279,343,874.00</b>
Significant Accounting Policies & Notes to the Accounts	21	-	-

As per our attached report on even date  
For Mohindra Arora & Co  
Chartered Accountants

For and on behalf of the Board of Directors  
For Adinath Bio-Labs Limited

A.K.Katial  
(Partner)  
M.No :: 09096

(A.K.Jain)  
(Whole Time Director)

(A.A.Sisodia)  
(Director)

(Sujata Dange)  
(Company Secretary)

Place : Mumbai  
Date : 30/05/2012

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012**

Particulars	Note No.	For the year ended 31 March, 2012 Amt in Rs.	For the year ended 31 March, 2011 Amt in Rs.
I Revenue from Operations (gross)	14	421,732,253.00	564,505,217.00
II Other income	15	1,796,994.00	2,333,170.00
<b>III Total revenue (I+II)</b>		<b>423,529,247.00</b>	<b>566,838,387.00</b>
<b>IV Expenses</b>			
Purchases of Stock-in-trade	16	402,560,994.00	515,675,854.00
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	17	700,140.00	30,539,800.00
Employee Benefits Expenses	18	1,771,569.00	1,808,009.00
Depreciation and Amortisation Expenses	19	5,559,399.00	3,893,912.00
Other Expenses	20	5,890,580.00	6,176,889.00
<b>Total Expenses</b>		<b>416,482,682.00</b>	<b>558,094,464.00</b>
<b>V Profit before tax (III-IV)</b>		<b>7,046,565.00</b>	<b>8,743,923.00</b>
<b>VI Tax expenses:</b>			
(1) Current Tax		32,000.00	126,000.00
(2) Deferred tax		222,728.00	(129,727.00)
		<b>254,728.00</b>	<b>(3,727.00)</b>
<b>VII Profit for the Period(V-VI)</b>		<b>6,791,837.00</b>	<b>8,747,650.00</b>
<b>VIII Earnings per Equity Share (FV of Re.1/- each):</b>			
(a) Basic		0.03	0.04
(b) Diluted		0.03	0.04
Significant Accounting Policies & Notes to the Accounts	21		

