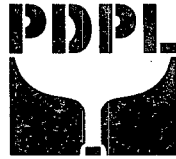




PARENTERAL DRUGS
(INDIA) LIMITED

25th
ANNUAL
REPORT
2009

*Moving Beyond
The Boundaries*



Annual Report *2008 - 2009*

TABLE OF CONTENTS

	<i>Page No. (s)</i>
<i>Notice of Annual General Meeting</i>	<i>1</i>
<i>Directors' Report</i>	<i>5</i>
<i>Management Discussion and Analysis</i>	<i>10</i>
<i>Report on Corporate Governance</i>	<i>15</i>
<i>Auditors' Certificate on Corporate Governance</i>	<i>23</i>
<i>Auditors' Report on Financial Statements</i>	<i>24</i>
<i>Balance Sheet</i>	<i>27</i>
<i>Profit and Loss Account</i>	<i>28</i>
<i>Schedules forming part of Balance Sheet and Profit a Loss Account</i>	<i>29</i>
<i>Significant Accounting Policies and Notes on Accounts</i>	<i>34</i>
<i>Cash Flow Statement</i>	<i>43</i>
<i>Companies General Business Profile</i>	<i>44</i>
<i>Statement pursuant to section 212 and Financial Statements of eight subsidiaries</i>	<i>45</i>
<i>Auditors' Report on Consolidated Financial Statements</i>	<i>132</i>
<i>Consolidated Balance Sheet</i>	<i>133</i>
<i>Consolidated Profit and Loss Account</i>	<i>134</i>
<i>Schedules forming part of Consolidated Balance Sheet and Profit & Loss Account</i>	<i>135</i>
<i>Consolidated Cash Flow Statement</i>	<i>142</i>
<i>Proxy Form and Attendance Slip</i>	<i>143</i>

Company Information

BOARD OF DIRECTORS

Executive Directors

Shri Manoharlal Gupta	Chairman-Cum-Managing Director
Shri Vinod Kumar Gupta	Managing Director
Shri Govind Das Garg	Whole-time Director
Shri Anil Mittal	Whole-time Director & Chief Executive

Non-Executive Directors

Shri Satish Chandra Consul	Independent Director
Shri Dharam Pal Khanna	Independent Director
Shri Dilip Kumar Panchaity	Independent Director
Shri Dilip Kumar Sinha	Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Archana Agar

REGISTERED OFFICE

340, Laxmi Plaza, Laxmi Industrial Estate,
New Link Road, Andheri (West)
Mumbai-400 053 (Maharashtra)
e-mail : pdpl@pdindia.com
Website : www.pdindia.com

CORPORATE OFFICE & INVESTORS GRIEVANCES CENTRE

Shree Ganesh Chambers, Navlakha Crossing,
Indore-452 001 (Madhya Pradesh)
e-mail : investor@pdindia.com

LOCATION OF PLANTS

1. Village Asrawad, Post Dudhia,
Nemawar Road, Indore - 453 331 (Madhya Pradesh)
2. Village Bhud, Tehsil Nalagarh
Distt. Solan - 173 205 (Himachal Pradesh)
3. Village Sura, Post Suranussi,
Jalandhar - 144 027 (Punjab)
4. Honda Industrial Estate, Plot No. 1, Phase III,
Sattari - 403 530 (Goa)

AUDITORS

M/s. T.N.Unni & Co.
Chartered Accountants,
402, Alankar Point, Geeta Bhawan Square,
Indore-452 001 (Madhya Pradesh)

BANKERS

State Bank of India
Punjab National Bank

SHARE TRANSFER AGENT

M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai-400 078 (Maharashtra)
e-mail: mumbai@linkintime.co.in

NOTICE

NOTICE is hereby given that the twenty fifth annual general meeting of the members of the Company will be held on Monday, the 28th day of December, 2009, at 9.30 a.m. at The Classique Club, Behind Infinity Mall, Link Road, Opposite Raheja, Oshiwara, Andheri (West), Mumbai-400 053, Maharashtra to transact the following business:

