



# **BIBCOL**

## **TWENTYTH ANNUAL REPORT 2008 - 2009**

**BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED**  
**Regd. Office : Vill. Chola - 203 203 Distt. Bulandshahr (U.P.)**

## **BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD**

### **BOARD OF DIRECTORS**

PROF. V.S. CHAUHAN	:	CHAIRMAN (Tenure expired on 22.05.2008)
DR. SATISH GUPTA	:	CHAIRMAN (Assumed on 22.05.2008)
SH.S. SUBBIAH, IAS	:	MANAGING DIRECTOR
SH. N.S. SAMANT, IAS	:	J.S. DBT, DIRECTOR
SH. K. P. PANDIAN	:	JS & FA, DST, DIRECTOR
DR. NAVIN CHANDRA KHANNA	:	DIRECTOR
DR. B.L. JAILKHANI	:	DIRECTOR

### **REGISTERED OFFICE**

VILL. CHOLA, DISTT.

BULANDSHAHR (U.P.)

### **AUDITORS**

GIANENDER & ASSOCIATES

CHARTERED ACCOUNTANTS

PLOT NO.6, SITE NO.21

GEETA MANDIR MARG,

NEW RAJENDER NAGAR,

NEW DELHI 110060

### **BANKERS**

CANARA BANK, 9 COMMUNITY CENTER,

GULMOHAR ENCLAVE, NEW DELHI -49

### **REGISTRAR & TRANSFER AGENT**

M/S. BEETAL FINANCIAL & COMPUTER

SERVICE (P) LIMITED, BEETAL HOUSE,

3RD FLOOR, 99 MADANGIR, BEHIND

LOCAL SHOPPING CENTRE,

NEAR DADA HARSUKHDAS MANDIR,

NEW DELHI - 110062

Tel. No. : 011-29961281 to 83.

## **CONTENTS**

Sl.No.	Particulars	Page No.
1	Notice	3
2	Director Report	4
3	Management Discussion & Analysis Report	6
4	Report on Corporate Governance	7
5	Addendum to Directors Report	12
6	Auditors Reports	13
7	Balance Sheet	17
8	Profit & Loss Account	18
9	Schedule to Accounts	19-30
10	Cash Flow Statement	31
11	Balance Sheet Abstract and Company's General Business Profile	32
12	C & AG Report	33

**NOTICE**

Notice is hereby given that 20<sup>th</sup> Annual General Meeting of the Members of Bharat Immunologicals and Biologicals Corporation Limited (BIBCOL) will be held as per following schedule:

Date: 31/12/2009 (Thursday)

Time: 11.30 A.M.

Venue: Bharat Immunologicals and Biologicals Corporation Limited, OPV Plant, Village - Chola, Bulandshahr. (U.P.)

For transaction of the following Business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet of the company as at March 31, 2009 and the Profit & Loss Account for the year ended on that date and Reports of the Directors and Auditors, thereon.
2. The appointment of the statutory auditors

**NOTES TO NOTICE OF MEETING:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Proxies shall not have any voting rights except on a poll.
3. Only bonafide members of the Company whose names appear on the Registrar of Members/Proxy holders in possession of valid attendance slips duly filed and signed will be permitted to attend the meeting. The company reserves its right to take all steps as may be deemed necessary to restrict non members (excluding valid proxy holder) from attending the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24/12/2009 to 31/12/2009 both days inclusive.
5. All documents referred in the notice are open for inspection at the Registered Office of the Company between 10.00 a.m. to 1.00 p.m. on any working day up to the date of Annual General Meeting and also at the meeting.
6. Members/Proxies should bring the attendance slips duly filed in for attending the meeting. Members who hold shares in dematerialization form, are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
7. It will be appreciated that queries, if any, on accounts and operations of the Company are sent to the Regd. Office of the company ten days in advance of the meeting so that the information may be made readily available.
8. Members are requested to notify change of address to the company or M/S. Beetal Financial &, Computer Service (P) Limited, Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110062.

By Order of the Board

Registered Office:

Village: Chola

PO/District: Bulandshahr (U.P.)

Date: 29.10.2009

(S. Subbiah)  
Managing Director

**DIRECTOR'S REPORT**

Your Directors have pleasure in presenting 20<sup>th</sup> Annual Report together with Audited Statements of Accountants of the Company for the year ended March 31, 2009.

**FINANCIAL RESULTS**

The turnover of the company during the year was of Rs. 7.10 crores. The other income was of Rs.0.82 crore. The other income includes the interest on short term deposits with scheduled banks and Sale of waste materials etc. There was expenditure of Rs.11.75 crores against the total income of Rs. 7.93 crores during the year resulting into net loss of Rs. 3.82 crores, for the previous year the loss was Rs. 5.91 Crores. Accordingly the loss has come down by Rs. 2.09 crore.

**DIVIDEND**

In view of carry forward losses and loss incurred during the current financial year your Directors have not recommended any dividend for the current year

**FUTURE OUTLOOK**

The Licensing formalities for Zinc dispersible tablet have been completed during the year. Company has begun trial production of zinc dispersible tablet. It is aiming for due market share of dispersible zinc tablet including that of NRHM of state governments.

**FIXED DEPOSIT**

Your company has not accepted/invited any Deposits from public pursuant to Section 58A of the Companies Act, 1956 till the end of the year under review.

**DIRECTORS**

There is variation in the composite of Board of Directors during the year as Prof. V S Chauhan, Chairman (Part – time) office expired on 22.05.2009. Dr. Satish Gupta was appointed Chairman (Part – time) w.e.f. 22.05.2009.

**LISTING OF SECURITIES**

The shares of the company are listed with below mentioned Stock Exchanges:

- (a) The Bombay Stock Exchange, Mumbai
- (b) The U. P. Stock Exchange Association Limited, Kanpur.
- (c) The Delhi Stock Exchange Limited, New Delhi.

The company has paid annual listing fee to the above Stock Exchanges for the year 2009-2010.

**AUDITOR'S REPORT**

M/s. Gianender & Associates, Chartered Accountants have been appointed as Statutory Auditors of the Company by Comptroller and Auditor General of India for the period under review.

Comments on the observation of the Auditors' / CAG are given as addendum to Director's Report and are self-explanatory and/or suitably explained in various Notes on the Accounts.

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

In accordance with the provisions of Sec. 217 (i) (e) of the Companies Act, 1956 and the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 the required information relating to conservation of energy, technology absorption and foreign exchange outgo is available at Annexure and forms an integral part of this report.

**PERSONNEL AND INDUSTRIAL RELATIONS**

Industrial and personal relations were more or less satisfactorily at all levels during the year.

**PARTICULARS OF THE EMPLOYEES:**

None of the employees is drawing remuneration beyond the monetary ceiling prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particular of Employees) Rules, 1975 as amended.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

As required under Section 217 (2AA) of the Companies Act, 1956, the Directors state:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed
2. That the accounting policies selected and applied are consistent and the judgments and estimate made are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement, (a) Report of the Directors on the Practice prevalent on Corporate Governance in the company and (b) Practicing company secretary's Certificate on Compliance of mandatory requirements of Corporate Governance are given in the annexure to this report.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere appreciation and gratitude to the Company's Principal, Investors, bankers and all business associates for their unstinted support and valuable guidance and record devoted services rendered by all categories of employees during the year.

For and behalf of Board of Directors

(S. SUBBIAH)  
Managing Director

Place: Bulandshahr.  
Date: 02.12.2009

**ANNEXURE TO DIRECTORS' REPORT**

Information as required under section 217 (1) (e) read with the Companies (Disclosure of Particulars in respect of Board of Directors ) Rules , 1988.

**(A) CONSERVATION OF ENERGY :**

Form of Disclosure

Power and Fuel Consumption

**1. Electricity Particulars :**

Particulars	Current Year 2008-2009	Previous Year 2007-2008
((a) Units Purchased	13,76,310	15,60,780
Total Amount (Rs. in lacs	55.60	76.10
Rate / Unit (in Rs.)	4.04	4.87
(b) Units Generation – Own diesel generator	37830	3783
HSD Used (Rs. in Lacs) for 6149 Ltrs.	1.99	5.50
Unit per Ltr. of diesel.	6.15	4.31
Oil / Cost/ Unit (in Rs.)	5.26	7.85

**2. Light Diesel Oil (Used for stream Production) :**

Particulars	Current Year 2008-2009	Previous Year 2007-2008
Quantity (K Lts.) (Used in Boilers)	18.69	22.84
Total Amount (Rs. in Lacs)	6.68	6.36
Average Rate (Rs. / K/ Ltr.)	35741	27.86

**3. Consumption (Per one Lac Doses of Oral Polio Vaccine)**

Source of Energy	Standard (if any) indigenous Production	Current Year 2008-2009	Previous Year 2007-2008
Electricity	4655 Units	7443	12417
Light Diesel Oil	520 Ltrs	98.37	*1812
Others	None	None	None

Note : Standard consumption for Present activities of blending and filling of OPV has not been determined. As such the standard consumption is not comparable to actual consumption .

Particulars	Current Year 2008-2009	Previous Year 2007-2008
(A) Technology Absorption	Nil	Nil
(B) Foreign Exchange Earnings	Nil	Nil
(C) Foreign Exchange outgo	Nil	1061.32

\* The activities like validation, equipment trials and starting up of plants are also included.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Industrial Structure and development**

BIBCOL is formulating Oral Polio Vaccine (OPV). The requirement of OPV is likely to be up to 2017 only. Though this Company is the only Central Public Sector Undertaking, it is not a captive supplier to the Govt. of India. According to WHO, the OPV will be replaced by IPV (Inactivated Polio Vaccine). In view of this product diversification is imminent.

The current plan of action centers around optimizing the use of resources, sourcing bulk of approved quality at the right time and price, improving productivity, fulfilling the needs of the existing customer i.e. Ministry of Health and Family Welfare, Govt. of India, and exploring new opportunities to expand the product line to improve profitability and thereby, rewarding the shareholders at the earliest.

Presently company has not received order for supply of OPV from Ministry of Health for the year 2009-10. Though BIBCOL was created for supplying polio vaccine to meet the demand for polio eradication programme of Government of India, there is no arrangement for captive supply. BIBCOL had to compete with private agencies for this purpose.