**As per our attached report on even date  
For Mohindra Arora & Co  
Chartered Accountants**

**For and on behalf of the Board of Directors  
For Adinath Bio-Labs Limited**

**A.K.Katial  
(Partner)  
M.No :: 09096**

**(A.K.Jain)  
(Whole Time Director)**

**(A.A.Sisodia)  
(Director)**

**(Sujata Dange)  
(Company Secretary)**

**Place : Mumbai  
Date : 30/05/2012**

# Adinath Bio-Labs Limited



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2012

PARTICULARS	31 March, 2012 Amt in Rs.	31 March, 2011 Amt in Rs.
<b>(A) Cash Flow From Operating Activities</b>		
Net Profit before Tax	7,046,565.00	8,743,923.00
<b>Adjustments for :-</b>		
Misc Income	794,790.00	1,255,408.00
Interest Income	1,002,204.00	1,077,762.00
Depreciation/amortization	5,559,399.00	3,893,912.00
<b>Operating Profit Before Working Capital Changes</b>	<b>10,808,970.00</b>	<b>10,304,665.00</b>
<b>Adjustments for :-</b>		
Inventories	700,140.00	30,539,800.00
Trade Receivables	(13,763,877.00)	5,931,851.00
Loans & Advances	(9,704,626.00)	(44,599,537.00)
Other Current assets	3,848,635.00	0.00
Trade Payables	(997,167.00)	(146,190.00)
<b>Cash Generated From Operations</b>	<b>(9,107,925.00)</b>	<b>2,030,589.00</b>
Payment of Tax	(126,000.00)	(609,530.00)
Payment of Dividend & Dividend Tax	0.00	(15,495,466.00)
Net Cash Inflow/Outflow From Operations	(9,233,925.00)	(14,074,407.00)
<b>(B) Cash Flow From Investing Activities</b>		
Sale of Investments	7,120,000.00	0.00
Purchases of Fixed Assets	0.00	10,737,891.00
Misc Income	794,790.00	1,255,408.00
Interest Income	1,002,204.00	1,077,762.00
<b>Net Cash (used in) Investing Activities (B)</b>	<b>8,916,994.00</b>	<b>13,071,061.00</b>
<b>(C) Cash Flow From Financing Activities</b>	<b>NIL</b>	<b>NIL</b>
<b>(D) Net Increase /(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(316,931.00)</b>	<b>(1,003,346.00)</b>
(E) Cash & Cash Equivalents as at 31.03.2011	1,101,679.00	2,105,025.00
(F) Cash & Cash Equivalents as at 31.03.2012	784,749.00	1,101,679.00
<b>Components of Cash &amp; Cash Equivalents(As per Note :: 12)</b>		
Balance with Banks		
-In Current Accounts	241,703.00	397,306.00
-Unclaimed/Unpaid Dividend A/c	383,064.00	384,208.00
Cash on Hand	159,982.00	320,165.00
<b>Total Cash &amp; Cash Equivalents</b>	<b>784,749.00</b>	<b>1,101,679.00</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
As per Balance Sheet (Note :: 12)	784,749.00	1,101,679.00
As per Cash Flow Statement	784,748.00	1,101,679.00

**Note :**

The above Statement has been prepared under the Indirect Method as given in Accounting Standard on Cash Flow Statement (AS - 3) issued by the ICAI.

As per our attached report on even date  
For Mohindra Arora & Co  
Chartered Accountants

For and on behalf of the Board of Directors  
For Adinath Bio-Labs Limited

A.K.Katial  
(Partner)  
M.No :: 09096

(A.K.Jain)  
(Whole Time Director)

(A.A.Sisodia)  
(Director)

Place :: Mumbai  
Date :: 30/05/2012

(Sujata Dange)  
(Company Secretary)

**NOTES FORMING PART OF BALANCE SHEET**

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
<b>NOTE :-1</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b> 225,100,000 Equity Shares of Re. 1/- each	225,100,000.00	225,100,000.00
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID -UP</b> 220,742,560 Equity Shares of Re.1/- each fully paid-up. (as at 31st March, 2011, 220,742,560 equity shares of Re. 1/- each, fully paid-up)	220,742,560.00	220,742,560.00
<b>TOTAL</b>	<b>220,742,560.00</b>	<b>220,742,560.00</b>
<b>Notes to Share Capital</b>		
<b>(I) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period :</b>		
<b>Equity shares outstanding at the Beginning of the year</b>		
-Number of shares	220,742,560.00	220,742,560.00
-Amount	220,742,560.00	220,742,560.00
<b>Equity shares outstanding at the End of the year</b>		
- Number of shares	220,742,560.00	220,742,560.00
- Amount	220,742,560.00	220,742,560.00
<b>(ii) Terms / rights attached to Equity shares</b>		
The Company has only one class of equity shares having a par value of Re.1/- per share. Each equity shareholder is entitled to one vote per share. The Company have not declared any dividends for the year under review.		
(iii) No Equity Shares of the Company are held by its Holding Co or its Ultimate Holding Co or by subsidiaries or associates of the holding co or the ultimate Holding Co, since the Company does not have any Holding Co or Subsidiary Co as at 31st March, 2012 and as at 31st March, 2011.		
(iv) Following Shareholders holding more than 5% shares in the issued, subscribed and paid up Equity share capital of the Company as at 31 <sup>st</sup> March, 2012 and as at 31st March, 2011.		



