



*Raymed Labs Ltd.*

Manufacturers of :

**Allopathic Medicines**

**Annual Report**

**1998-1999**

<p align="center"><b>BOARD OF DIRECTORS</b></p> <ol style="list-style-type: none"> <li>1. Shri Vidya Sagar Saini Chairman</li> <li>2. Dr. Sushil Kumar Saini Managing Director</li> <li>3. Srimati Kanta Saini Director</li> <li>4. Srimati Neelam Saini Director</li> </ol>	<p align="center"><b>REGISTERED &amp; CORPORATE OFFICE</b></p> <p align="center">Greenland Industrial Complex Dehradun Road Saharanpur (U.P.)</p>
<p align="center"><b>BANKERS</b></p> <p align="center">Indian Overseas Bank. Chakrota Road Saharanpur (U.P.)</p>	<p align="center"><b>WORKS</b></p> <p align="center">Greenland Industrial Complex Dehradun Road Saharanpur (U.P.)</p>
<p align="center"><b>AUDITORS</b></p> <p align="center">J. Kumar &amp; Company 3A/3, Asaf Ali Road Saraswati Building New Delhi</p>	

## NOTICE

Notice is hereby given that the Annual General Meeting of the members of RAYMED LABS LTD will be held on Thursday, the 30<sup>th</sup> day of September, 1999 at 10:00 a.m. at the Registered Office of the Company at Greenland Industrial Complex, Dehradun Road, Saharanpur, U.P. to transact the following as:-

### A. ORDINARY BUSINESS:-

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 1999 and Profit and Loss Account for the year ended on that date along with the reports of the Directors and Auditors thereon.
2. To consider and appoint a Director in place of Smt. Neelam Saini, who retires by rotation, and being eligible, offer herself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the Next Annual General Meeting of the company, and fix their Remuneration. M/s. J. Kumar & Co. Chartered Accountants, 3A/3, Asaf Ali Road, Saraswati Building, New Delhi, the retiring Auditors have forwarded a certificate to the effect that their appointment, if effected, shall be within the limits set out under section 224 (1-B) of the Companies Act, 1956.

BY ORDER OF THE BOARD  
FOR RAYMED LABS LIMITED

Place: SAHARANPUR  
Date: 2nd September 1999

Vidya Sagar Saini  
Chairman

Dr. Sushil Kumar Saini  
Managing Director

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Explanatory Statement pursuant to section 173 (2) is annexed hereto.
3. The Share Transfer Books and Register of Members shall remain closed from 22<sup>nd</sup> September 1999 to 30<sup>th</sup> September 1999, both days inclusive.

## **DIRECTORS REPORT**

### **TO THE MEMBERS**

The Directors of your Company have pleasure in presenting the Annual Report on the affairs of the Company together with the audited accounts for the year ended 31<sup>st</sup> March 1999.

### **OPERATIONS AND FINANCIAL RESULTS**

The operations of the company continued to reflect lower capacity. The turnover of the company during the period under review aggregated Rs. 23.92 lacs. The lower capacity utilization and the losses on investment led to an aggregate loss of Rs. 128.45 lacs for the year under review.

### **DIVIDEND**

In view of the losses that have been incurred during the year under review as also the accumulated losses, the Directors regret their inability to declare dividend.

### **DIRECTORS**

In accordance with the provisions of the Section 256 of the Companies Act, 1956 and the Articles of Association of the Company, Smt. Neelam Saini, retires by rotation and, being eligible, offers herself for re-election. The Directors recommend her re-appointment.

### **AUDITORS**

M/s. J. Kumar & Co., Chartered Accountants, the auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting.

The auditors have forwarded a certificate under section 224 (1-B) of the Companies Act, 1956 to the effect that their re-appointment, if effected, would be within the limits specified in the said Section. The Directors recommend their appointment.

The report of the Auditors together with notes on the account is self-explanatory and no observations are forwarded thereon.

### **FIXED DEPOSITS**

The Company has not accepted Fixed Deposits from the Public within the meaning of section 58A of the Companies Act, 1956 during the year under review.

### **PERSONNEL**

The employees at all levels continued to put sincere efforts in the growth of the Company. 19

Employee relations continue to be cordial.