Regarding Zinc tablet production and marketing there is order for 90 million Zinc tablets worth Rs. 530 Crore. The requirement of zinc tablet for NRHM Project of government of India is given to private industries through United Nations Office for Project Services (UNOPS), Delhi. For this also the procedure is so convoluted that BIBCOL could not take advantages of.

In view of this, in the current structure, form and marketing strategies it needs re-engineering of the company. For restructuring with new strategies it requires huge investment.

It is pertinent to mention here that there is proposal of Government of India to give the management control of BIBCOL to Ministry of health and family welfare or directly to M/s HLL Life Care Limited (HLL) a PSU under Ministry of health and family welfare.

**Segment-wise or product-wise performance**

The Company mainly formulate and supply of Oral Polio Vaccine (OPV). Manufacturing of Zinc dispersible tablet is under trial.

**Outlook-opportunities, threats, risk and concerns**

**Opportunities:** Growing importance of vaccine in public health, concern about diseases among public provide opportunities for new vaccines, biologicals, & pharmaceuticals.

**Threats:** Growth of unethical private manufacturers, non availability of bulk in India, reluctance of the Ministry of Health & Family Welfare to award supply order to a PSU that was established to support government polio eradication programme.

**Risks:** End of business cycle of OPV and lack of business innovation

**Concerns:** Perpetual import of vaccine, non- availability of technology and lack of means to avail market opportunities.

**Internal control systems and their adequacy**

The Company has established systems providing adequate internal controls, commensurate with its size and nature of the business. Such systems have been appropriately documented.

**Financial performance with respect to operation performance**

Effective cost controlling process had been adopted to reduce Sundry Expenses as could be appreciated from the Profit & Loss Account.

**Human Resources**

The Company regards its human resources amongst its most valuable assets. It proactively reviews and evolves policies and process to attract and retain its substantial pool of Scientific, technical and managerial resources and work force through a work environment that encourages initiative, provides challenges and opportunities. However, all employees need to be updated for recent developments and quality standards through training to improve their competence. Regular training programmes were introduced for the employees. M/s Bharat Immunologicals and Biologicals Corporation Limited is also requesting Department of Biotechnology (DBT), Government of India to strengthen Human Resource Development efforts as per Memorandum of Understanding (MOU) signed between BIBCOL and DBT.

**REPORT ON CORPORATE GOVERNANCE**

BIBCOL adopted the best corporate governance practices since inception and the same is being continuously reviewed to ensure that they adhere to the latest corporate developments and conform to the best corporate governance ethics.

**In accordance with Clause 49 of the listing agreement with the stock exchanges, the details of compliance by the Company are as under:**

**1. Board of Directors**

The Board is having a non-executive Chairman and appropriate composition of Executive and Non- Executive Directors conforming to the specification provided in the Listing Agreement. All the Directors are equipped with variety of perspectives and skills, to ensure effectiveness of the Board, facilitating efficient discharge of duties and adding value in the context of the Company's circumstances.

The Board of Directors consists of seven directors (as at 31/03/2009) and the composition and category of Directors is as follows:

**Board Meeting Attended by Directors:**

Name	Category	Other Directorship	No. Committee membership held in other company	Board Meeting Attended (Nos.)	Attendance at last AGM
Dr. V.S. Chauhan	Independent Chairman (Part Time)	None	Nil	9	-
Sh. N.S. Samant, IAS	Government Director (Part Time)	None	Nil	7	-
Sh. K.P. Pandian	Government Director (Part Time)	One (1)	Nil	6	-
Dr. Satish Gupta	Independent Director (Part Time)	One (1)	Nil	5	-
Dr. B.L. Jaikhan	Independent Director (Part Time)	None	Nil	6	-
Dr. Navin Chandra Khanna	Independent Director (Part Time)	None	Nil	8	-
Sh. S. Subbiah (IAS)	Managing Director (Executive)	None	Nil	9	-

Nine Board meetings of the Company were held during the year on the following dates: 1. 23/04/2008, 2. 28/07/2008, 3. 25/08/2008, 4. 06/10/2008, 5. 31/10/2008, 6. 12/11/2008, 7. 28/01/2009, 8. 20/05/2009, 9. 09/03/2009.

None of the Directors on the Board hold directorship in more than fifteen companies and no Director is a member of more than 10 committee and Chairman of more than 5 Committee ( as specified in Clause 49), across all the Companies of which he is a Director. The Directors have made the necessary disclosures regarding committee positions.

There are no pecuniary relationships or transactions of the non-executive directors' of the Company.

Sitting fees to Non- Executive Director (from 01.04.2008 to 31.03.2009)

Non Executive Director	No. of Board and Committee Meeting Attended	Sitting Fees (Rs.)
Prof. V.S. Chauhan	15	7500
Sh. N.S. Samant	12	NIL
Dr. Satish Gupta	5	2500
Sh. Navin Chandra Khanna	8	4000
Sh. K.P. Pandian	10	NIL
Dr. B.L. Jaikhan	6	3000

**2. Board and its subordinate Committees**

With a view to sub serve the functions specifically prescribed by Clause 49 of the listing agreements; the company has constituted an Audit Committee and Share Transfer and Shareholders Grievance Committee. The following report depicts the composition of the committees and also the nature of functions performed by them during the year under report:

## BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD

### Audit Committee

The Board has constituted an Audit Committee pursuant to Clause 49 of the Listing Agreement and Section 292A of the Companies Act 1956. The role and powers of the audit committee as stipulated by the Board are in accordance with the items listed in Clause 49 (11) © &, (D) of the Listing Agreement and as per Section 292A of the Companies Act 1956.

The composition and other details of the audit committee are as follows :

Name of the Director	Designation	Nature of Directorship	No. of Meetings	
			Held	Attended
Prof. V.S. Chauhan	Chairman (Part time)	Independent Director	6	6
Sh. K.P. Pandian	Director (Part time)	Government Director	6	4
Sh. N.S. Samant	Director (Part time)	Government Director	6	5
Sh. S. Subbiah	Managing Director	Executive Director	6	6

The Statutory Auditors, Internal Auditors and Cost Auditors of the Company were also invited to attend the Audit Committee meetings along with the person in charge of Finance in the company. As per the need, other key functionaries of the company were also invited to attend the meetings.

Six Audit Committee meetings were held during the year on the following dates: 1. 23/04/2008, 2. 28/07/2008, 3. 25/08/2008, 4. 31/10/2008, 5. 12/11/2008 and 6. 28/01/2009.

**Remuneration Committee:** -Separate Remuneration Committee has not been formed. No remuneration is being paid to Part Time Directors.

### Share Transfer and Shareholders'/ Investors' Grievance Committee

The Board of Directors of the Company has constituted a Share Transfer and Shareholders'/ Investors' Grievance Committee, comprising of Prof. V.S. Chauhan, Chairman, Sh. S. Subbiah, and Sh. K. P. Pandian as Members. The Committee, issues duplicate certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipt of balance sheet etc. The Committee oversees the performance of the Registrar and Transfer Agents, and recommends measures for overall improvement in the quality of investor services. During the year, 21 meetings were held. The details of the Committee meeting are as under:

Member Director	Category	Meeting Attended
Prof. V.S. Chauhan	Independent Non Executive	20
Sh. K.P. Pandian	Non - Executive	20
Sh. S. Subbiah, IAS	Executive	20

### 3. Board Procedure

It has always been the Company's policy and practice that apart from matters requiring the Boards' approval by Statute, all major decisions including quarterly results, actual operations, feed back reports and minutes of all Committees are regularly placed before the Board.



**4. General Body Meetings**

**Annual General Meetings**

Location and time for last 3 Annual General Meetings were as follows:

Year	Venue	DATES	TIME
2005-06	BIBCOL, Registered Office, OPV Plant, Village Chola, Distt. Bulandshahr (U.P.)	30.09.2006	11.30 A.M.
2006-07	BIBCOL, Registered Office, OPV Plant, Village Chola, Distt. Bulandshahr U.P.	29.09.2007	11.30 A.M.
2007-08	BIBCOL, Registered Office, OPV Plant, Village Chola, Distt. Bulandshahr U.P.	15.12.2008	11.30 A.M.

5. (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

(b) Details of non-compliance by the Company, penalties, strictures, imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

No penalty or strictures had been imposed on the company by any regulatory authorities relating to capital markets in the last three years.

**6. Means Of Communication:-**

The quarterly, Half yearly and Annual financial results of the company were published during the financial year under review in national newspaper namely, Financial Express &, Jansatta.

7. The Management Discussion and Analysis Report forms part of this Annual Report.

**8. General Shareholder Information**

**9.1 Annual General Meeting**

The 20<sup>th</sup> Annual General Meeting of the company will be held on 31/12/2009 at OPV Plant, Village Chola, Bulandshahr, UP-203203.

**9.2 Financial Calendar**

First Quarter results	: During July
Second quarter results	: During October
Third quarter results	: During January
Fourth Quarter Result	: Before end of July 2009

9.3 Book closure date: The 24<sup>th</sup> December, 2009 to 31<sup>st</sup> December, 2009 (both days inclusive), for the purpose of holding Annual General Meeting.

9.4 Listing of Equity Shares on Stock Exchanges at: BSE Mumbai, DSE New Delhi and UPSE Kanpur.

Note: The Company has paid Annual Listing Fee to each of these Stock Exchanges and their respective addresses have been given in the Annual Reports sent to members' along with the notice of the 20<sup>th</sup> Annual General Meeting of the company.

9.5 (a) Stock Code Trading Symbol - Bombay Stock Exchange : '524663' Bharat Imuno

(b) Demat ISIN Numbers in NSDL & CDSL for Equity Shares: ISIN No. INE994BO1014

(c) Stock Market Data (in Rs./ per share of Rs. 10) Bombay Stock Exchange (BSE) Month's High Month's Low :

Year	Month	High (Rs.)	Low (Rs.)
2008	April	31.50	24.05
	May	33.00	22.55
	June	28.00	19.75
	July	24.50	16.25
	August	23.45	19.40
	September	20.85	14.60
	October	14.80	9.89
	November	11.36	8.18
	December	13.37	8.30
2009	January	14.73	10.20
	February	12.40	9.46

## BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD

### 9.6 Registrars and Transfer Agents:

M/s. Beetal Financial & Computer Service (P) Ltd,

Beetal House, 3<sup>rd</sup> Floor, 99 Madangir,

Behind Local Shopping Centre,

Near Dada Harsukhdas Mandir, New Delhi - 110062.