**NOTES FORMING PART OF BALANCE SHEET**

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
Pramukhsoft Technologies (P) Ltd - 14843200 6.72%		
Umesh Kumar Thaker - 13412220 6.08%		
<p>(v) No Equity Shares are reserved for issue under the employee stock option (ESOP) plan of the Company and for contracts/commitments for the sale of shares /disinvestment as at 31st March, 2012 and as at 31st March, 2011.</p> <p>(vi) During the period of five years immediately preceding the reporting date :</p> <p>(a) No Shares were allotted pursuant to any contract(s)/arrangements without payment being received in cash ;</p> <p>(b) No Shares were allotted by way of bonus shares;</p> <p>(c) No Shares were bought back;</p> <p>(vii)The Company does not issued any securities which will be convertible into Equity Shares in future.</p> <p>(viii) No Calls unpaid by any share holders at 31st March, 2012 and as at 31st March, 2011.</p> <p>(ix) Since Inception, no Shares were Forfeited by the Company or there were any re-issue of any Forfeited shares</p> <p>(x) In Financial Year 2008-09, equity share capital of the company was sub-divided from every One equity shares of Rs. 10/- each (22,074,256 Nos.) into Ten equity shares of Re.1/- each (220,742,560Nos).</p>		
<b>NOTE :-2</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b> As per last Balance sheet	15,464,327.00	15,464,327.00
<b>Closing Balance</b>	<b>15,464,327.00</b>	<b>15,464,327.00</b>
<b>Securities Premium Reserve</b> As per last Balance sheet	14,443,080.00	14,443,080.00
<b>Closing Balance</b>	<b>14,443,080.00</b>	<b>14,443,080.00</b>

**NOTES FORMING PART OF BALANCE SHEET**

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
<b>General Reserve</b> As per last Balance sheet	4,844,000.00	4,844,000.00
<b>Closing Balance</b>	<b>4,844,000.00</b>	<b>4,844,000.00</b>
<b>Surplus in Statement of Profit and Loss</b> Opening balance as per last Balance Sheet	21,146,956.00	12,399,305.00
Add :: Profit for the year	6,791,837.00	8,747,650.00
<b>Closing Balance</b>	<b>27,938,793.00</b>	<b>21,146,955.00</b>
<b>TOTAL</b>	<b>62,690,200.00</b>	<b>55,898,362.00</b>
<b>NOTE :-3</b>		
<b>DEFERRED TAX LIABILITIES</b> Depreciation as per Books and Tax Laws	890,688.00	667,960.00
<b>TOTAL</b>	<b>890,688.00</b>	<b>667,960.00</b>
<b>NOTE :-4</b>		
<b>TRADE PAYABLES</b> Sundry Creditors - For Goods - For Expenses	340,500.00 188,261.00	1,365,180.00 159,604.00
<b>TOTAL</b>	<b>528,761.00</b>	<b>1,524,784.00</b>
<b>NOTE :-5</b>		
<b>OTHER CURRENT LIABILITIES</b> Unpaid/Unclaimed Dividend	383,064.00	384,208.00
<b>TOTAL</b>	<b>383,064.00</b>	<b>384,208.00</b>
<b>NOTE :-6</b>		
<b>SHORT TERM PROVISIONS</b> Provision for Taxation	32,000.00	126,000.00
<b>TOTAL</b>	<b>32,000.00</b>	<b>126,000.00</b>

## NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

## NOTE 7

## FIXED ASSETS

TANGIBLE ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As At 1st April, 2011	Additions/ Adjustments	Deductions/ Adjustments	As At 31st March, 2012	For the Year	Deductions/ Adjustments	As At 31st March, 2012	As At 31st March, 2011
<b>OWNED ASSETS</b>								
Plant & Equipments	24,628,918.00	2,432,310.00	-	27,061,228.00	4,372,734.00	-	12,637,544.00	14,577,968.00
Furniture & Fixtures	6,229,393.00	1,082,945.00	-	7,312,338.00	814,347.00	-	3,684,808.00	3,416,210.00
Office Equipments	3,072,433.00	532,850.00	-	3,605,283.00	372,318.00	-	2,304,301.00	2,143,769.00
<b>TOTAL RS.</b>	<b>33,930,744.00</b>	<b>4,048,105.00</b>	<b>-</b>	<b>37,978,849.00</b>	<b>5,559,399.00</b>	<b>-</b>	<b>18,626,653.00</b>	<b>20,137,947.00</b>
As at and for the year ended 31st March, 2011								
Assets in Active use	46,877,324.00	13,246,126.00	24,522,117.00	35,601,333.00	3,893,912.00	-	20,137,947.00	-