During the year there were no employees, whose particulars are required to be furnished under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of the Employees) Rules, 1975.

#### **OTHER INFORMATION**

In accordance with the provisions of Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 the Directors report as under:

1) Conservation of Energy

The Company is in the process of installing energy saving devices at appropriate places including energy saving lighting devices. The expenses incurred on this account during the year aggregated Rs. 1.96 lacs.

2) Technology Absorption

The machinery that the company has installed is state-of-the-art and the technology is being absorbed by regular training of the employees on the machines.

3) Foreign Exchange Earnings and Outgo.

There were no Foreign Exchange Earnings/outgo during the year under review

#### **LISTING AT STOCK EXCHANGES**

In accordance with the listing agreement(s) entered into by the Company with the Stock Exchanges the Directors further report that Your Company is listed on Delhi, Mumbai, Ahmedabad, Jaipur and Kanpur Stock Exchanges and the listing fees is in the process of being paid to the said exchanges.

#### **ACKNOWLEDGMENTS**

Your Directors take this opportunity to express their deep sense of appreciation and gratitude to its Bankers, Customers, Central and State Government Departments, local authorities, dealers and suppliers for their valuable assistance, co-operation and guidance. The Board also wishes to thank the shareholders for their unstinted support.

**BY ORDER OF THE BOARD  
FOR RAYMED LABS LIMITED**

Place: SAHARANPUR  
Date: 2nd September 1999

Vidya Sagar Saini  
Chairman

Dr. Sushil Kumar Saini  
Managing Director

## **Auditor's Report to the Shareholders of Raymed Labs Ltd.**

We have audited the attached Balance Sheet of Raymed Labs Ltd. as at 31<sup>st</sup> March, 1999 and the annexed Profit & Loss Account for the financial year ended on that date.

We report that:

1. As required by the manufacturing and other companies (Auditor's Report), order 1988 issued by the company law Board in terms of Section 227 (4A) of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 (1) of the said order.
2. Further to our comments in the Annexure to the paragraph 1 above.
  - A) We have obtained all the information and explanations that are true to the best of our knowledge and belief and were necessary for the purpose of our audit.
  - B) In our opinion, the Company as required by law has kept proper books of accounts, so far as it appears from our examination of the books.
  - C) The Balance Sheet and the Profit & Loss Account dealt with in this report are in agreement with the books of accounts.
  - D) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit & Loss account read together with notes thereon 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 the state of affairs of the Company as at 31<sup>st</sup> March, 1999 and
    - (ii) In the case of Profit & Loss Account of Loss of the company for the period ended on that date.
  - E) In our opinion, the Balance Sheet and Profit and Loss account, referred to in this report, complies with the mandatory accounting standards as referred in Section 211 (3C) of the Companies Act, 1956.

For M/s J. KUMAR & COMPANY  
*Chartered Accountants*

Place: New Delhi  
Date: 5<sup>th</sup> September 1999

J. L. Kumar  
*Partner*

**Annexure referred to in paragraph 1 of our Report of even date.**

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The management during the period has physically verified the fixed assets and no discrepancies were noticed on such verification.
2. The Company has not re-valued any of the fixed assets during the year.
3. The management in the respect of finished goods, stores, spares, parts and raw material has conducted physical verification. In our opinion the frequency of such verifications is reasonable.
4. As explained to us the procedures adopted by the management for physical verification of finished stocks, stores and spare parts raw material are reasonable and adequate in relations to the size of the Company and the nature of its business.
5. We were informed that no material discrepancies have been noticed on physical verification of stock as compared to book records. The discrepancies noticed have been properly dealt with in the books of accounts.
6. In our opinion the valuation of stock is fair and proper and in accordance with the normally accepted principles and is on the same basis as in the previous year.
7. The Company has not taken any loans secured or unsecured from Companies, firms and other parties listed in the register maintained under section 301 of the Companies act, 1956 and/or from the Companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
8. The Company has not granted any loans secured or unsecured to Companies firms other parties listed in the register maintained under Section 301 and/or to Companies under the same management under Section 370 (1B) of the Companies Act, 1956.
9. As explained to us, the Company has not given any loan or advances in the nature of loans during the year except loans and interest free advances in the nature of loans to employees. The recovery of the principal and interest amount has been made as stipulated.
10. In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of stores, raw material, including components, plant and machinery, equipment and other assets and with regard to sale of goods.
11. According to information given to us, there are no transaction of purchase of goods and materials and sale of goods, material and services made in pursuance of contracts and arrangements entered in the register maintained under Section 301 of the Companies Act.