ORDINARY BUSINESS

- 1) To consider, approve and adopt the Balance Sheet of the Company as on 31st March, 2009, and Profit and Loss Account for the financial year ended on that date and the report of the Statutory Auditors' and the Directors' thereon;
- 2) To declare a dividend of Rs. 1.50 (Rupee one and paisa fifty) per share on the equity shares issued by the Company;
- 3) To appoint a director in place of Shri Satish Chandra Consul, who retires by rotation and being eligible offers himself for re-appointment;
- 4) To appoint a director in place of Shri Dilip Kumar Panchaity, who retires by rotation and being eligible offers himself for re-appointment;
- 5) To appoint the Statutory Auditors of the Company and to fix their remuneration. The retiring Auditors of the Company M/s.T.N.Unni & Co., Chartered Accountants, Indore, are eligible for re-appointment.

SPECIAL BUSINESS

ITEM NO. 6 AUTHORITY TO THE BOARD TO CREATE CHARGE OVER THE ASSETS OF THE COMPANY

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in terms of provisions of Section 293(1)(a) of the Companies Act, 1956, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to create such mortgages and charges in addition to the existing mortgages and charges created and to be created by the Company, as the Board may decide, on the assets of the Company, whether movable or immovable, both present and future, in favour of State Bank of India and Punjab National Bank, the Bankers of the Company to secure various financial facilities extended by them to the Company to the tune of Rs.257.50 Crores (Rs. Two Hundred and Fifty Seven Crores Fifty Lacs only);

RESOLVED FURTHER THAT all moneys already borrowed within the aforesaid limit and charges already created and satisfied and other steps taken in respect of the financial facilities availed by the Company during the financial year from the above named Bankers and also from any other bank or financial institution and the documents executed by the Board of Directors of the Company in respect of the said financial facilities be and are hereby ratified and confirmed."

ITEM NO. 7 INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE COMPANY

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT approval of the members of the Company be and is hereby accorded in terms of provisions of Section 94 of the Companies Act, 1956, for increase in the Authorised Share Capital of the Company from Rs.32,96,21,020/- (Rupees Thirty Two Crores Ninety Six Lacs Twenty One Thousand Twenty Only) divided into 2,65,00,000 (Two Crores Sixty Five Lacs) Equity Shares of Rs.10/- each, 35,00,000 (Thirty Five Lacs) 10% Cumulative, Non-Convertible, Redeemable Preference Shares of Rs.10/- each and 29,62,102 (Twenty Nine Lacs Sixty Two Thousand One Hundred Two) 0% Optionally Convertible Redeemable Preference Shares of Rs.10/- each aggregating to Rs.32,96,21,020/- (Rupees Thirty Two Crores Ninety Six Lacs Twenty One Thousand Twenty Only) to Rs.40,00,00,000/- (Rupees Forty Crores) divided into 2,65,00,000 (Two Crores Sixty Five Lacs) Equity Shares of Rs.10/- each, 35,00,000 (Thirty Five Lacs) 10% Cumulative, Non-Convertible, Redeemable

Preference Shares of Rs. 10/- each, 29,62,102 (Twenty Nine Lacs Sixty Two Thousand One Hundred Two) 0% Optionally Convertible Redeemable Preference Shares of Rs. 10/- and 70,37,898 (Seventy Lacs Thirty Seven Thousand Eight Hundred Ninety Eight) Redeemable Preference Shares of Rs. 10/- each aggregating to Rs. 40,00,00,000/- (Rupees Forty Crores) and the following new Clause V of the Memorandum of Association be substituted for the existing clause:-