**NOTES FORMING PART OF BALANCE SHEET**

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
<b>NOTE :-8</b>		
<b>NON-CURRENT INVESTMENTS</b>		
<b>Investment in Equity instruments of other Companies</b>		
<b>Trade investments (valued at cost unless stated otherwise) Quoted</b>		
12500 (As at 31st March, 2011, 12500) Equity shares of Exx-On Financial Services Ltd of Rs. 10/- each, fully paid-up	125,000.00	125,000.00
<b>Non-trade investments (valued at cost unless stated otherwise) Quoted</b>		
55000 (As at 31st March, 2011, NIL ) Equity shares of Tuscon Exports Ltd of Rs. 10/- each, fully paid-up	2,750,000.00	-
<b>Unquoted</b>		
180000 (As at 31st March, 2011, 180000) Equity shares of Care & Cure International Ltd of Rs. 10/- each, fully paid-up	2,700,000.00	2,700,000.00
NIL (As at 31st March, 2011, 98700) Equity shares of Corrttech International Ltd of Rs. 10/- each, fully paid-up	-	9,870,000.00
<b>TOTAL</b>	<b>5,575,000.00</b>	<b>12,695,000.00</b>
Aggregate amount of Quoted Investment		
- Cost	2,875,000.00	125,000.00
- Market Value	Not Available	Not Available
Aggregate amount of Unquoted Investment	2,700,000.00	12,570,000.00
<b>NOTE :-9</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, Considered good</b>		
Security Deposits	500,000.00	-
Other Loans	8,437,061.00	8,981,350.00
Other Advances	114,451,438.00	104,702,523.00
<b>TOTAL</b>	<b>123,388,499.00</b>	<b>113,683,873.00</b>

**NOTES FORMING PART OF BALANCE SHEET**

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
<b>NOTE :-10</b>		
<b>INVENTORIES</b>		
<b>(As taken, Valued &amp; Certified by the Management)</b>		
Work-in Process (At Cost)	5,181,250.00	5,191,750.00
Finished Goods /Stock -In Trade(At lower of Cost or Net realizable value)	26,363,940.00	27,053,580.00
<b>TOTAL</b>	<b>31,545,190.00</b>	<b>32,245,330.00</b>
<b>NOTE :-11</b>		
<b>TRADE RECEIVABLES</b>		
<b>Unsecured, Considered good</b>		
Other Receivables	86,691,117	72,927,240
<b>TOTAL</b>	<b>86,691,117.00</b>	<b>72,927,240.00</b>
<b>NOTE :-12</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
<b>(As Certified by the Management)</b>		
Cash and Cash Equivalents		
Balance with Banks		
-In Current Accounts	241,703.00	397,306.00
-Unclaimed/Unpaid Dividend A/c	383,064.00	384,208.00
Cash on Hand	159,982.00	320,165.00
<b>TOTAL</b>	<b>784,749.00</b>	<b>1,101,679.00</b>
<b>NOTE :-13</b>		
<b>OTHER CURRENT ASSETS</b>		
Income Tax Payments & TDS Receivables of Earlier years	-	3,848,635.00
<b>TOTAL</b>	<b>-</b>	<b>3,848,635.00</b>