1956 as aggregating during the year to Rs.50000/- or more in respect of each party have been made at price, which are reasonable having regard to the prevailing market price, for such goods, material or services or the price at which transaction for similar goods or services have been made with other parties.

12. According to the information and explanation given to us, the Company has no unserviceable or damaged stores raw material and thus no provision thereof has been made in the books of accounts during the year.
13. As per the explanation and information given to us the Company has not accepted any deposit from the public as envisaged under the Section 58 A of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules 1975 do not apply to the Company.
14. In our opinion the Company has maintained reasonable records for the sale and disposal of scrap/waste by products wherever significant.
15. The Company has internal audit system commensurate with its size and nature of its business. However, the company is maintaining adequate internal control.
16. The Company in our opinion and according to information given to us is not required to maintain cost records and records prescribed by the Central Government under Section 209 of the Companies Act, 1956.
17. That the Company has informed us that the employee's State Insurance Scheme and Provident Fund are not applicable to the Company during the year under audit.
18. As per information and explanation given to us no undisputed amount payable in respect of Income Tax, Sales Tax, Custom Duty and Excise Duty were outstanding as on the date of financial year for the period of more than six months from the date they became payable.
19. According to the information given to us, no personal expenses have been charged to revenue accounts other than that payable under contractual obligation and/or generally accepted business practice.
20. According to the management, the Company is not a sick Industrial Company with in the meaning of clause (D) of Sub-Section (1) of Section 3 of the Sick Industrial Companies (Special Provision) Act, 1985.
21. In respect of trading activities of the Company, there were no damaged goods during this period.

For M/s J. KUMAR & COMPANY  
*Chartered Accountants*

Place: New Delhi  
Date: 5<sup>th</sup> September 1999

J. L. Kumar  
*Partner*



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 1999

Amount in Rs.

PARTICULARS	SCH. No.	AS AT 31-03-1999	AS AT 31-03-1998
<b><u>SOURCES OF FUNDS</u></b>			
<b>I. SHARE HOLDERS FUND</b>			
a. EQUITY	I	4,26,33,000	4,26,33,000
<b>II. LOANS</b>			
a. SECURED LOANS	II	1,54,84,170	1,36,60,615
b. UNSECURED LOANS	III	65,000	25,000
<b>TOTAL FUNDS EMPLOYED</b>		<b>5,81,82,170</b>	<b>5,63,18,615</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b>I. FIXED ASSETS</b>	IV	1,54,75,128	1,29,18,189
<b>II. CAPITAL WORK IN PROGRESS</b>		21,94,096	94,56,049
<b>III. INVESTMENTS</b>		62,73,980	1,44,09,430
<b>IV. CURRENT ASSETS LOANS AND ADVANCES</b>	V		
a. Inventories		20,03,565	24,06,655
b. Sundry Debtors		50,80,785	50,73,592
c. Cash and Bank Balances		82,451	42,594
d. Loans & Advances		37,51,344	9,98,781
<b>TOTAL</b>		<b>1,09,18,145</b>	<b>85,21,622</b>
<b>LESS : CURRENT LIABILITIES AND PROVISIONS</b>	VI		
a. Current Liabilities		5,46,777	4,61,366
b. Provisions		0	0
<b>NET CURRENT ASSETS</b>		<b>1,03,71,368</b>	<b>80,60,256</b>
<b>V. MISC. EXPENDITURES</b> (To the extent not written off or adjusted)	VII	36,16,838	40,69,311
<b>VI. PROFIT AND LOSS ACCOUNT</b>	VIII	2,02,50,760	74,05,380
<b>TOTAL</b>		<b>5,81,82,170</b>	<b>5,63,18,615</b>

**Note:** Schedules I to VIII referred above form an integral part of Balance Sheet  
As per our audit report of even date attached.