- V. The Share Capital of the Company shall be Rs. 40,00,00,000/- (Rupees Forty Crores) divided into 2,65,00,000 (Two Crores Sixty Five Lacs) Equity Shares of Rs. 10/- each, 35,00,000 (Thirty Five Lacs) 10% Cumulative, Non-Convertible, Redeemable Preference Shares of Rs. 10/- each, 29,62,102 (Twenty Nine Lacs Sixty Two Thousand One Hundred Two) 0% Optionally Convertible Redeemable Preference Shares of Rs. 10/- and 70,37,898 (Seventy Lacs Thirty Seven Thousand Eight Hundred Ninety Eight) Redeemable Preference Shares of Rs. 10/- each aggregating to Rs. 40,00,00,000/- (Rupees Forty Crores) with power to the Board of Directors of the Company to issue such number of un-issued Redeemable Preference Shares on such terms and conditions as to dividend, premium, convertibility or otherwise as the Board may think appropriate from time to time and also with power to the Company to increase or reduce the said capital and to issue any part of its capital, original or increased with or without any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to powers hereinafter contained. The rights of the holders of any class of shares for the time being forming part of the capital of the Company may be modified, altered, varied, extended or surrendered, either with the consent in writing of the holders of three fourth of the issued shares of the class or with the sanction of the special resolution of the members of the class as provided by the Articles of Association as originally registered or as altered by resolution."

ITEM NO.8 AUTHORITY TO THE BOARD TO BORROW

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting of the Company on 30th September, 2006, and pursuant to the provisions of section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the members hereby accord their consent to the Board of Directors of the Company to borrow any sum(s) of money, from time to time, from any one or more of the Company's bankers and/ or from any one or more other persons, firms, body corporate or financial institutions whether by way of cash credit, advances or deposits, loans or bill discounting, issue of debentures, bonds or otherwise and whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of Company's assets and properties, whether immovable or movable stock in trade (including raw materials, stores, spare parts and components in stock or in transit) and work in progress and all or any of the undertakings of the Company notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the paid up capital of the Company and free reserves, that is to say reserves not set apart for any specific purposes so that the total amount upto which monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 1000 Crores (Rupees One Thousand Crores Only), exclusive of interest;

RESOLVED FURTHER THAT the Board of Directors is hereby authorized to execute all such documents, debentures, trust deed or mortgage, charge, hypothecation, lien, promissory notes, deposit receipts and instruments or writings containing such conditions and covenants as the Board may think fit."

Place : Indore
Dt. : 26th November, 2009

BY ORDER OF THE BOARD
Vinod Kumar Gupta
Managing Director

NOTES:-

1. A MEMBER ENTITLED TO ATTEND THE ANNUAL GENERAL MEETING AND VOTE THEREAT IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item No.6 to 8 are annexed hereunder and form part of this Notice.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 25th day of December, 2009 to Monday, the 28th day of December, 2009 (both days inclusive).
4. The dividend for the year ended 31st March, 2009 as recommended by the Board, if sanctioned at the Annual General meeting, will be paid to those members whose names appear in the Company's Register of Members on 28th December, 2009. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
7. Members holding shares in demat mode may please note that, the bank details as furnished by the respective Depositories to the Company will be used for the purpose of distribution of dividend through Electronic Clearing Service (ECS). In the absence of ECS facility, the bank account details, if available, will be printed on the dividend warrants. Members holding shares in demat mode must give instructions, regarding bank account in which they wish to receive dividend, to their depository participants. The Company or the Share Transfer Agent will not act on any direct request from these members for change/deletion in such bank details.
8. Shareholders having any query or desiring any information pertaining to annual accounts are requested to write to the Company at an early date to enable the Company to reply the queries suitably at the time of the annual general meeting.
9. The members who have not claimed any dividend for the financial year ended 31st March, 2007 and 31st March, 2008, due to any reason are requested to write to the Company or to the Registrar and Share Transfer Agent of the Company immediately since the same is lying unclaimed with the bankers of the Company.
10. The Shareholders who are still holding their shares in physical form are requested to approach their Depository Participants for dematerialization of their shares.

Place : Indore
Dt. : 26th November, 2009

BY ORDER OF THE BOARD
Vinod Kumar Gupta
Managing Director

EXPLANATORY STATEMENTS

In terms of provisions of Section 173 (2) of the Companies Act, 1956 explanatory statements for the special businesses under item No. 6 to 8 are as under:

Item No.6

The Bankers of the Company, State Bank of India and Punjab National Bank (hereinafter collectively referred to as 'the Bankers of the Company') have sanctioned various financial facilities to the Company to the tune of Rs. 257.50 crores (Rupees Two Hundred Fifty Seven Crores and Fifty Lacs Only) to meet various financial

requirements of the Company for its various expansion plans, in respect of which necessary security and charge documents have already been executed in favour of the lenders.