Tel. No.-011-29961281-82, e-mail: beetal@rediffmail.com

### 9.7. Share Transfer System

Presently, the shares that are received in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The share Certificates are dispatched within a period of one month from the date of their receipt. The entire dematerialization request received from the shareholders are confirmed within the specified period of 21 days from the date of its generation of DRN Number by the DPs and physically received in the office of the RTA.

### 9.8 DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2009

No. of equity Shareholders	Upto 5000	5001-10000	10001-20000	20001-30000	30001-40000	40001-50000	50001-100000	100001- and above	Total
No. of Shareholders	14,141	613	277	100	32	34	36	25	15,258
% Shareholding	92.68	4.02	1.82	0.66	0.21	0.22	0.24	0.16	100.00

### 9.9 Categories of Shareholders as on 31.03.2009 :

Category Code	Category of Shareholders	Number of Share holders	Total No. of Shares	Number of share held in Dematerialized form	Total Shareholding as a percentage of total number of shares
A. Shareholding of Promoter and Promoter group	Govt. of India	8	25586000	0	59.25
B. Public Shareholding	Financial Institutions	3	13070000	0	30.27
	Bodies Corporae	232	341678	283778	0.79
	Individuals				
	- Upto 1 lakh	14973	3460638	2329991	8.01
	- Above 1 lakh	13	492714	492714	1.14
	Clearing Member (Demat Transit)	6	4580	4580	0.01
	NRI's	23	224390	424390	0.52
	GRAND TOTAL	15389	43180000	3294853	100.00

### 9.10 Dematerialization of Shares

7.72 % of the Company's paid-up equity share capital has been dematerialized as on 31st March, 2009. Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities and Exchange Board of India (SEBI).

### Liquidity

The shares of the company are being regularly traded in the Bombay Stock Exchange.

### 9. 11. Plant Locations-

OPV Plant, Village Chola, Bulandshahr, UP-203203

### 9.12 Address for Correspondence

For share transfer, transmission and dematerialization request

M/s. Beetal Financial & Computer Service (P) Ltd, Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110062.

OR

The Company Secretary, Bharat Immunological & Biological Corporation Limited, Village - Chola, Bulandshahr-203203 U.P

### 10. Compliance Certificate

As per compliance of Clause 49 (VII) of the Listing Agreement, a Certificate on corporate Governance has been obtained from Practising Company Secretary, M/s Agrawal Manish Kumar & Co., New Delhi. The Certificate is the part of Director's Report

**CERTIFICATE OF PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE**

We have examined the relevant records relating to compliance of conditions of Corporate Governance by BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED for the year ended 31<sup>st</sup> March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the condition of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and on the basis of our examination above, the company has complied with the condition of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

No Investor grievances are pending for a period exceeding one month against the company as per records maintained by the company.

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

For Agrawal Manish Kumar & Co.

Manish Kumar Agrawal

(Proprietor)

C.P. No. 7057

Place :- New Delhi

Date :- 26.10.2009

**ADDENDUM TO DIRECTORS REPORT**  
**Management reply to the observation of Auditor's Report**

Item No.	Observation of Statutory Auditors	Reply by the Management
4 (a)	The application of Part-B under Vth Pay Commission was clarified as not applicable to Public Sector Undertaking by Department of Public Enterprises, Government of India vide circular dated March 12, 1999, whereas the same has already been applied by Company and not withdrawn even after getting the above said circular till 31/03/2009. As per information supplied to us an amount of Rs.40.62 lacs has been paid in excess up to 31/03/2009, to the employees in contravention to the above said circular given by Department of Public Enterprises, Government of India. This has resulted in overstatement of accumulated losses by Rs.28.07 lacs and overstatement of deferred tax assets by Rs.12.55 lacs and understatement of current assets, loans and advances by Rs.40.62 lacs.	The Part-B under Vth Pay Commission was implemented in BIBCOLD based on the clearance by Department of Public Enterprises vide letter No.2(42)/97-DPE dated 26/02/1998, after taking the consent of Board of Directors. Thereafter, DPE through its letter No.2(47)/97-DPE dated 12/03/1999 communicated to BIBCOLD, Part-B of Vth Pay Commission was not applicable to Public Sector Undertaking but did not give any directive to withdraw the benefit of Part-B from the employees were given the benefit of same. Company stopped further implementation of Part-B and requested DPE to give further direction for persons already given benefit of Part-B. Employees Union of BIBCOLD had filed a case before the Hon'ble High Court, Allahabad and BIBCOLD has submitted counter affidavit. Company is awaiting directives from DPE and Hon'ble High Court Allahabad.
4 (b)	An amount of Rs.14.61 lacs has been claimed by IFCL on account of variation in calculation of interest tax/ simple interest during the year 2003-04. The Company has not accepted the same and Rs.14.61 lacs has been returned back and credited to P&I Account in Financial Year 2003-04 in terms of agreed one time settlement with term-lenders. This amount should have been shown in "Note on Accounts" under "Contingent Liabilities" as Claims against the Company not acknowledged as debt due.	As the company has settled the term loan as per the approval of Government of India, BIBCOLD did not accept the claim of IFCL.
4 (c)	Non-disclosure of contingent liability on account of central Sales Tax arising due to interstate sale of OPV bulk (raw material) by acceptance of declaration under "C" form without authorization under Central Sales registration. Amount unascertained.	Since the company has no firm order for OPV, the titre value of OPV bulk was reducing, hence the sale was made by Managing Director. The assessment for the year 2008-09 is yet to be finalized at Sales Tax Authority.
4 (d)	Non accounting of Rs.24,59,161/- as capital work in progress as the same has wrongly been charged against capital grant over and above allocated sanctioned capital grant for Zinc Project from Government of India. To this extent, capital work in progress as well as Zinc Project Capital Grant are understated (Refer Note No. 13 (a) of notes on Accounts of Schedule IX).	An expenditure of Rs. 24,59,161/- has been incurred on technology transfer fee over and above allocated sanctioned grant of Rs.1,15,00,000/- (out of composite grant of Rs.3,11,00,000). the same has not been accounted for as expenditure of the company as it is envisaged that company may get reimbursement from Deptt. of Biotechnology.
4 (e)	Non-accounting of waste material and interest on security deposit with UPPCL on accrual basis. Amount undetermined (Refer Policy (vi) of Significant Accounting Policies of Schedule IX).	All incomes are accounted for on accrual basis except sale of waste material and interest on security deposit with UPPCL which are accounted for on actual receipt basis.
4 (f)	(i) Short provision of liability of Rs.55,02,820/- on account of salary due to 6 <sup>th</sup> pay commission recommendation resulting in under statement of loss by Rs.38.03 lacs, under statement of deferred tax assets by Rs.17.00 lacs and under statement of Other liability by Rs.55.03 lacs. (ii) Non provision of liability of Rs.8,18,024/- on account of salary due to staff deployed on Zinc Project due to 6 <sup>th</sup> pay commission recommendation resulting in over statement of zinc project capital grant balance and under statement of Other liabilities by the same amount.	The implementation of 6 <sup>th</sup> pay revision in the company has been approved with effect from 01.01.06 by the Board in the meeting held on 8 <sup>th</sup> April, 2009. As per the Board's decision, revised salary as per 6 <sup>th</sup> Pay Commission is being paid w.e.f. 01.04.2009 and arrear shall only paid when BIBCOLD earns profit that would cover the entire expenses on account of arrears due.
4 (g)	Non confirmation of balances in respect loans and advances, debtors and creditors, the consequential effect of which is not quantifiable - (Refer Note No. 6 of Notes on accounts of Schedule IX).	The Company on the sampling basis confirmed the balances payable to the parties.

# BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD

4 (h)	We are unable to comment as to the adequacy of provision of Rs.10 lacs made on ad-hoc basis on account of leave salary without obtaining actuarial valuation, which is in contravention of accounting standard - 15 issued by ICAI.	Noted for compliance.
4 (i)	The company has not ascertained value of impaired assets as required by Accounting Standard 28, Impairment of assets issued by ICAI.	Noted for compliance.
Anne Point 1	The Company is not maintaining proper records showing full particulars of fixed assets. Though the quantitative details are mentioned in the register, but (a) fixed assets register does not give details of assets classification, identification number and situation of fixed assets; (b) entries relating to depreciation including rates thereof have not been recorded in the fixed assets register. Though, the fixed assets claimed to have been physically verified by the Management during the year, but related working papers were not available for our verification. Also, there was a failure to determine discrepancies on such verification as the same have not been compared with book records thereof.	Physical verification not done
8-	No cost records have been made or maintained by the company.	The Cost Accountant appointed for this purpose is already on the job of preparation of cost records.

**GIANENDER & ASSOCIATES**  
Chartered Accountants

Plot No. - 6, Site No.- 21  
Geeta Mandir Marg  
New Rajinder Nagar  
New Delhi- 110060

## AUDITOR'S REPORT

To the Members, Bharat Immunologicals & Biologicals Corporation Ltd.

1. We have audited the attached Balance Sheet of M/s. Bharat Immunologicals & Biologicals Corporation Ltd. as at 31<sup>st</sup> March, 2009, the Profit and Loss Account and also the cash flow statement 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate, and according to the information and explanation given to us, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that:
  - a) The application of Part-B under Vth Pay Commission was clarified as not applicable to Public Sector Undertaking by Department of Public Enterprises, Government of India vide circular dated March 12, 1999 whereas the same has already been applied by Company and not withdrawn even after getting the above said circular till, 31/03/2009. As per information supplied to us an amount of Rs.40.62 lacs has been paid in excess up to 31/03/2009 to the employees in contravention to the above said circular given by Department of Public Enterprises, Government of India. This has resulted in overstatement of accumulated losses by Rs.28.07 lacs and overstatement of deferred tax assets by Rs.12.55 lacs and understatement of current assets, loans and advances by Rs.40.62 lacs.
  - b) An amount of Rs.14.61 lacs has been claimed by IFCI on account of variation in calculation of interest tax/ simple interest during the year 2003-04. The Company has not accepted the same and Rs.14.61 lacs has been returned back and credited to P&L Account in Financial Year 2003-04 in terms of agreed one time settlement with term lenders. This amount should have been shown in "Note on Accounts" under "Contingent Liabilities" as Claims against the Company not acknowledged as debt due.

## BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD

- a) Non disclosure of contingent liability on account of central Sales Tax arising due to interstate sale of OPV bulk (raw material) by acceptance of declaration under "C" form without authorization under Central Sales registration. Amount unascertained.
  - d) Non accounting of Rs.24,59,161/- as capital work in progress as the same has wrongly been charged against capital grant over and above allocated sanctioned capital grant for Zinc Project from Government of India. To this extent, capital work in progress as well as Zinc Project Capital Grant are understated (Refer Note No. 13 (a) of notes on Accounts of Schedule IX).
  - e) Non- accounting of waste material and interest on security deposit with UPPCL on accrual basis. Amount undetermined (Refer Policy (vi) of Significant Accounting Policies of Schedule IX).
  - f) (i) Short provision of liability of Rs.55,02,820/- on account of salary due to 6<sup>th</sup> pay commission recommendation resulting in under statement of loss by Rs.38.03 lacs, under statement of deferred tax assets by Rs.17.00 lacs and under statement of Other liability by Rs.55.03 lacs.  
(ii) Non provision of liability of Rs.8,18,024/- on account of salary due to staff deployed on Zinc Project due to 6<sup>th</sup> pay commission recommendation resulting in over statement of zinc project capital grant balance and under statement of Other liabilities by the same amount.
  - g) Non confirmation of balances in respect loans and advances, debtors and creditors, the consequential effect of which is not quantifiable – (Refer Note No. 6 of Notes on accounts of Schedule IX).
  - h) We are unable to comment as to the adequacy of provision of Rs.10 lacs made on ad-hoc basis on account of leave salary without obtaining actuarial valuation, which is in contravention of accounting standard – 15 issued by ICAI.
  - i) The company has not ascertained value of impaired assets as required by Accounting Standard 28. Impairment of assets issued by ICAI.
- 5 We report that had the observations made by us in para 4 been considered, Current Assets, Loans & Advances would have been Rs. 1715.28 lakhs (against Rs. 1674.66 lakhs as reported in balance sheet), accumulated losses would have been Rs. 1436.66 lakhs (against Rs. 1426.70 lakhs) and Deferred Tax Assets would have been Rs.526.57 (against Rs.522.12 lakhs). Capital work in progress would have been Rs. 138.03 lakhs (against Rs. 113.44 lakhs as reported in Balance Sheet) and Other liabilities would have been Rs. 471.73 lakhs (against Rs. 408.52 lakhs) and Zinc Project Capital Grants liability would have been Rs. 57.49 (against Rs. 41.08 lakhs).
6. Subject to our comments in paras 4& 5 and clauses 1,2 & 8 of annexure referred to in para 3 above, we report that:
- a) We have obtained all the information and explanations which to the best of our knowledge and belief necessary for the purpose of our audit;
  - b) In our opinion proper books of accounts **except cost records**, as required by law, have been kept by Company, so far as appears from our examination of those books;
  - c) The Balance Sheet, Profit & Loss Account and Cash flow statement dealt with by this report are in agreement with books of Account;
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by the report conform with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except otherwise stated;
  - e) Being a Government Company, pursuant to Gazette notification No. GSR-829(E) dated 21.10.2003 issued by Government of India, provision of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956, are applicable to the Company;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes thereon of Schedule IX give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with

**BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD**

- a. in the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2009
- b. in the case of Profit & Loss Account, of the losses for the company for the year ended on that date; and
- c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : New Delhi  
Date : 11.11.2009

For Gianender & Associates  
Chartered Accountants  
(G.K. Agrawal)

Partner  
Membership No. 81603

**GIANENDER & ASSOCIATES**  
Chartered Accountants

Plot No. - 6, Site No. - 21  
Geeta Mandir Marg New Rajinder Nagar  
New Delhi- 110060

**Annexure to the Auditors' Report**

Referred to in paragraph 3 of our report of even date to the members of Bharat Immunologicals & Biologicals Corporation Ltd., Village & P.P. Chola - 203203 Distt. Bulandshahr.

1. The Company is not maintaining proper recodes showing full particulars of fixed assets. Though the quantitative details are mentioned in the register, but (a) fixed assets register does not give details of assets classification, identification number and situation of fixed assets; (b) entries relating to depreciation including rates thereof have not been recorded in the fixed assets register. Though, the fixed assets claimed to have been physically verified by the Management during the year, but related working papers were not available for our verification. Also, there was a failure to determine discrepancies on such verification as the same have not been compared with book records thereof. No fixed asset was disposed off during the year and therefore going concern assumption is appropriate.

2. Physical verification of inventory has not been conducted by the management during the year.

The company is maintaining proper records of inventory, however, in the absence of physical verification of inventories; we are unable to comment as to the discrepancy, if any, between the book records and physical stock thereof.

3. According to the information and explanation given to us by the management and records produced, the company has neither granted nor taken any loan during the year, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Thus, the requirements under para 4(iii)(b) to (d) 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, having regard to the explanation that certain item purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods. Further on the basis of our examination of the books and records of the company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid in the internal control system.

5. According to the information and explanations given to us by the management and records produced, there are no transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956. Thus the requirement under para 4 (v) (b) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

## BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD

6. According to the information and explanations given to us, the Company has not accepted any deposits from the public and therefore, the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under are not applicable to the company.

7. In our opinion the company has an internal audit system commensurate with the size and nature of its business.

8. The Central government has prescribed maintenance of cost records under section 209(1)(d) of the companies Act, 1956. No cost records have been made or maintained by the company.

9. a) According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, investor education & protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty and other statutory dues with the appropriate authorities and there are no undisputed statutory dues outstanding as on 31.03.2009 for a period of more than six months from the date they became payable.

b) Sales tax dues amounting to Rs. 1,74,000/- has not been deposited for the financial year 2000-01 demanded by sales tax authorities against order issued u/s 21 (2) for the misuse of Form 3B. Company has appealed against the order and the appeal is pending before additional commissioner, Sales Tax, Bulandshahr (UP).

10. The accumulated losses of the company at the end of current financial year are less than fifty per cent of its net worth. The company has suffered cash losses in the current financial year as well as in the immediately preceding financial year.

11. The company is a debt free company, so question of default by the company in repayment of dues to financial institution, bank or debenture holder do not arise.

12. Accordingly to the information and explanations given to us and based on the documents and records produced before us, and based on the documents and records produced before us for our verification, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund societies.

14. In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors' Report) Order 2003, are not applicable to the company.

15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions during the year.

16. According to the information and explanations given to us, the company has not taken any term loan during the year.

17. According to the information and explanations given to us, no funds have been raised on short-term basis during the year.

18. During the year the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. The company did not have any outstanding debentures during the year.

20. The company has not raised any money through public issue during the year.

21. Based on the audit procedures performed and according to the information and explanations given to us by the management we report that no fraud on or by the company has been noticed or reported during the year.

For Gianender & Associates  
Chartered Accountants

Place : New Delhi  
Date : 11.11.2009

(G.K. Agrawal)  
Partner  
Membership No. 81603



# BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2009

S. NO.	PARTICULARS	SCH-EDULE NO.	CURRENT YEAR 2008-2009		PREVIOUS YEAR 2007-2008	
			(Rs.)	(Rs.)	(Rs.)	(Rs.)
I.	<b>SOURCES OF FUNDS</b>					
	<b>1. SHARE HOLDER'S FUNDS</b>					
	a) Share Capital	I		431,800,000		431,800,000
	b) Reserves & Surplus			0		0
	<b>2. LOAN FUNDS</b>					
	a) Secured Loans		0		0	
	b) Unsecured Loans		0	0	0	0
	<b>TOTAL</b>			431,800,000		431,800,000
II.	<b>APPLICATION OF FUNDS</b>					
	<b>1. FIXED ASSETS</b>					
	a) Gross Block	II	443,251,161		437,122,571	
	b) Less: Depreciation	II	318,049,505		300,291,426	
	c) Net Block			125,201,656		136,831,145
	d) Capital work in progress		16,828,051		15,520,965	
	Less:- Provision-Impairment in Value		5,484,446	11,343,605	5,484,446	10,036,519
	e) Advances on Capital Accounts		1,528,945		1,528,945	
	Less:- Provision for bad debts		1,528,945	0	1,528,945	0
	<b>2. INVESTMENTS</b>		0	0	0	0
	<b>3. DEFERRED TAX ASSETS/(LIABILITIES)</b>					
	Deferred Tax Assets		60,904,143		60,904,143	
	Deferred Tax Liabilities		8,692,276		9,827,509	
	Deferred Tax Assets (Net)			52,211,867		51,076,634
	<b>4. CURRENT ASSETS/LOANS &amp; ADVANCES</b>	III				
	a) Inventories		11,657,442		2,219,122	
	b) Sundry Debtors		16,016,751		2,136,751	
	c) Cash & bank balances		111,082,766		149,922,915	
	d) Other Current Assets		4,373,933		4,751,615	
	e) Loans & Advances		24,335,495		21,014,151	
	Less: Current Liabilities & Provisions	IV	167,466,387		180,044,554	
	a) Liabilities		56,279,156		43,811,341	
	b) Provisions		10,814,355		9,814,355	
	Net Current Assets			100,372,876		126,418,858
	<b>5. (a) MISC. EXPENDITURES</b>			0		0
	(To the extent not written off)					
	<b>(b) PROFIT &amp; LOSS ACCOUNT</b>			142,669,997		107,436,844
	<b>ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	IX				
	<b>TOTAL</b>			431,800,000		431,800,000

Schedule I to IX form integral part of accounts

For & on behalf of Board of Directors

(Sandip Kumar Lal)  
Company Secretary

(S. Subbiah)  
Managing Director

(Dr. Satish Gupta)  
Chairman

As per our report of even date attached

FOR GIANENDER & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLACE: BULANDSHAHR  
Date :- 11.11.2009

(G K Agrawal)

**BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

S. NO.	PARTICULARS	SCHEDULE NO.	CURRENT YEAR 2008-2009 (Rs.)	PREVIOUS YEAR 2007-2008 (Rs.)
1	<b>INCOME</b>			
	SALES	V	71,079,861	134,852,960
	OTHER INCOME	VI	8,255,001	7,232,982
	<b>TOTAL</b>		<b>79,334,862</b>	<b>142,085,942</b>
2	<b>EXPENDITURE</b>			
	MANUFACTURING AND OTHER EXPENSES	VII	99,819,738	186,453,221
	INTEREST ON WORKING CAPITAL		0	83,749
	DEPRECIATION	II	17,758,079	14,714,272
	<b>SUB TOTAL</b>		<b>117,577,817</b>	<b>201,251,242</b>
3	IMPAIRMENT IN VALUE OF ASSETS		0	0
4	PROFIT/(LOSS) FOR THE YEAR		(38,242,956)	(59,165,302)
5	PRIOR PERIOD ADJUSTMENTS (LOSS) ON ASSETS	VIII	2,016,970	(118,251)
6	RETIRED/DEMOLISHED NET PROFIT/(LOSS)		0	0
7	{A} FRINGE BENEFIT TAX		(36,225,986)	(59,283,553)
8	{B} INCOME TAX (CURRENT TAX)		142,400	139,331
	INCOME TAX -DEFERRED TAX {C}		0	0
	INCOME TAX (PREVIOUS YEARS)		(1,135,233)	(19,408,409)
	PROFIT/(LOSS) AVAILABLE FOR APPROPRIATION		0	0
9	{A}-[{B}]+{C}]		(35,233,153)	(40,014,475)
10	BROUGHT FORWARD LOSSES		(107,436,844)	(67,422,369)
11	BALANCE CARRIED FORWARD TO BALANCE SHEET		(142,669,997)	(107,436,844)
12	EARNING PER SHARE (Refer Note No. 15 of Schedule IX) (Nominal Value Rs.10)			
	BASIC & DILUTED		(0.82)	(0.93)
	ACCOUNTING POLICIES & NOTES ON ACCOUNTS	IX		

Schedule I to IX form integral part of accounts

For & on behalf of Board of Directors

(Sandip Kumar Lal)  
Company Secretary

(S. Subbiah)  
Managing Director

(Dr. Satish Gupta)  
Chairman

As per our report of even date attached  
FOR GIANENDER & ASSOCIATES  
CHARTERED ACCOUNTANTS

(G.K. Agarwal)

Partner

PLACE: BULANDSHAHR  
DATE: 11.11.2009

**Schedule - I**

**BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED**  
**SCHEDULE OF SHARE CAPITAL AS ON 31<sup>ST</sup> MARCH, 2009**

S.No.	PARTICULARS	CURRENT YEAR (Rs.)	PREVIOUS YEAR (31.03.2006) (Rs.)
I	AUTHORISED CAPITAL 51,000,000 Enquiry Shares of Rs. 10/- each	<u>510,000,000</u>	<u>510,000,000</u>
	ISSUED SUBCRIBED AND PAID UP SHARE CAPITAL		
	43,180,000 Equity Shares of Rs. 10/- each fully paid up (Previous year 43,180,000 equity shares of Rs. 10/- each) (OUT OF ABOVE EQUITY SHARES 13,070,000 SHARES ISSUED TO FINANCIAL INSTITUTIONS AND 4,720,000 SHARES TO GOVT. OF INDIA AGAINST CONVERSION OF LOAN/ INTEREST UNDER ONE TIME SETTLEMENT DURING F.Y. 2003-04	431,800,000	431,800,000
	<b>TOTAL</b>	<b>431,800,000</b>	<b>431,800,000</b>

**SCHEDULE -II**

**BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED**  
**SCHEDULE OF FIXED ASSETS AS ON 31st MARCH 2009**

S. NO.	NAME OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON	ADDITIONS	SALE/	TOTAL AS ON	AS ON	DURING THE	ADJUST	TOTAL AS ON	AS ON	AS ON
		01.04.2008	DURING THE YEAR	ADJUSTMENT	31.03.2009	01.04.2008	YEAR	MENT DURING THE YEAR	31.03.2009	31.03.2009	01.04.2008
		(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)		(Rs.)	(Rs.)	(Rs.)
1	Land&Site Development	4422366	0	0	4422366	0	0	0	0	4422366	4422366
2	Building	124408324	0	0	124408324	84276666	4013166	0	88289832	36118492	40131658
3	Plant & Machinery	226942347	5273746	0	232216093	151776513	11111227	0	162887740	69328353	75165834
4	Office Equipment	1542638	0	0	1542638	1022488	72353	0	1094841	447797	520150
5	Lab Equipment	4065108	805080	0	4870188	1556242	398712	0	1954954	2915234	2508866
6	Furniture & Fixture	5002317	0	0	5002317	4078506	167210	0	4245716	756601	923811
7	Electrical Appliances	19116827	0	0	19116827	15590456	490518	0	16080974	3035853	3526371
8	Computer	2456606	49764	0	2506370	2223515	109438	0	2332953	173417	233091
9	Air-conditioner	47155876	0	0	47155876	39075923	1123921	0	40199844	6956032	8079953
10	R&D(Hepatitis) Assets	1	0	0	1	0	0	0	0	1	1
11	R&D Assets	793973	0	0	793973	209951	81237	0	291188	502785	584022
12	Vehicles	1216188	0	0	1216188	481166	190297	0	671463	544725	735022
	<b>TOTAL</b>	<b>437122571</b>	<b>6128590</b>	<b>0</b>	<b>443251161</b>	<b>300291426</b>	<b>17758079</b>	<b>0</b>	<b>318049505</b>	<b>125201656</b>	<b>136831145</b>
	Previous Year	370058988	66936673	126910	437122571	285577154	14714272	0	300291426	136831145	84481834

Below stated assets grouped under the head Plant & Machinery have been retired from active use and held for disposal are stated at the lower of their net book value and net realisable value. Beside above, assets demolished have been eliminated from books of accounts (refer note no 10 of Schedule-IX)

1	Nitrogen Tank	401055	0	0	401055	0	0	0	0	401055	401055
2	Histopathological Equipments	1	0	0	1	0	0	0	0	1	1
3	Monkey Cages	69320	0	0	69320	0	0	0	0	69320	69320
	<b>TOTAL</b>	<b>470376</b>	<b>0</b>	<b>0</b>	<b>470376</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>470376</b>	<b>470376</b>

**BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD**

**SCHEDULE - III**

**CURRENT ASSETS, LOANS & ADVANCES AS ON 31ST MARCH, 2009**

S.NO.	PARTICULARS		CURRENT YEAR 2008-2009 (Rs.)	PREVIOUS YEAR 2007-2008 (Rs.)
A.	CURRENT ASSETS			
1	INVENTORIES STORES AND SPARES- GENERAL STORES PACKING MATERIAL		2,745,288 8,912,154	959,244 1,259,878
	SUB-TOTAL		11,657,442	2,219,122
2	SUNDRY DEBTORS (UNSECURED, CONSIDERED GOOD) (A) DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS (B) OTHER DEBTS	10,468,162 15,730,000	26,198,162	12,318,162
	LESS:- PROVISION FOR BAD & DOUBTFUL DEBTS		(10,181,411)	(10,181,411)
	SUB-TOTAL		16,016,751	2,136,751
3	CASH & BANK BALANCES (A) CASH BALANCE ON HAND (IMPREST) (B) BALANCE WITH BANKS 1) SCHEDULED BANKS IN CURRENT ACCOUNTS IN SHORT TERM DEPOSITS 2) WITH OTHERS		0 90,887,766 20,195,000 0	0 11,246,915 138,676,000 0
	SUB-TOTAL		111,082,766	149,922,915
4	OTHER CURRENT ASSETS (A) SECURITY & OTHER DEPOSITS (B) ACCRUED INTEREST		2,490,160 1,883,773	2,475,160 2,276,455
	SUB-TOTAL		4,373,933	4,751,615
B.	LOANS & ADVANCES (RECOVERABLE IN CASH OR IN KIND OR OR FOR VALUE TO BE RECEIVED) (UNSECURED, CONSIDERED GOOD) (A) ADVANCES TO STAFF (B) OTHER ADVANCES Less:- Provision for doubtful debts (C) PREPAID EXPENSES (D) ADVANCE INCOME TAX/TDS	2,053,488 0	392,121 2,053,488 391,977 21,497,909	349,349 631,291 245,096 19,788,415
	SUB-TOTAL		24,335,495	21,014,151

**BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD**

**SCHEDULE - IV**

**CURRENT LIABILITIES & PROVISIONS AS ON 31ST MARCH, 2009**

S.NO.	PARTICULARS	CURRENT YEAR (Rs) 2008-2009	PREVIOUS YEAR (Rs.) 2007-2008
A.	<u>CURRENT LIABILITIES</u>		
1	Sundry Creditors		
	Dues to Micro, Small and Medium		
(a)	Enterprises	0	0
(b)	Others	5,548,042	1,435,093
2	Security Deposit & EMD	5,717,776	6,066,653
3	Other Liabilities	40,852,197	25,996,344
4	Zinc Project Capital Grant Balance (Refer Note No. 13 (a) of Schedule IX)	4,107,964	10,257,976
5	PRSV Project Revenue Grant Balance (Refer Note No.13 (b) of Schedule IX)	53,177	55,275
	<b>SUB-TOTAL</b>	<b>56,279,156</b>	<b>43,811,341</b>
B.	<u>PROVISIONS</u>		
	PROVISION FOR LEAVE ENCASHMENT	9,958,658	8,958,658
	PROVISION FOR HALF PAY LEAVE ENCASHMENT	855,697	855,697
	<b>SUB-TOTAL</b>	<b>10,814,355</b>	<b>9,814,355</b>
	<b>GRAND TOTAL</b>	<b>67,093,511</b>	<b>53,625,696</b>

**SCHEDULE - V**

**BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED**

**SCHEDULE OF SALES FOR THE YEAR 2008-2009**

S.NO.	PARTICULARS	CURRENT YEAR (Rs) 2008-2009	PREVIOUS YEAR (Rs.) 2007-2008
1	NET SALE OF O.P.V	65,312,500	54,325,397
	NET SALE OF O.P.V BULK	3,062,972	76,577,960
2	ADD- SALES TAX	2,704,389	3,949,603
	<b>GROSS SALE OF O.P.V</b>	<b>71,079,861</b>	<b>134,852,960</b>

**BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD**

**SCHEDULE - VI**

**BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED**

**SCHEDULE OF OTHER INCOME FOR THE YEAR 2008-2009**

S.NO.	PARTICULARS	CURRENT YEAR (Rs) 2008-2009	PREVIOUS YEAR (Rs.) 2007-2008
1	INTEREST RECEIVED ON SHORT TERM DEPOSITS WITH SCHEDULED BANKS (TDS RS. 17,59,991) (PREVIOUS YEAR Rs.20,41,717)	6,930,074	6,916,460
2	INTEREST ACCRUED ON INCOME TAX REFUND	1,201,358	0
3	SALE-WASTE MATERIAL/TENDER DOCUMENTS & WRITE BACKS	0	274,290
4	RECOVERIES FROM EMPLOYEES	0	42,232
5	MISC. RECEIPTS	123,569	0
	<b>TOTAL</b>	<b>8,255,001</b>	<b>7,232,982</b>

**SCHEDULE - VII**

**BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED**

**MANUFACTURING AND OTHER EXPENSES FOR THE YEAR 2007-2008**

**MANUFACTURING AND OTHER EXPENSES FOR THE YEAR 2008-2009**

PARTICULARS	CURRENT YEAR (Rs)		PREVIOUS YEAR (Rs)	
	2008-2009		2007-2008	
EXPENDITURE				
RAW MATERIAL CONSUMED	45,556,970		103,596,141	
STORES, SPARES PACKING MATERIAL CONSUMED	10,031,436		5,697,793	
<b>TOTAL MATERIAL CONSUMED</b>		<b>55,588,406</b>		<b>109,293,934</b>
SALARY & ALLOWANCES	25,046,782		40,455,223	
CONTRIBUTION TO PROVIDENT FUND	1,961,912		2,416,712	
STAFF WELFARE	1,823,883		2,323,205	
GROUP GRATUITY-INSURANCE PREMIUM	545,051		786,819	
<b>TOTAL SALARY</b>		<b>29,377,628</b>		<b>45,981,959</b>
RENT		209,457		157,435
POSTAGE, TELEX & TELEPHONE		945,301		938,088
SECURITY & HOUSEKEEPING		617,942		490,440
INTERNAL AUDIT FEES		53,688		53,951
TRAINING , LEGAL & PROFESSIONAL FEES		589,512		690,828

# BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD

COST AUDIT FEE		27,575		28,090
INSURANCE		346,772		628,428
AUDITORS REMUNERATION:				
a) Audit Fee	22,060		22,472	
b) Tax Audit Fee	22,060		22,472	
c) Out of pocket exp	9,512		16,908	
d) Others-Limited				
review, certification	44,120	97,752	44,944	106,796
STATIONERY & PERIODICALS		337,544		385,253
REPAIRS & MAINT. BUILDING	32,071		351,682	
REPAIRS & MAINT. PLANT	825,519		728,690	
REPAIRS & MAINT. GENERAL	169,612		471,843	
VEHICLE RUNNING & MAINTENANCE	295,091		282,676	
TOTAL REPAIR		1,322,293		1,834,891
PUBLICATION/NIT EXPENSES		258,194		501,815
MISC. & OTHER EXPENSES		79,997		80,584
TOURS & TRAVELS		635,512		1,432,393
POWER EXPENSES		5,560,478		7,720,295
FREIGHT & SELLING EXP.		79,000		426,660
SHARE TRANSFER EXPENSES		134,021		179,335
BANK CHARGES		303,758		962,037
LISTING FEE		201,369		54,800
SALES TAX		2,755,430		3,950,314
AMOUNTS WRITTEN OFF		2,520		65,045
PROVISION FOR BAD & DOUBTFUL DEBTS		0		10,181,411
TESTING CHARGES		286,574		308,439
PSRV PROJECT EXPENSES	2,098		394,725	
LESS:- GOVT GRANT RECEIVED	(2,098)	0	(394,725)	0
EXCHANGE RATE DIFFERENCE		9,015		0
<b>GRAND TOTAL</b>		<b>99,819,738</b>		<b>186,453,221</b>

\*\* Includes Rs 68905809/- Cost of Raw Material sold.

## SCHEDULE - VIII

### BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED

#### PRIOR PERIOD ADJUSTMENTS FOR THE YEAR 2008-2009

#### PRIOR PERIOD ADJUSTMENTS FOR THE YEAR 2008-2009

S.No.	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
		(Rs.)	(Rs.)
		2008-2009	2007-2008
1	PLANT & MACHINERY	0	128,410
2	TESTING CHARGES	0	(32,125)
3	TAX AUDIT FEE	0	(339)
4	OUT OF POCKET EXP. (COST ACCOUNT)	0	8,637
5	S.AUDIT FEE	0	(24)
9	PROFESSIONAL EXPENSES	(648)	(162,772)
10	PUBLICATION EXPENSES	0	(13,440)
11	LEGAL EXPENSES	0	(29,000)
12	SALARY	1,952,629	
13	ADMINISTRATIVE CHARGES (EPF)	0	(17,598)
14	PROVISION FOR BAD DEBTS REVERSED	64,989	0
	TOTAL	2,016,970	(118,251)



**ACCOUNTING POLICIES & NOTES ON ACCOUNTS****A-SIGNIFICANT ACCOUNTING POLICIES****i) Basis of Accounting:**

The financial statements are prepared under historical cost convention on accrual basis. Accounts are being maintained on mercantile basis.

**ii) Fixed Assets and Depreciation:**

Fixed Assets are stated at cost of acquisition less accumulated depreciation.

The Company provides depreciation on fixed assets on written down value pro-rata basis at the rates prescribed under Schedule-XIV to the Companies Act, 1956.

**iii) Staff retirement benefits:**

Retirement benefits to employees are provided for by payments to gratuity and provident fund. The gratuity liability is determined based on the percentage of the annual wage bill specified by the Life Insurance Corporation under the Group Gratuity cum Life Insurance Scheme. As regards leave encashment, company is making provision as per actuarial valuation.

**iv) Inventories:**

Valuation of stocks: -

(a) Raw material

At historical cost by using FIFO formula.

(b) Stores, spares etc.

At historical cost by using FIFO formula.

(c) Finished goods.

Lower of cost or net realizable value. Cost being determined by including cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**v) Treatment of Government Grant:**

Grants received from the Government, which are not utilized, are reported under Current Liabilities, corresponding amount available has been shown under the head current assets loan & advances and for the grants utilized the following procedure is adopted:

**a) Grants related to Fixed Assets: -**

Government grants related to specific fixed assets are deducted from the gross value of assets acquired in arriving at their Book Value. Where the grant related to a fixed asset equals the whole or virtually the whole, of the cost of the asset, the asset is shown in the Balance Sheet at a nominal value.

**b) Grants related to revenue: -**

Revenue Grants are deducted from the related expenses and such expenses are reported net of grants utilized.

**vi) Income Recognition**

All incomes are accounted for on accrual basis except sale of waste material and interest on security deposit with UPPCL, which are accounted for on actual receipt basis.

**B-NOTES ON ACCOUNTS**

<b>1. Contingent Liabilities not provided for-</b>	<b>Current Year (Rs. In lacs) 2008-09</b>	<b>Previous Year (Rs. In lacs) 2007-08</b>
<b><u>(i) Claims against the company not acknowledged as debt</u></b>		
(a) <u>Land cases</u> Liability for the land compensation cases pending the outcome of appeal before hon'ble High Court, Allahabad. However, decision of District Court, Bulandshahr was against the company and the figures have been computed on the basis of District Court order.	90.93 (Principal) 383.95 (Interest)	90.93 (Principal) 365.58 (Interest)
(b) <u>Housing Complex case</u> Filed by M/s. Uppal Engineering Co. Pvt. Ltd. against civil work awarded for Administrative-cum-Housing Complex before Arbitrator. Arbitrator decided in favour of appellant. Company has filed an appeal before the competent court against Arbitration award.	163.32 plus interest	163.32 plus interest
(c) <u>Demand of Sales Tax</u> For financial year 2000-01. Matter pending in appeal before Tribunal, Commercial Tax, Ghaziabad, U.P.	2.17	2.17
<b><u>(ii) Capital Commitments:-</u></b>	<b>NIL</b>	<b>NIL</b>
Estimated amount of contracts (net of advances) to be executed on capital account and not provided for.		

2. In the opinion of the Board of Directors, Current Assets, Loans and Advances shall have a value on realization, in the ordinary course of the business at least equal to the amount at which they are stated in the Balance Sheet.
3. Loans and Advances includes Rs.18,536/- (Previous year Rs. 16,190/-) due from present & past Directors of the Company. Maximum amount due during the year Rs.2,17,735/- (Previous year Rs.6,45,890/-).
- 4(a) The Company has paid the following remuneration to Ex-Managing Director, Shri Indrajit Deb as subsistence allowance "without prejudice to the parties" as per the directions of Hon'ble Delhi High Court.

	<b>Current Year (Rs) 2008-09</b>	<b>Previous Year (Rs) 2007-08</b>
a) Salary and Allowance	NIL	57754
b) EPF Contribution	NIL	NIL
c) Perquisites	NIL	NIL
Total	NIL	57754

- (b) The Company has paid/provided the remuneration to the Managing Director Shri S. Subbiah, which is given as under:-

	Current Year (Rs) 2008-09	Previous Year (Rs) 2007-08
(a) Salary and Allowance	6,48,590	5,27,601
(b) Perquisites	95,131	1,01,402
Total	7,43,721	6,29,003

5. Additional information pursuant to Paragraphs 3 to 4D of Part-II of Schedule-VI of the Companies Act, 1956.

**A) Quantitative information in respect of licensed capacity, installed capacity and actual production:**  
(Quantity/ Million doses, Rs./Lacs)

Year (1)	Class of Goods (2)	Units (3)	Licensed/ installed capacity (4)  As per note	Opening Stock (5)		Production (6)	Sales (7)		Closing Stock (8)	
				Qty.	Value		Qty.	Value	Qty.	Value
2008-09	Oral Polio Vaccine	Million doses	100/600	0	0	19.0	19.0	679.25	0	0
2007-08	Oral Polio Vaccine	Million doses	100/600	0	0	12.6	12.6	582.75	0	0

- Note:** 1. Licensed/Installed Capacity for indigenous production of OPV is 100 million doses.  
2. Installed capacity for blending and filling operation is 600 million doses.