For M/s J. KUMAR & COMPANY  
Chartered Accountants

J. L. Kumar  
(Partner)

Place: New Delhi  
Date: 5<sup>th</sup> September 1999

For and on behalf of the Board of Directors:

(Vidya Sagar Saini)  
Chairman

(Dr. Sushil Kumar Saini)  
Managing Director

(Kanta Saini)  
Director

(Ram Saini)  
Director

**PROFIT & LOSS ACCOUNT AS AT 31<sup>ST</sup> MARCH 1999**

Amount in Rs.

PARTICULARS	SCH. No.	AS AT 31-03-1999	AS AT 31-03-1998
<b><u>INCOME</u></b>			
SALE		23,92,475	11,60,584
<b>TOTAL</b>		<b>23,92,475</b>	<b>11,60,584</b>
<b><u>EXPENDITURE</u></b>			
Material Consumed	IX	12,01,656	37,71,029
Manufacturing & Operating Expenses	X	2,78,671	93,979
Trade Discount		1,73,748	1,04,762
Administrative, Selling & Other Expenses	XI	95,07,312	19,24,577
Interest & Finance Charges	XII	20,88,278	25,50,935
Depreciation		19,88,190	8,28,422
		<b>1,52,37,855</b>	<b>92,73,704</b>
PROFIT/LOSS BEFORE TAXES		<b>-1,28,45,380</b>	<b>-81,13,120</b>
PROVISION FOR TAXES		0	0
PROFIT/LOSS AFTER TAXES		<b>-1,28,45,380</b>	<b>-81,13,120</b>
BALANCE BROUGHT FORWARD		-74,05,380	7,07,740
<b>AMOUNT TRANSFERRED TO BALANCE SHEET</b>		<b>-2,02,50,760</b>	<b>-74,05,380</b>

**Note:** Schedule IX TO XII referred above form an integral part of Balance Sheet  
As per our audit report of even date attached.

For M/s J. KUMAR & COMPANY  
Chartered Accountants

J. L. Kumar  
(Partner)

Place: New Delhi  
Date: 5<sup>th</sup> September 1999

For and on behalf of the Board of Directors:

(Vidya Sagar Saini)  
Chairman

(Dr. Sushil Kumar Saini)  
Managing Director

(Kanta Saini)  
Director

(Neelam Saini)  
Director

## SCHEDULES FORMING PART OF BALANCE SHEET

### SCHEDULE I: SHARE CAPITAL

Amount in Rs.

PARTICULARS	AS AT 31-03-1999	AS AT 31-03-1998
<b><u>AUTHORISED CAPITAL</u></b>		
50,00,000 EQUITY SHARES of Rs. 10/- each (Previous year 50,00,000 Equity Shares of Rs. 10/- each)	5,00,00,000	5,00,00,000
<b><u>ISSUED SUBSCRIBED AND PAID UP CAPITAL</u></b>		
42,73,500 EQUITY SHARES of Rs. 10/- each (Previous year 42,73,500 Equity Shares of Rs. 10/- each)	4,27,35,000	4,27,35,000
LESS: CALL MONEY IN ARREARS	(-) 1,02,000	(-) 1,02,000
<b>TOTAL</b>	<b>4,26,33,000</b>	<b>4,26,33,000</b>

### SCHEDULE II: SECURED LOANS

Amount in Rs.

PARTICULARS	AS AT 31-03-1999	AS AT 31-03-1998
U. P. FINANCIAL CORPORATION (Secured by First Charge on All Fixed Assets of the Company)	89,59,360	70,42,126
INDIAN OVERSEAS BANK C. C. A/C	65,24,810	66,18,489
<b>TOTAL</b>	<b>1,54,84,170</b>	<b>1,36,60,615</b>

### SCHEDULE III: UNSECURED LOANS

Amount in Rs.

PARTICULARS	AS AT 31-03-1999	AS AT 31-03-1998
M/s Madhur Leasing Ltd.	15,000	25,000
Smt. Nisha Goel	50,000	0
<b>TOTAL</b>	<b>65,000</b>	<b>25,000</b>

**SCHEDULE IV: FIXED ASSETS**

Amount in Rs.