In terms of provisions of Section 293(1)(a) of the Companies Act, 1956 approval of the members of the Company is sought to ratify the security so created and/or to be created by the Company in future in favour of the Bankers of the Company, by way of passing the proposed resolution as an Ordinary Resolution. The Board recommends passing of the resolution.

None of the Directors of the Company are interested in the resolution.

Item No.7

At the beginning of the financial year the authorised share capital of the Company was Rs.30,00,00,000/- divided into 2,65,00,000 equity shares of Rs.10/- each & 35,00,000 10% Cumulative, Non-convertible, Redeemable Preference Shares of Rs. 10/- each. On the Scheme of amalgamation being sanctioned by the Hon'ble High Court of Mumbai, the authorised share capital of the company was increased to Rs.32,96,21,020/- divided into 2,65,00,000 equity shares of Rs.10/- each, 35,00,000 10% Cumulative, Non-convertible, Redeemable Preference Shares of Rs. 10/- each and 29,62,102 0% Optionally Convertible Redeemable Preference Shares of Rs.10/-each.

The Company has undertaken massive expansion projects and has initiated working on the projects at Mauritius and Kazakhstan. The projects at Kenya and Europe are likely to be started during the financial year ending 31st March, 2010.

This may require the Company to infuse capital to meet the norms of the lending banks, financial institutions and the requirements of the fund and therefore, the authorised share capital of the Company is proposed to be increased by way of introducing 70,37,898 Redeemable Preference Shares with a right to the Board of Directors of the Company to issue those preference shares on such terms and conditions as the Board may think fit considering the conditions imposed by the lending banks or the market forces.

The Board of Directors, therefore seek the approval of shareholders pursuant to section 94(1)(a) of the Companies Act, 1956 for increase in the authorised share capital as above and recommend to pass the resolution as an Ordinary Resolution.

The Board of Directors also seek the approval of shareholders pursuant to section 16 of the Companies Act, 1956 for amendment of Clause V of the Memorandum of Association and recommend to pass the resolution as an Ordinary Resolution.

The Directors of the Company may be deemed interested in the resolution to the extent the shares may be allotted to them out of the increased capital.

Item No.8

At the Annual General Meeting of the Company held on 30th September, 2006, the shareholders authorized the Board of Directors, under section 293(1)(d) of the Companies Act, 1956, to borrow money upto Rs.500 crores (Rupees Five Hundred Crores). Considering the expansion programmes to be undertaken by the Company, the Company may be required to borrow money beyond 500 crores.

As per section 293(1)(d) of the Companies Act, 1956, approval of the members is required when the proposed borrowing together with the amount already borrowed exceeds the aggregate of the paid up capital and free reserves of the Company.

In view of this, the members are requested to accord their consent by authorizing the Board to borrow funds to the extent of Rs.1000 crores (Rupees One Thousand Crores Only).

The Board recommends passing of the resolution as Ordinary Resolution.

None of the Directors of the Company are interested in the resolution.

Place : Indore
Dt. : 26th November, 2009

BY ORDER OF THE BOARD
Vinod Kumar Gupta
Managing Director

DIRECTORS' REPORT

To,
The Members of
M/s. Parenteral Drugs (India) Limited

Dear Shareholders,

Your Directors are pleased to present the 25th Annual Report on the performance of the Company together with the annual audited accounts for the financial year ended 31st March, 2009.