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS**

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
<b>NOTE :-14</b>		
<b>REVENUE FROM OPERATION(GROSS)</b>		
<b>(a) Sale of Products(Indigenous Sales)</b>		
<b>Traded Goods</b>		
Products & Commodities-Agricultural/Pharma/Chemicals	420,561,301.00	562,847,198.00
<b>Finished Goods</b>		
<b>IT Activities</b>		
Domestic Software Sales	1,096,568.00	1,491,879.00
<b>(b) Sale of Services</b>		
<b>IT Activities</b>		
Softwares System Services	74,384.00	166,140.00
<b>TOTAL</b>	<b>421,732,253.00</b>	<b>564,505,217.00</b>
<b>NOTE :-15</b>		
<b>OTHER INCOME</b>		
<b>Interest Income</b>		
Interest on Long term Loans & Advances	1,002,204.00	1,077,762.00
<b>Other Non-Operating income</b>		
Miscellaneous Income	794,790.00	1,255,408.00
<b>TOTAL</b>	<b>1,796,994.00</b>	<b>2,333,170.00</b>
<b>NOTE :-16</b>		
<b>PURCHASES OF STOCK-IN TRADE/FINISHED GOODS</b>		
Purchase of Stock-in Trade/Finished Goods	402,560,994.00	515,675,854.00
<b>TOTAL</b>	<b>402,560,994.00</b>	<b>515,675,854.00</b>

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS**

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
<b>NOTE : 17</b> <b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN PROGRESS AND STOCK -IN TRADE</b>		
<b>inventories at the end of the year</b>		
Work-in Process	5,181,250.00	5,191,750.00
Finished Goods /Stock -In Trade	26,363,940.00	27,053,580.00
	<b>31,545,190.00</b>	<b>32,245,330.00</b>
<b>Inventories at the beginning of the year</b>		
Work-in Process	5,191,750.00	11,921,840.00
Finished Goods /Stock -In Trade	27,053,580.00	50,863,290.00
	<b>32,245,330.00</b>	<b>62,785,130.00</b>
<b>Stock Decreased</b>	<b>700,140.00</b>	<b>30,539,800.00</b>
<b>NOTE :-18</b> <b>EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and Wages	1,647,862.00	1,713,142.00
Staff Welfare Expenses	123,707.00	94,867.00
<b>TOTAL</b>	<b>1,771,569.00</b>	<b>1,808,009.00</b>
<b>NOTE :-19</b> <b>DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation and amortisation for the year on tangible assets	5,559,399.00	3,893,912.00
<b>TOTAL</b>	<b>5,559,399.00</b>	<b>3,893,912.00</b>
<b>NOTE :-20</b> <b>OTHER EXPENSES</b>		
Advertisement Expenses	81,216.00	89,895.00
Auditors Remuneration	72,880.00	71,695.00
Bank Charges	3,573.00	11,971.00
Books & Periodicals	36,564.00	36,393.00
Consultancy Fees	198,000.00	198,000.00
Conveyance & Travelling	410,422.00	260,263.00
Directors Remuneration	385,000.00	240,000.00
Directors Sitting Fees	4,000.00	11,000.00
Donation	300,000.00	206,494.00

## NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
Filing Fees	7,000.00	689,341.00
General Expenses	607,682.00	57,908.00
Listing Fees	57,908.00	-
Office Maintenance Expenses	205,312.00	176,377.00
Postage & Courier	352,936.00	204,334.00
Printing & Stationary	249,398.00	189,894.00
Professional Fees	182,800.00	180,000.00
R&T and Dmat Charges	155,193.00	8,000.00
Rent	1,682,091.00	2,487,126.00
Selling & Distribution Expenses	578,240.00	712,149.00
Software Maintenance	111,009.00	125,184.00
Telephone Expenses	209,356.00	220,865.00
<b>TOTAL</b>	<b>5,890,580.00</b>	<b>6,176,889.00</b>
<b>Auditors Remuneration</b>		
<b>(inclusive of Service Tax)</b>		
As Auditors - Statutory Audit Fees	56,180.00	55,150.00
For Taxation matters	5,618.00	5,515.00
For Other services	11,082.00	11,030.00
<b>TOTAL</b>	<b>72,880.00</b>	<b>71,695.00</b>



Note: - 21

## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:**

**Annexed to and forming part of the Balance Sheet as at 31<sup>st</sup> March, 2012 and of the Statement of Profit & Loss for the year ended on that date.**

### **1. Accounting System:**

- a) Financial statements are prepared in accordance the generally accepted accounting principles including mandatory applicable accounting standards in India and relevant presentational requirement of the Companies Act 1956, under historical cost convention, on accrual basis and ongoing concern concept, unless otherwise stated.
- b) All Expenses, Revenue from Operations and Other Income are accounted for on Accrual basis.