PARTICULARS	GROSS BLOCK					DEPRECIATION BLOCK				NET BLOCK	
	RATE OF DEP. %	OPENING BALANCE	ADDITION DURING THE YEAR	SALE/ADJ. DURING THE YEAR	TOTAL	UP TO 31-3-98	FOR THE YEAR	ADD BACK	TOTAL DEP.	AS AT 31-3-99	AS AT 31-3-98
	LAND		49850	760705	0	810555	0	0	0	0	810555
BUILDING	10	7581124	2390536	0	9971660	811575	916008	0	1727583	8244077	6769549
PLANT & MACHINERY	13.91	7720137	1388628	0	9108765	2184319	963190	0	3147509	5961256	5535818
TECHNICAL KNOW HOW	13.91	100000	0	0	100000	41861	8087	0	49948	50052	58139
OTHER FIXED ASSETS	18.1	109750	5260	0	115010	56426	10603	0	67029	47981	53324
CAR	20	711914	0	0	711914	260405	90302	0	350707	361207	451509
<b>TOTAL</b>		16272775	4545129	0	20817904	3354586	1988190	0	5342776	15475128	12918189
<b>Previous Year</b>		9001250	7751525	480000	16272775	2660564	828422	134400	3354586	12918189	6340686

**SCHEDULE V: CURRENT ASSETS LOANS AND ADVANCES**

Amount in Rs.

PARTICULARS	Amount in Rs.	
	AS AT 31-03-1999	AS AT 31-03-1998
<b>A. INVENTORIES</b> (As certified by the Management)		
FINISHED GOODS	3,01,430	5,22,115
RAW MATERIAL	10,82,560	12,63,075
PACKING MATERIAL	6,19,575	6,21,465
<b>TOTAL</b>	<b>20,03,565</b>	<b>24,06,655</b>
<b>B. SUNDRY DEBTORS</b>		
DEBTS OUTSTANDING FOR A PERIOD OF MORE THAN SIX MONTHS	42,09,129	41,78,470
OTHER DEBTS	8,71,656	8,95,122
<b>TOTAL</b>	<b>50,80,785</b>	<b>50,73,592</b>
<b>C. CASH AND BANK BALANCES</b>		
CASH IN HAND	55,778	15,861
BANK BALANCES IN SCHEDULE BANKS IN CURRENT ACCOUNT	26,673	26,733
<b>TOTAL</b>	<b>82,451</b>	<b>42,594</b>
<b>D. LOANS AND ADVANCES</b>		
ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED (CONSIDERED GOOD)	34,26,144	6,73,581
EARNEST MONEY	3,25,200	3,25,200
<b>TOTAL</b>	<b>37,51,344</b>	<b>9,98,781</b>

**SCHEDULE VI: CURRENT LIABILITIES AND PROVISIONS**

Amount in Rs.

PARTICULARS	Amount in Rs.	
	AS AT 31-03-1999	AS AT 31-03-1998
<b>A. CURRENT LIABILITIES</b>		
SUNDRY CREDITORS	4,37,177	3,14,766
ADVANCE FROM CUSTOMERS	1,09,600	1,46,600
<b>TOTAL</b>	<b>5,46,777</b>	<b>4,61,366</b>
<b>B. PROVISIONS</b>	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

**SCHEDULE VII: MISCELLANEOUS EXPENDITURES**

Amount in Rs.

PARTICULARS	AS AT 31-03-1999	AS AT 31-03-1998
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted )		
PRELIMINARY EXPENSES ADD DURING THE YEAR	40,69,311 0	11,784 45,10,000
<b>TOTAL</b>	<b>40,69,311</b>	<b>45,21,784</b>
LESS: EXPENSES WRITTEN OFF DURING THE YEAR	4,52,473	4,52,473
<b>TOTAL</b>	<b>36,16,838</b>	<b>40,69,311</b>

**SCHEDULE VIII: PROFIT AND LOSS ACCOUNT**

Amount in Rs.