**B) Quantitative details in respect of Raw Material consumed**

Year	Class of Goods (Type)	Unit	Op. Stock	Purchase	Adjustment	Consumption (Qty)	Closing Stock	
2008-09	OPV (Bulk)	Million doses	6.887	12.960	0.323	20.170	0.000	
	(1)		0.398	25.670	0.000	19.398	6.670	
	(2)		20.103	12.600	0.153	20.077	12.779	
	(3)							
	Mgcl	Kg.	-	2200	24.823	443.97	1780.853	
	Rs. in lacs)			3.89	0.02	0.76	3.15	
2007-08	Tween 80	Kg.	-	-	1.984	0.252	1.732	
	Rs. in lacs)				1.15	0.15	1.000	
					(as per mfg. stock)			
	OPV (Bulk)	Million doses	9.353	45.00	32.104	15.362	6.887	
	(1)		0.347	45.00	30.000	14.948	.398	
	(2)		20.000	45.00	32.178	12.719	20.103	
	(3)							
	Mgcl	Kg.	-	285 KG	-	285 KG	-	
	Rs. in lacs)			0.23		0.23		
		Kg.		0.16 KG		0.16 KG	-	

**Note:** Quantity of OPV Bulk has been shown on actual basis in respect of type 1,2 and 3. However, the valuation of closing stock has been done on the basis of availability of all types of OPV bulk in the given proportion to produce composite dose as excess quantity of any individual type of bulk cannot produce composite vaccine.

Besides above, cost of OPV bulk to the company is NIL having no historical cost and therefore as per accounting policy of the company for valuation of inventories (raw material) no value has been placed for closing stock of OPV (Bulk).

**C. Expenditure in foreign currency: -**

		<b>Current Year(Rs)</b>	<b>Previous Year(Rs)</b>
(i)	Foreign travel - Directors - Others	NIL NIL	7,25,399.00 2,02,940.00
(ii)	CIF value of imports - Capital Goods	9,31,431.00	NIL
(iii)	OPV Bulk/labels & spares	5,33,08,395.00	10,52,03,717

**D. Value of Raw Material consumed during the year:**

	<u><b>2008-09</b></u>		<u><b>2007-2008</b></u>	
	Value (Rs.)	% of total consumption	Value (Rs.)	% of total consumption
- Imported	4,54,66,339	99.80	3,45,77,441	99.88
- Indigenous	90,631	0.20	43,000	0.12

6. Balances in respect of loan and advances, debtors and creditors are subject to confirmation.
7. No Provision for current Income Tax as well as Minimum Alternative Tax (MAT) u/s 115 JB of Income Tax Act, 1961 has been made for want of taxable profits.
8. No disclosure in accordance with AS17 issued by ICAI and clause 41 of listing agreement is made as company being a single product and single unit company.
9. There is no related party in terms of AS 18 issued by ICAI. However, Sh. S. Subbiah, M.D., is the key management personnel and his remuneration particulars are given under Note No. 4(b).
10. Discarded assets have been eliminated from the books of accounts in compliance of AS 10 issued by the ICAI.
11. The company has initiated the process of identifying the parties and is in the process of obtaining information with respect to parties covered, if any, under the Micro, Small and Medium Enterprises Development Act, 2006 (or the "Act"). The Company would account for significant interest obligations in this regard, if any, subsequently. Accordingly required disclosures in this regard have not been given in the current year.

12. During the year additional provision on account of leave encashment has been made for an amount of Rs.10 lakhs on ad-hoc basis. No additional provision has been made for half pay leave during the year.

Leave travel concession:

All India (LTC) is being encashed during the block 2006 to 2009 and was paid in the respective Financial year. In the year 2008-2009 Rs 24,808/- has been paid.

LTC (Home Town) is being paid as per actual entitlement subject to amount claimed. In the year 2008-2009 the amount claimed is Rs 21,228/- which have been paid.

Gratuity:

Yearly payment is made to LIC to maintain the Gratuity Account of the Employees. BIBCOLD has no Gratuity Trust so the Actuarial Valuation has not been made.

13. a) The Company has received capital grant of Rs. 311.00 lacs from Govt. of India for setting up of manufacturing facilities for production of Zinc dispersible tablets. Interest earned on capital grant received for the Zinc Project and the sale proceeds of Zinc tablet produced during the trial run have been credited to the grant account as per the terms of the grant. Zinc project is under progress and is yet to be commissioned. Details of Grant are given as under:-

Amount received	3,11,00,000
Add: Interest	25,61,233
Add: Sale (Zinc Tablets)	2,56,036
Less: Utilization	2,98,09,305
	-----
Balance as on 31.03.09	41,07,964
	-----

An expenditure of Rs. 24,59,161/- has been incurred on technology transfer fee over and above allocated sanctioned grant of Rs.1,15,00,000/- (out of composite grant of Rs.3,11,00,000), the same has not been accounted for as expenditure of the company as it is envisaged that company may get reimbursement from Deptt. of Biotechnology.

- b) The Company had received revenue grant of Rs.4,50,000 from Department of Science and Technology (Govt of India) for Papaya Ring Spot Virus (PRSV) project. Expenditure of Rs 3,96,823/- had been incurred against the grant up to 31.03.2009. Balance unutilized amount of grant, Rs 53,177/- has been shown under current liabilities.

14. As the company has preferred appeal against Assessment Orders for the Assessment year 2004-05 and 2005-06, demands raised and deposited with Income Tax Department have been considered as recoverable and not charged to Profit & Loss account as expenditure as the Company is confident to succeed in appeal. Accordingly brought forwarded losses have been considered as deferred tax assets as depicted under note No. 16.

15. Earning per share (EPS) – The numerators and denominators used to calculate Basic and Diluted EPS are as under:

(Amount in Rupees)

		Year ended 31.03.09	Year ended 31.03.08
A	Profit/Loss attributable to Equity Shareholders	(3,52,33,153)	(4,00,14,475)
B	Basic- Weighted average No. of Shares	4,31,80,000	4,31,80,000
C	Nominal value of equity share	10	10
D	Basic & Diluted EPS	(-) 0.82	(-) 0.93

**16. Deferred Tax:**

In accordance with AS-22 issued by the ICAI, elements of Deferred Tax assets created for tax effect of timing differences are as under:

(Rupees in lacs)

PARTICULARS	Year ended 31.03.09	Year ended 31.03.08
<b>(A) DEFERRED TAX ASSETS</b>		
Losses brought forward (considered as per return filed though disallowed by the Income Tax department at assessment level. (Also refer Note No. 14 above)	609.04	609.04
<b>(B) DEFERRED TAX LIABILITIES</b>	(86.92)	(98.27)
<b>DEFERRED TAX ASSETS (NET)</b>	<b>522.12</b>	<b>510.76</b>

17. Diminution/impairment in the value of below detailed assets has been provided:-

1. Housing complex: - The complex has been shown under the head Capital Work In Progress. The work has been kept in abeyance. The impairment in the value has been determined on the basis of valuation done by certified valuer as on 31.03.2006 and accounted for accordingly as there is no significant variation in value as on 31.03.2009.
2. D.G.Set: - Diesel generating set of 1000 KVA remained unutilized in want of alternator and installation. The item is appearing under the head 'Capital Work in Progress'. The valuation has been done internally and accounted for accordingly.

18. Previous year's figures have been re-named/re-classified/regrouped/re-arranged wherever considered necessary to make them comparable.

(Sandip Kumar Lal)  
Company Secretary

(S. Subbiah)  
Managing Director

(Dr. Satish Gupta)  
Chairman

As per report of even date attached  
**FOR GIANENDER & ASSOCIATES.**  
**CHARTERED ACCOUNTANTS**

PLACE: BULANDSHAHR  
DATE: 11.11.2009

(G.K. Agarwal)  
Partner

**BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD**

PARTICULARS		2008-2009	2007-2008 (Rs./Lacs)
<b>A</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES :</u></b>		
	NET PROFIT/LOSS BEFORE EXTRA ORD. ITEMS	(352.33)	(400.14)
	ADJUSTMENTS FOR:		
	DEPRECIATION PROVIDED	177.58	147.14
	DEPRECIATION ON ASSETS RETIRED/DEMOLISHED	0.00	0.00
	DEFERRED TAX ASSETS	(11.35)	(194.08)
	PROVISIONS	10.00	19.72
	OPERATING PROFIT/(LOSS) BEFORE W.CAPITAL CHANGES	<b>(176.10)</b>	<b>(427.36)</b>
	ADJUSTMENT FOR:		
	(INCREASE)/DECREASE IN TRADE RECEIVABLES	(138.80)	80.45
	(INCREASE)/DECREASE IN INVENTORY	(94.38)	3.41
	(INCREASE)/DECREASE IN OTHER CURRENT ASSETS	3.78	29.27
	INCREASE/(DECREASE)/SUNDRY CREDITORS	41.13	9.87
	(INCREASE)/DECREASE IN ADVANCES	(33.21)	(18.48)
	INCREASE/(DECREASE) IN CURRENT LIABILITIES	145.07	15.69
	NET CASH FROM OPERATING ACTIVITIES	<b>(252.52)</b>	<b>(307.16)</b>
<b>B</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
	INCREASE IN C.W.I.P.	(13.07)	495.51
	INCREASE IN FIXED ASSETS	(61.29)	(669.37)
	DECREASE IN ASSETS (DISCARDED/DEMOLISHED)	0.00	(1.27)
	DECREASE IN ADVANCE ON CAPITAL ACCOUNT	0.00	45.65
	NET CASH USED IN INVESTING ACTIVITIES	<b>(74.36)</b>	<b>(129.47)</b>
<b>C</b>	<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
	GRANT AGAINST ZINC PROJECT	(61.50)	(81.77)
	PRSV PROJECT REVENUE GRANT BALANCE	(0.02)	0.55
		<b>(61.52)</b>	<b>(81.22)</b>
	CASH AND CASH EQUIVALENT AS AT THE BEGINNING OF THE YEAR	1,499.22	2,017.07
	CASH AND CASH EQUIVALENT AS AT THE END OF THE YEAR	1,110.82	1,499.22
	NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS	<b>(388.40)</b>	<b>(517.85)</b>

**CASH FLOW STATEMENT FOR THE YEAR 2008-09**

(Sandip K. Lal)  
COMPANY SECRETARY

(S. SUBBIAH)  
MANAGING DIRECTOR

(Dr. Satish Gupta)  
CHAIRMAN

**AUDITOR'S CERTIFICATE**

We have verified attached cash flow statement of Bharat Immunologicals & Biologicals Corporation Limited (BIBCOL) for the year ended 31<sup>st</sup> March, 2009. This statement has been compiled by the company from the audited statements for the year ended 31<sup>st</sup> March, 2008 and 31<sup>st</sup> March, 2009. We found the same to be in accordance with the requirements of clause 32 of listing agreement with stock exchange (s).