FINANCIAL RESULTS :-

The summary of the financial results for the year and appropriation of divisible profits is given below:

(Rs.in lacs)

Particulars	31 st March, 09	31 st March, 08
Sales and Other Income	22723.17	21511.16
Less Operating Expenses	19346.22	17638.32
Profit before Interest & Depreciation	3376.95	3872.84
DEDUCTIONS		
Interest	1130.23	1078.17
Depreciation	571.18	446.34
Provision for Fringe Benefit Tax	31.38	31.20
Provision for Taxation	192.63	257.64
Less Deferred tax Liability	374.60	145.50
Add Deferred Tax Asset	-	-
Operational Profit after tax	1076.94	1913.99
Add Provisions written back	-	-
Net Profit	1076.94	1913.99
ADDITIONS		
Balance brought forward from previous year	3133.25	1777.85
APPROPRIATIONS		
Surplus Available for Appropriation	4210.19	3691.84
Transferred to General Reserve	215.39	405.85
Proposed Dividend	208.05	171.95
Tax on Distributed Profit	35.36	29.22
Previous year Income tax Liability / Written back	-	48.43
Balance carried to Balance Sheet	3751.39	3133.25
Earning per share (EPS of Face Value of Rs. 10/-)	6.87	16.76

EXTENTION OF ANNUAL GENERAL MEETING

The Registrar of Companies, Maharashtra, vide its Order dated 21st August, 2009, granted extention upto 31st December, 2009, for convening of the Annual General Meeting of the Company at the request of the Company.

PERFORMANCE

The financial year 2008-2009 was a year of challenges and uncertainties for businesses across various segments of industry with financial crisis, heightened volatility in commodity prices, sharp movement in currencies, crashing stock markets, severe liquidity crisis and an economic meltdown. Your Company too was not insulated from these challenges as the business had its impact on overall margins. However, in spite of all odds, during the financial year 2008-09 the turnover of the Company stood at Rs.227.23 crores as against the turnover of Rs.215.11 crores in the previous financial year 2007-08. The profit before tax stood at Rs.16.76 crores as against Rs.23.48 crores in the previous financial year. The profit after tax for the financial year ended 31st March, 2009 stood at Rs.10.77 crores as against Rs.19.14 crores in the previous financial year. However, during the current year the situation has improved and your directors expect better future ahead.

AMALGAMATION OF M/S.PFL HOLDINGS PRIVATE LIMITED AND M/S. GOA HOLDINGS (INDIA) PRIVATE LIMITED WITH THE COMPANY

The scheme of amalgamation was sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated 12th October, 2009. Under the scheme of amalgamation, M/s. PFL Holdings Private Limited and M/s. Goa Holdings (India) Private Limited have been amalgamated with the Company consequent to which M/s. Punjab Formulations Limited and M/s. Goa Formulations Limited have become wholly-owned subsidiaries of the Company with effect from 1st November, 2008, and in consideration thereof, the Company has issued 43,30,123 equity shares and 29,62,102, 0% optionally Convertible Redeemable Preference Shares of Rs.10/- each at a premium of Rs.176.50 per share in the Company to the respective shareholders of the amalgamated companies.

As a result of sanction of the scheme of amalgamation, the entire manufacturing capacity of the large volume parenteral under the group has come under one umbrella which has not only enhanced the shareholders' net worth but has also resulted into integration of the entire business of the group.

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs.1.50 (Rupee one and paise fifty only) per share for the financial year ended 31st March, 2009. The dividend shall be tax free in the hands of the shareholders.

The Board has not recommended any dividend on preference shares, since the only preference share holder waived its right to receive any dividend.

SUBSIDIARY COMPANIES

The Company has eight subsidiaries as on date. During the year under review, M/s. Punjab Formulations Limited and M/s. Goa Formulations have also become wholly-owned subsidiaries of the Company on sanction of the Scheme of amalgamation.

M/s. Mascareignes Pharmaceutical Manufacturing Company Limited, a Mauritius based pharmaceutical company is proposed to become a subsidiary of the Company and the necessary formalities in this regard are being completed.

Your Company has also incorporated a wholly-owned subsidiary in Kazakhstan in the name of "Parenteral Drugs Kazakhstan" to undertake the business of manufacturing of pharmaceutical products.

The consolidated financial statements, in terms of clause 32 of the Listing Agreement and in terms of Accounting Standards 21 issued by the Institute of Chartered Accountants of India (ICAI) of the subsidiary companies and the Statement of Accounts of the consolidated financial statements under section 212 of the Companies Act, 1956 and Auditors' and the Directors' Report thereon are enclosed and forming part of the annual accounts.