PARTICULARS	AS AT 31-03-1999	AS AT 31-03-1998
PROFIT AND LOSS ACCOUNT	2,02,50,760	74,05,380
<b>TOTAL</b>	<b>2,02,50,760</b>	<b>74,05,380</b>

**SCHEDULE IX: MATERIAL CONSUMED**

Amount in Rs.

PARTICULARS	AS AT 31-03-1999	AS AT 31-03-1998
PURCHASES	7,98,566	6,28,067
ADD: OPENING STOCK	18,84,540	29,24,617
LESS: CLOSING STOCK	17,02,135	18,84,540
<b>RAW MATERIAL CONSUMED</b>	<b>9,80,971</b>	<b>16,68,144</b>
ADD: DECREASE//INCREASE IN FINISHED GOODS		
CLOSING STOCK	3,01,430	5,22,115
OPENING STOCK	5,22,115	26,25,000
<b>FINISHED GOODS CONSUMED</b>	<b>2,20,685</b>	<b>21,02,885</b>
<b>TOTAL</b>	<b>12,01,656</b>	<b>37,71,029</b>

**SCHEDULE X: MANUFACTURING AND OPERATING EXPENSES**

Amount in Rs.

PARTICULARS	AS AT	AS AT
	31-03-1999	31-03-1998
FREIGHT AND CARTAGE INWARD	65.072	18.821
FUEL EXPENSES (Generator Set Running Exp.)	1.95.725	17.223
POWER & ELECTRICITY EXPENSES	0	19.245
MACHINERY MAINTENANCE	3.095	15.542
OTHER MANUFACTURING EXPENSES	1.595	11.919
CHEMICAL TESTING EXPENSES	13.184	11.229
<b>TOTAL</b>	<b>2,78,671</b>	<b>93,979</b>

**SCHEDULE XI: ADMINISTRATIVE, SELLING AND OTHER EXPENSES**

Amount in Rs.

PARTICULARS	AS AT	AS AT
	31-03-1999	31-03-1998
DIRECTORS REMUNERATION	84.000	84.000
SALARIES AND AMENITIES	6.31.677	3.06.233
CONVEYANCE AND TRAVELLING	11.860	26.321
INSURANCE EXPENSES	0	14.821
FREIGHT AND CARTAGE OUTWARD	10.664	4.522
PRINTING AND STATIONERY	6.842	22.500
FEES AND TAXES	1.050	2.200
DEBIT BALANCE WRITTEN OFF	4.902	7.10.359
ADVERTISEMNET EXPENSES	1.000	9.400
SALES PROMOTION EXPENSES	14.513	11.500
LEGAL AND PROFESSIONAL CHARGES	12.000	6.950
TELEPHONE EXPENSES	7.807	6.250
POSTAGE AND TELEGRAM	2.721	1.824
STAFF WELFARE EXPENSES	16.533	24.224
NEWSPAPER BOOKS & PERIODICAL	0	200
VEHICLE MAINTENANCE	3.513	7.440
LOSS ON INVESTMENT	81.35.450	0
MISCELLANEOUS EXPENSES	465	0
AUDIT FEES	50.000	40.000
PRELIMINARY EXPENSES	4.52.473	4.52.473
BUILDING MAINTENANCE	0	15.240
LAB TESTING EXPENSES	10.157	7.520
LOSS ON SALE OF CAR	0	1.70.600
BONUS	37.685	0
DIWALI EXPENSES	12.000	0
<b>TOTAL</b>	<b>95,07,312</b>	<b>19,24,577</b>

**SCHEDULE XII: INTEREST AND FINANCE CHARGES**

Amount in Rs.

PARTICULARS	Amount in Rs.	
	AS AT 31-03-1999	AS AT 31-03-1998
INTEREST PAID TO BANK AND FINANCIAL INSTITUTION	20,87,901	24,46,659
BANK CHARGES	377	1,02,763
OTHER INTEREST CHARGES	0	1,513
<b>TOTAL</b>	<b>20,88,278</b>	<b>25,50,935</b>

For M/s J. KUMAR & COMPANY  
Chartered AccountantsJ. L. Kumar  
(Partner)Place: New Delhi  
Date: 5<sup>th</sup> September 1999

For and on behalf of the Board of Directors:

(Vidya Sagar Saini)  
Chairman(Dr. Sushil Kumar Saini)  
Managing Director(Kanta Saini)  
Director(Neelam Saini)  
Director



## NOTES FORMING PART OF THE ACCOUNTS

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Method of Accounting :

- i. The accounts are prepared under this historical cost convention as a going concern. Accounting Policies, not specifically referred to otherwise, are consistent with generally accepted accounting Principles.
- ii. The company follows the mercantile system of accounting and recognises income and expenditures on accrual basis.