### **2. Use of Estimates:**

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

### **3. Inventories:**

- a) Finished Goods /Stock-In Trade are valued at lower of cost or net realizable value. Cost comprises all costs of purchases and other cost incurred in bringing the inventory to its present location and condition. Cost is determined on First in First out basis.
- b) Work in Progress is valued at Cost, which comprises Materials, Labour and Development Overheads.

### **4. Tangible Fixed Assets and Depreciation on Tangible Fixed Assets:**

- a) Fixed Assets are stated at cost less accumulated depreciation and impairment in value, if any.
- b) Costs comprised acquisition price or construction cost and other attributable costs, if any for bringing the assets to its intended use.
- c) Depreciation on Fixed Assets is provided block-wise on written down value method (WDV) on prorata basis as per rates prescribed in Schedule XIV to the Companies Act, 1956, with respect to the month of addition.

### **5. Investments:**

- a) Long Term Investments are valued at Cost .Provision for diminution in the value of Long Term Investments is made only if such a decline is, in the opinion of management, other than temporary.
- b) Current Investments are carried at lower of cost and fair value.

### **6. Provision for Current and Deferred Tax:**

Tax expense comprises current tax and deferred tax.

- a) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

- b) Deferred tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.
- c) Deferred tax assets are recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

### **7. Retirement Benefits:**

During the year under review, none of the employees have completed Continuous service period of 5 years and there is not any no un-availed leave of any employees working with the company. Accordingly, no provision is required to be made in respect of Gratuity, Leave encashment and Other Retirement benefits.

### **8. Impairment of assets:**

- a) An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets.
- b) An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.
- c) In the opinion of the management, there is no impairment of assets as on Balance Sheet date.

### **9. Provisions, Contingent Liabilities and Contingent Assets:**

- a) Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
- b) In the opinion of the management, there are no contingent liabilities as on Balance Sheet date and nor any events occurred after the Balance Sheet date that affects the financial position of the Company.

10. During the financial year 2011-12, there are not any transactions with any suppliers /parties who are covered under 'The Micro Small and Medium Enterprises Development Act, 2006'.

### **11. Related Party Disclosures**

There is no other company, which is under the same management in which the directors of the company are entrusted as directors and / or shareholders. There is no transaction with any firm and / or proprietor firm in which the directors of the company are interested as a partners or proprietor.

### **12. Key Management Personnel:**

The Key management personnel are the directors, whose names are mentioned in the corporate governance report.

13. The Company is selling alongwith Agricultural /Pharma & Chemical Products, Software in domestic markets. Out of many software projects under development at the commencement of the financial year, the company has completed some projects and sold / delivered the same, the cost and revenue of which has been taken to the statement of profit and loss account. Since the revenue generation begins after the completion of the software projects / products, the company is of the

view that development expenditure on the unfinished / uncompleted software should be treated as part of inventory as 'Software Projects under Development' and included in Work in progress.