DIRECTORS

Shri Satish Chandra Consul and Shri Dilip Kumar Panchaity, the directors of the Company are retiring at the forthcoming annual general meeting and they are eligible for re-appointment. The Board recommends their re-appointment.

PREFERENTIAL ISSUE

The Company allotted 12,00,000 equity shares on preferential basis to M/s. Mahaganapati Investment Private Limited, a Company under promoter category, on conversion of warrants, in terms of SEBI (Disclosure of

Investor Protection), Guidelines, 2000 (now, SEBI (Issue of Capital and Disclosure Requirements), 2009).

The proceeds of the preferential issue have been used to fund the ongoing expansion and modernization programs of the Company as well as to meet the working capital requirements for the projects undertaken by the Company.

AUDITORS AND AUDITORS' REPORT

The Statutory Auditors, M/s. T.N.Unni & Co., Chartered Accountants, Indore, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Board recommends their re-appointment.

The Company has received a letter from them to the effect that their re-appointment if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the Companies Act, 1956.

The Notes on accounts referred to in the Auditors' Report are self-explanatory and do not require further explanation from the Board.

COST AUDIT

Pursuant to Section 233B of the Companies Act, 1956, the Central Government has prescribed Cost Audit of the Company's Bulk Drugs Division and Formulations Division. The Central Government has approved the appointment of M/s.K.G.Goyal & Co., Cost Accountants, for conducting the cost audit of the Company.

FIXED DEPOSIT

The Company did not accept any deposit from the public during the year and there are no unpaid or unclaimed deposits with the Company.

UNCLAIMED DIVIDEND

The amount transferred by the Company in a separate account towards payment to the shareholders is lying unclaimed in some cases. The shareholders, who have not claimed their dividend up till now, are requested to immediately approach the Registrar and Share Transfer Agent of the Company for payment of their dividend.

CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption and foreign exchange earnings & outgo in accordance with the provisions of Clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are attached to this Directors' Report.

PARTICULARS OF EMPLOYEES

The particulars of employees required under section 217 (2A) of the Companies Act, 1956, read with Companies (Particular of Employees) Rules, 1975, forms part of this report.

However, having regard to provisions of section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the said statement is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars pertaining to the employees of the Company may write to the Company Secretary at the corporate office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) they have in selection of the accounting policies, consulted the statutory auditors and applied these policies consistently, making judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2009 and of the profit of the Company for the year ended 31st March, 2009;

- iii) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis.

REPORT ON CORPORATE GOVERNANCE

A detailed Report on Corporate Governance as stipulated under clause 49 of the listing agreement forms part of this annual report.

The requisite certificate from the Auditors of the Company, M/s. T.N. Unni & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 of the Listing Agreement, is attached to the Report of Corporate Governance.

LISTING

The shares of the Company continue to be listed on the Bombay Stock Exchange Limited, Mumbai.

ACKNOWLEDGEMENT

The Board is pleased to place on record its sincere appreciation for the excellent support, guidance and co-operation extended by the shareholders, medical professionals, banks, financial institutions and various government department and agencies during the year and look forward for their continued support also in future. The Board also place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the company during the year under review. We look forward to have the same support in our endeavor to help people lead healthier lives.

Place : Indore
Dt. : 26th November, 2009

FOR AND ON BEHALF OF THE BOARD
Manoharlal Gupta
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

FORM 'A'