#### (b) Fixed Assets :

Fixed assets are stated at costs including expenses related to acquisition and installation less accumulated depreciation (if any).

#### (c) Depreciation :

Depreciation is provided on fixed assets as provided on W.D.V. method at the rates specified in schedule XIV of the companies Act, 1956 as amended.

#### (d) Inventories :

Inventories have been taken valued and certified by Management.

The basis of valuation is as under:

- |   |  |
|---|--|
| i. Raw material, packing material, stores and spares. | At cost or net realisable value, whichever is lower. |
| ii. Work in Progress                                  | At cost up to the stage of completion.               |
| iii. Finished Goods                                   | At cost or net realisable value, whichever is lower. |

#### (e) Excise Duty (if applicable) :

Excise duty payable on finished goods is accounted for on the clearance of goods from Factory premises.

#### (f) Foreign Currency Transactions:

- i. The Company has made no foreign currency transactions.
- ii. The Company has not made any foreign currency earning or out go during the financial year under review.

2. There are no contingent liabilities.
3. The company has opted for Trade Tax deferment under U.P. Trade Tax Act, under 1948 (Previously known as U.P. Sales Tax, 1948). Hence no provision is made on sales tax. The Company has applied for eligibility certificate, which is yet to be received.
4. Preliminary expenses are amortised over a period of 10 years.
5. Balances of Sundry Debtors, Sundry Creditors and Loans and Advances are subject to reconciliation and confirmation.
6. Capital Work in progress represents expenses incurred during the year on the new project of the Company and also includes pre operative and public issue expenses thereto. These expenses subject to reconciliation will be allocated towards fixed assets and others on completion of the project.
7. No provision for income tax has been made. The liability, if any would be accounted for as and when arises.
8. The gross sale includes trade discount and special discounts.
9. In the opinion of the Board loans and advances are of the value stated in Balance Sheet, to be realised in the normal course of business and provision for all known liabilities has been made in the books of accounts which are adequate and not in excess.

10. AUDITORS REMUNERATION

	Particulars	Current Year	Previous Year
i.	Audit Fees	25,000/-	25,000/-
ii.	Other Services	25,000/-	15,000/-

11. The Company has not made any Provision for gratuity and E.S.I. provident funds etc. as the same are not applicable to the company.
12. Information pursuant to the Provisions of Paragraphs 3, 4(c) and 4(d) of Part II of schedule VI of Companies Act, 1956.

(i) Details of Capacity:

Particulars	Current Year	Previous Year
<b>I. Licenced Capacity</b>		
i. Injectables	86.40 lacs vial/ampl	86.40 lacs vial/ampl
ii. Capsules	300 lacs Numbers	300 lacs Numbers
iii. Tablets	1200 lacs Numbers	1200 lacs Numbers
iv. Oral Liquid	1000 K/L	1000 K/L

<b>2. Installed Capacity</b>		
i. Injectables	86.40 lacs vial/amp	86.40 lacs vial/amp
ii. Capsules	300 lacs Numbers	300 lacs Numbers
iii. Tablets	1200 lacs Numbers	1200 lacs Numbers
iv. Oral Liquid	1000 K/L	1000 K/L
<b>3. Actual Capacity</b>	N.A.	

Particulars	Current Year		Previous Year	
	Qty	Amount	Qty	Amount
b) Details of Production:				
i. Injectables	N.A.	21,71,790	N.A.	9,42,301
c) Details of Sales:				
i. Injectables	N.A.	23,92,475	N.A.	11,60,584

Particulars	Current Year	Previous Year
d) CIF VALUE OF IMPORTS		
1. Raw Material	Nil	Nil
2. Stores	Nil	Nil
3. Capital Goods	Nil	Nil
e) EXPENDITURE IN FOREIGN CURRENCY	Nil	Nil
f) EARNING IN FOREIGN CURRENCY	Nil	Nil

i. Figures are rounded off to nearest rupee and previous year's figure have been regrouped where ever necessary.