14. There are not any particulars which are required to be furnished pursuant to Clause VIII of part II of the Schedule VI of the Companies Act, 1956.
15. In compliance with the Accounting Standard AS-22 relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company had provided for Deferred tax liability arising out of timing difference. During the year under report, there has been Addition to the said deferred tax liability to the extent of Rs.2,22,728 (P.Y Rs.1,29,727/-, there is reversal of the said liability), on account of difference between Book and Tax Depreciation accordingly, the said item has been debited/ credited to Statement of Profit & Loss of the year under report.
16. The Company has two reportable business segments (i) Trading of Products and Commodities (Agricultural, Pharma and Chemicals) and involved in IT activities. The Company operates mainly in Indian market and there are no reportable geographical segments.
17. **Earning Per Share:**

Earnings per share are calculated by dividing the profit attributable to the equity shareholders by the number of equity shares outstanding during the year, as under:

Particulars	2011-12	2010-11
Net Profit for the year attributable to the equity shareholders (Rs.)	67,91,837	87,47,650
Number of equity shares outstanding (in Nos.)	220,742,560	220,742,560
Basic and diluted earnings per share ( Face value of Rs.1/- each )(Rs.)	0.03	0.04

18. In the Opinion of the Board, all the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount stated in the Balance Sheet and all the known liabilities have been provided for.
19. Certain Debit and Credit Balances are being subject to confirmation.
20. The figures appearing in the Financial Statements have been rounded off to nearest rupee.
21. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**Signatory to Notes 1 TO 21**

**As per our attached report on even date  
For Mohindra Arora & Co  
(Chartered Accountants)**

**(A.K.Katial )  
Partner  
M. No. 09096**

**Place : Mumbai  
Date : 30/05/2012**

**FOR AND ON BEHALF OF THE BOARD  
For Adinath Bio-Labs Limited**

**(A.K.Jain) (A.A.Sisodia)  
(Whole Time Director) (Director)**

**(Sujata Dange)  
(Company Secretary)**

# Adinath Bio-Labs Limited



## Adinath Bio-Labs Limited

Regd. Office : 4, Netaji Subhash Road, 1st Floor, Kolkata - 700 001

### ATTENDANCE SLIP

I hereby record my presence at the 31<sup>st</sup> Annual General Meeting held at Hotel Rose Valley, RB – 29, Raghunathpur, VIP Road, Kolkata – 700 059, on Monday, 10<sup>th</sup> September, 2012 at 10.00 a.m.

1. L. F. No. ....
2. Depository: NSDL/CDSL .....
3. DP ID. ....
4. Client ID \* ..... \* For shares held in electronic form
5. FULL NAME OF SHAREHOLDER ..... (IN BLOCK LETTERS)
6. NO. OF EQUITY SHARES HELD: .....
7. SIGNATURE OF THE SHAREHOLDER OR PROXY ATTENDING: .....

(PLEASE GIVE FULL NAME OF THE 1ST JOINT HOLDER) MR./MRS./MISS .....

(TO BE USED ONLY WHEN FIRST NAMED SHAREHOLDER IS NOT ATTENDING)

NOTE: PLEASE FILL IN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.

---

## Adinath Bio-Labs Limited

Regd. Office: 4, Netaji Sub hash Road, 1st Floor, Kolkata - 700 001

### FORM OF PROXY

I/We ..... of ..... in the District of ..... being the member/members of the above named Company hereby appoint ..... of in ..... the District of ..... or failing him ..... of or failing him ..... of in the district of ..... as my / our proxy to vote for me/us on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the Company to be held on Monday, 10<sup>th</sup> September 2012, at 10.00 a.m. and at any adjournment thereof. Signed this ..... day of ..... 2012.

Signature .....

Affix a revenue stamp
-----------------------------

LF No. .... \* Depository: NSDL / CDSL .....

\*DP ID ..... \*Client ID.....

\*For Shares held in Electronic Form No. of Shares held

Note: (1) A member is entitled to attend and vote is entitled a proxy to attend and vote instead himself. (2) A proxy need not be a member. (3) The complete form should be deposited at the Registered Office of the Company at 4, Netaji Subhash Road, 1st Floor, Kolkata - 700 001 not less than 48 hours before the time of holding the meeting.



**BOOK-POST**

To,

---

---

---

**Adinath Bio-Labs Limited**  
Registered Office: 4, N.S.Road, 1st Floor, Kolkata - 700 001