Particulars Required Under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Sr.No.	Particulars	Current Year 31.03.2009	Previous Year 31.03.2008
A:	Power And Fuel Consumption		
1.	Electricity		
	(a) Purchased Units (in Lacs)	86.30	91.24
	Total Amount (Rs.in Lacs)	388.69	384.37
	Rate/ Unit	4.50	4.21
	(b) Own Generation		
	Through diesel/ LDO generator		
	Units (In Lacs)	6.30	12.16
	Units per Litre of diesel / LDO Oil	3.48	3.59
	Total Cost (Rs. In Lacs)	62.44	107.35
	Cost/Unit (Rs.)	9.91	8.83
2.	Coal (specify quality and where used)		
	Steam Coal (for Distilled water)		
	Quantity (tones)	2619.95	5196.71
	Total cost (Rs. in Lacs)	91.49	208.04
	Average Rate (Rs.)	3492.05	4003.28
3.	Petro Coke		
	Quantity (tones)	3771.69	2376.42
	Total Cost (Rs. In lacs)	290.50	146.65
	Average Rate (Rs.)	7702.11	6171.27
4.	Furnace Oil		
	Quantity (Litres)	216170.00	251582.00
	Amount (Rs. In lacs)	41.37	44.30
	Average rate	19.14	17.61

B) CONSUMPTION PER UNIT OF PRODUCTION

The Company manufactures several pharmaceutical products in different sizes and potency and therefore it is difficult to allocate the cost of consumption of power to individual product.

FORM 'B'

(A) RESEARCH AND DEVELOPMENT

1. Specific areas in which Research & Development carried out by the Company

- i) On going research for the development of formulations.
- ii) Development of Rabies DNA vaccines.
- iii) Development of seasonal influenza vaccine.

2. Benefits arrived as a result of above Research & Development:

- i) Better customer satisfaction on use of the product.
- ii) Number of complaints has been reduced.
- iii) Scheduled launch of vaccines by the Company which will strengthen Medical fraternity.

3. Future Plan of Action:

- i) New formulations in the analgesic and anti-microbial segment.
- ii) Development of newer oncology formulations.
- iii) Development of affordable and efficacious mode of treatment.

4. Expenditure

- a) Capital : Nil b) Recurring : Borne by the Company on regular basis.

(B) TECHNOLOGY ABSORPTION, ADOPTATION AND INNOVATION

The Company uses its indigenous technology in the production line and no new technology was absorbed or adopted during the year under review.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lacs)

Particulars	Current Year	Previous Year
Foreign Exchange Earnings	632.02	268.11
Foreign Exchange Outgo	167.37	1428.02

MANAGEMENT DISCUSSION AND ANALYSIS

Twenty-five years since our inception, we at "PDPL" dedicated to our mission to provide affordable and innovative medicines to patients across the world."PDPL"has consistently used innovative procedures and processes to produce medicines that have ensured Quality Assurance and Reliability. We take pride in our tradition of excellence and dedication to quality in bringing the best products in Healthcare, with genuine human concern and sincere commitment to complete cure.

INDUSTRY OVERVIEW

Parenteral Drugs (India) Limited is one of the leading pharmaceutical company in Indian market. PDPL strives to be at the forefront for its patients through its innovative development, manufacturing & marketing of a wide range of Products.

Expanding its capacity in Oncology, Biotechnological preparation and launching many new products, PDPL is increasing its revenue. The Company's revenue is mainly from manufacture and sales of Intravenous Fluids, Branded including Oncology products and Generic Range.

The amalgamation of M/s. PFL Holdings Private Limited and M/s. Goa Holdings (India) Private Limited ("Transferor Companies") with the Company has enabled integration of the entire investments made by the Transferor Companies in their respective subsidiary companies viz. M/s. Punjab Formulations Limited and M/s. Goa Formulations Limited which have now become wholly owned subsidiary companies of the Company enabling seamless integration of operational scale and financial synergies, generating economies of scale and thus will add to the value of all stakeholders. Assets and Liabilities of the transferor companies have been transferred to the Company w.e.f. 1st November, 2008, as per the scheme sanctioned by the Hon'ble High Court of Judicature at Mumbai.

The amalgamation creates a platform to bring the entire manufacturing capacity of the large volume parenteral under one umbrella, strengthen the presence of the Company in pharma sector and to integrate the entire business.

Through this amalgamation, the Company is consolidating large volume parenteral business so that concerted efforts can be made for increasing share of the company in the domestic market and also to enhance exports.