As per our report of even date attached.

For M/s J. KUMAR & COMPANY  
Chartered Accountants

J. L. Kumar  
(Partner)

Place: New Delhi  
Date: 5<sup>th</sup> September 1999

For and on behalf of the Board of Directors:

(Vidya Sagar Saini)  
Chairman

(Dr. Sushil Kumar Saini)  
Managing Director

(Kanta Saini)  
Director

(Neelam Saini)  
Director

**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS  
PROFILE**

I. Registration Details:	
Registration No.	14240
State Code	55
Balance Sheet Date	31.03.1999
II. Capital raised during the year:	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private placement	NIL
III. Position of Mobilisation & Deployment of fund	
	(Rs. Thousands)
Sources of Funds:	
Paid up Capital	42,633
Application Money	-
Reserve & Surplus	-
Current Liabilities	547
Secured loans	15,484
Unsecured loans	65
<b>TOTAL</b>	<b><u>58,729</u></b>
Application of Funds:	
Net Fixed Assets	17,669
Investments	6,274
Current Assets	10,918
Miscellaneous Expenditure	3,617
Accumulated Losses	20,251
<b>TOTAL</b>	<b><u>58,729</u></b>
IV. Performance of company:	
Turnover	2,392
Total expenditure	15,238
Profit/(Loss)After Tax	(12,845)
Earning per share (Rs.)	(-3.01)
Dividend Rate	NIL
V. Generic names of Three Principal Products/Services of Company (as per monetary terms)	
	Ramyvit
	Ampiclox
	Ramydex
Item Code No.	N.A.
Products Description	Medicines

As per Separate Report of even date attached

For M/s J. KUMAR & COMPANY  
Chartered Accountants

J. L. Kumar  
(Partner)

Place: New Delhi  
Date: 5<sup>th</sup> September 1999

For and on behalf of the Board of Directors:

(Vidya Sagar Saini)  
Chairman

(Dr. Sushil Kumar Saini)  
Managing Director

(Kanta Saini)  
Director

(Neelam Saini)  
Director

**CASH FLOW STATEMENT**

FOR THE YEAR ENDING MARCH 31, 1999

<b>PARTICULARS</b>	<b>1998-1999 Rs.</b>	<b>1997-1998 Rs.</b>
<u>Cash Flow From Operating Activities</u>		
Net Profit Before Tax	(1,28,45,380)	(81,13,121)
Depreciation	19,88,190	8,28,422
Interest	20,87,901	24,46,659
(Profit)/Loss on Sale of Fixed Assets		1,70,600
Loss on Sale of Investment	81,35,450	0
Misc. Exp. W/O	4,52,473	4,52,473
Operating Profit Before Working Capital Changes	(1,81,366)	(42,14,967)
Trade Receivable	(7,193)	7,10,359
Inventories	4,03,090	31,42,962
Trade Payables	85,411	(5,59,839)
Net Cash From Operating Activities (A)	2,99,942	(9,21,485)
<u>Cash Flow From Investing Activities</u>		
Purchase of Fixed Assets		84,51,064
Sale of Fixed Assets	27,16,824	1,75,000
Investments	0	(1,44,09,430)
Net Cash Flow From Investing Activities (B)	27,16,824	(57,83,366)
<u>Cash Flow From Financial Activities</u>		
Repayment of Loan	(1,03,679)	0
Preliminary Expenses	0	(4,51,000)
Loan Raised During the Year	19,67,234	46,02,652
Interest	(20,87,901)	(24,46,659)
Loans & Advances (Assets)	(27,52,563)	50,00,000
Net Cash Flow From Financing Activities (C)	(29,76,909)	67,04,993
Net Inc./Dec. in Cash Flow (A)+(B)+(C)	39,857	142
Add Opening Balance of Cash & Bank	42,594	42,452
Closing balance of cash & Bank	82,451	42,594