PLACE : Bulandshar  
DATE : 11.11.2009

For Gianender & Associates  
Chartered Accountants

(G.K. Agarwal)  
Partner

**BALANCE SHEET ASBTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

Registration No.	10542
Balance Sheet	31.3.2009

State Code	20
------------	----

**II Capital raised during the year  
(Rs. in thousands)**

Public Issue	Nil
Bonus Issue	Nil

**III Position of Mobilisation and deployment of funds  
(Rs. in thousands)**

Total Liabilities	431,800
-------------------	---------

Total Assets	431,800
--------------	---------

**Sources of Funds**

Paid up Capital	431,800
-----------------	---------

**Application of Funds**

Net Fixed Assets	136,545
------------------	---------

Secured Loans	0
---------------	---

Net Current Assets	100,373
--------------------	---------

Unsecured Loans	0
-----------------	---

Accumulated Losses	142,669
--------------------	---------

Reserve & Surplus	0
-------------------	---

Deferred tax Assets	52,212
---------------------	--------

Investments	Nil
-------------	-----

Misc. Expenditure	0
-------------------	---

**IV. Performance of Company  
(Rs. in thousands)**

Turnover & other Income	79,335
-------------------------	--------

Total Expenditure	117,578
-------------------	---------

Profit/ (Loss) Before Tax	(36,226)
---------------------------	----------

Profit/(Loss) After Tax	(35,233)
-------------------------	----------

Earning Per share (Rs.)	(0.82)
-------------------------	--------

Divident Rate %	Nil
-----------------	-----

**V. Generic names of three Principal Products / Services of Company**  
Product Description (Oral Polio Vaccine)

**(Sandip K. Lal)**  
COMPANY SECRETARY

**(S. SUBBIAH)**  
MANAGING DIRECTOR

**(DR. SATISH GUPTA)**  
CHAIRMAN

As per our report of even date attached

For GIANENDER & ASSOCIATES  
CHARTERED ACCOUNTANTS

(G.K. Agarwal)  
Partner





**BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD**

सं० एमएवी- 11/सीएडी- 1/जी-2/2008-09/597

**INDIAN AUDIT & ACCOUNTS DEPARTMENT**

**Office of the Principal Director of Commercial Audit & Ex-Officio Member, Audit Board-II**

**3<sup>rd</sup> Floor 'A' wing, Indraprastha Bhawan, I.P. Estate, New Delhi - 110002**

**Tele : 23378431, 23379473**

**e-mail : [mab2@nda.vsnl.net](mailto:mab2@nda.vsnl.net), [mabnewdelhi2@cag.gov.in](mailto:mabnewdelhi2@cag.gov.in)**

**Dated : 08.12.2009**

सेवा में,

अध्यक्ष एवं प्रबन्ध निदेशक,

**Bharat Immunological & Biological Corporation Limited**

**Vill. Chola - 203 203,**

**Distt. Bulandshahr (U.P.)**

विषय : कंपनी अधिनियम 1956 की धारा 619 (4) के अधीन 31 मार्च, 2009 को समाप्त वर्ष के लिए Bharat Immunological & Biological Corporation Limited के लेखाओं पर भारत के नियंत्रक एवं महालेखा परीक्षक की टिप्पणियां।

महोदय,

मैं कंपनी अधिनियम 1956 की धारा 619 (4) के अधीन 31 मार्च 2009 को समाप्त हुए वर्ष के लिए Bharat Immunological & Biological Corporation Limited के लेखों पर भारत के नियंत्रक एवं महालेखा परीक्षक की टिप्पणियां अग्रेसर करती हूँ। इन टिप्पणियों एवं लेखाओं की समीक्षा को कंपनी की वार्षिक रिपोर्ट में प्रकाशित किया जाये।

भवदीया

(नयना अ. कुमार)

प्रधान निदेशक वाणिज्यिक लेखा परीक्षा

एवं पदेन सदस्य, लेखा परीक्षा बोर्ड-11

नई दिल्ली

संलग्न टिप्पणियां।

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2009.**

The preparation of financial statements of **Bharat Immunologicals & Biologicals Corporation Limited** for the year ended 31<sup>st</sup> March, 2009 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their profession body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 11 November 2009.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619 (3) (b) of the Companies Act, 1956 of the financial statements of Bharat Immunologicals and Biologicals Corporation Limited for the year ended 31<sup>st</sup> March 2009. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to the inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

- A. Comments on Financial Position**
- 1. Balance Sheet**
- Application of Funds**
- Deferred Tax Assets (Net) Rs. 5.22 crore**

## BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD

A reference is invited to the comment no. 1 of the Comptroller and Auditor General of India on the accounts of the Company for the year ended 31 March 2008 which highlighted recognition of deferred tax assets (DTA) by the Company was in contravention of the Accounting Standard – 22 prescribed under Section 211 (3) (c) of the Companies Act, 1956 due to lack of virtual certainty, supported by convincing evidence, that sufficient future taxable income will be available against which DTA can be realized. The Company, however, continued to create DTA during the current year also.

This has resulted in overstatement of DTA and understatement of Loss by Rs. 5.22 crore.

### 2. Balance Sheet :

#### Current liabilities and Provisions

Liabilities : Rs. 5.63 crore

This does not include an amount of Rs. 1.05 crore being penalty imposed by Ministry of Health and Family Welfare, Government of India on account of non-supply of contracted quantity of 494 lakh doses of Oral Polio Vaccine.

This resulted in understatement of Liabilities and Loss by Rs. 1.05 crore.

For and on behalf of the  
Comptroller and Auditor General of India

Place : New Delhi

Dated : 08.12.2009

(Naina A. Kumar)  
Principal Director of Commercial Audit  
& Ex- Officio Member Audit Board- II,  
New Delhi.

### Reply on comments of Comptroller & Audit General by Board of Directors of Bharat Immunologicals and Biologicals Corporation Limited

A. 1. The company has already started production and supply of ZINC Dispersible Tablets. Apart from this, the company is positively hopeful of getting orders for the supply of Trivalent (TOPV) from MOH&FW. The company is also undergoing the process for the manufacture of Monovalent OPV (mOPV). The company may earn good profits keeping in view its strategy for marketing of TOPV, mOPV and Zinc DT. The carried forward losses would be set off against the profits in the coming years. As such the company, charged Deferred Tax Expenditure amounting to Rs. 11.35 lakh to the P & L A/c. Resulting by this deferred tax assets (NET) is Rs. 5.22 Crore.

2. The company received the supply order for supply of 684 lakh doses of TOPV at Rs. 71.50 per vial of TOPV. To effect the supply of TOPV, the Company has been importing OPV Bulk. The foreign exchange rate at the time of bidding for the ordered TOPV was Rs. 42.30 per USD whereas the inter-bank rate escalated to Rs. 53.76 per USD while going for the import of the OPV Bulk. As on the escalated rate of foreign exchange, the company could have suffered huge losses, the matter was brought to the knowledge of the Ministry of Health & Family Welfare (MOH&FW) vide letter no. BIB/MD/OW/03/08 dt. 27.10.08. At the order price of Rs. 71.50, the company pre-determined huge losses, however, as a good gesture and to maintain the goodwill, the company had to supply TOPV even on loss. Keeping in view of the huge loss if the company were to supply the whole ordered quantity, the Ministry of Health & Family Welfare was requested to curtail down the ordered quantity vide letter no. BIB/MD/OW/03/08 dt. 27.10.08, which was agreed to by the Ministry of Health & Family Welfare by cancellation of supply of 494 lakh doses of TOPV vide amendment no. UIP-11011/159/08-09/VPC/SO/TOPV/BIBCOL/PP- dt. 30.12.08. The MOH&FW agreed to our request of curtailing down of the supply order quantity without reference to any penalty for the cancelled quantity/ amendment. The withheld amount by the MOH&FW is to be released by MOH&FW as has been requested by the Company vide letter nos. BIB/MKT/08-09 dt. 26.03.2009, dt. BIB/MKT/09-10 dt. 13.08.09.

The company is of the view that the withheld amount would be released soon hence the provision for the same has not been made.

# BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED

Regd. Office : Vill. Chola - 203 203, Distt. Bulandshahr (U.P.)

## PROXY FORM

## ATTENDANCE SLIP

I/We .....  
 S/o Sh. .... in the District  
 named company do hereby appoint .....  
 S/o ..... (or failing him)  
 ..... of ..... as my / our proxy  
 to Attend and vote for me / our and on my / our behalf at the 19th  
 Annual General Meeting of the Company to be held on Thursday, 31st  
 December, 2009 and any adjournment thereof

I hereby record my presence at the 20th Annual Gen-  
 eral Meeting of the Company at Regd. Office : Vill.  
 Chola, Distt. Bulandshahr - 203203 at 11.30 a.m. on  
 Thursday, the 31st December 2009.

Full name of the Shareholder

Signature

As witness my hand this ..... day of ..... 2008

Signed by the said ..... Revenue Stamp

Address

Folio No.

Signature

Full name of proxy

Note : The proxy form duly signed across should reach the Compa-  
 ny's Registered Office at least 48 hours before the meeting.

---

## BOOK POST

If undelivered please redirect to

**Bharat Immunologicals and Biologicals Corporation Limited**

Regd. Office : Chola, Bulandshahr - 203203 (U.P.)