PHARMACEUTICAL INDUSTRY

Indian Pharmaceutical Industry

The total size of Indian pharmaceutical industry, excluding exports and government purchases, stood at Rs 55,454 crore in the last fiscal. The Indian pharmaceutical industry has been growing at record levels in recent years but now has unpreceded opportunities to expand in a number of fields. According to ORG IMS Research Private Limited the Indian pharmaceutical market is expected to grow at 11% to 12% per annum which will make India one of the world's top pharmaceutical markets.

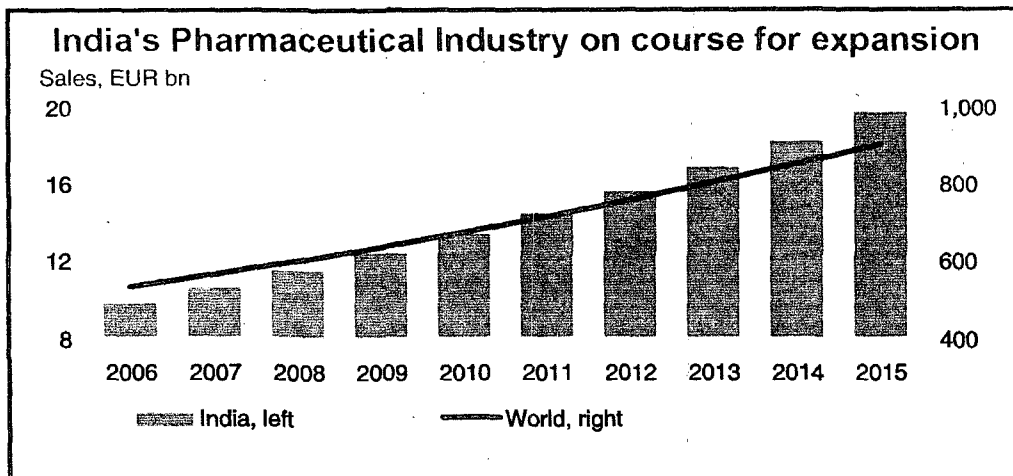
The stiff competition and heavy spending on R&D as well as marketing is putting some pressure on pharma segment but despite this, the sector recorded a two digit growth rate. A focused approach and increased marketing efforts, in recent years, has resulted in the growth of the Company. In the coming years, the Company would continue to build its reputation and strong brand equity in order to maintain its position.

International Scenario

Key global generic markets approximately grew by 4%. USA is the largest generic market which put together with Europe account for 78% of the total global pharma market. Generic business is growing in these markets owing to the Governments encouraging genericisation. Generic substitution is actively encouraged in many countries in European markets as it helps bring down the prices of medicines. Generic penetration in European markets is still low indicating significant opportunities for generic players in the future. Over the horizon of 3-5 years a sizeable amount of molecules in the above regulated markets are going off patent. They offer a substantial opportunity for generic players, especially those with low cost development and manufacturing capabilities.

Emerging markets like Latin America, Russia, CIS, Eastern European countries are growing at double digit rates. These markets offer attractive pricing whereas competition is less intensive. Indian companies have been increasingly focusing on Global markets with a view to expand their geographical reach. Exports have been growing in excess of 20% in the past few years.

Up until 2015, we expect pharmaceutical sales to rise by 12-15% p.a. to just under EUR 20 bn, compared with an increase of 6% in the world as a whole and 5% in Germany. But even then, India's share in the world pharmaceutical market would only come to slightly over 2% (Germany: 7%).



LOOKING FORWARD

Success in the pharmaceutical industry is all about success in market place. PDPL has been successful in bringing its existing business to profitability and is now turning its attention to pursuing growth opportunities, including further growing its base business, and maximizing shareholders value through strategic initiatives with companies where increased market strength and synergies might be obtained.

INTERNAL CONTROL SYSTEMS:

PDPL has a comprehensive system of Internal controls with the objective of safeguarding the Company's assets, ensuring that the transactions are properly authorized and providing significant assurance at reasonable cost, of the integrity, objectivity and reliability of the financial information. The company's internal audit team carries out extensive audits throughout the year, across all functional areas and submit its report to the Audit Committee of the Board of Directors. The company uses the top of the line Enterprise Resource Planning (ERP) Package, SAP R/3, which enhances the internal control mechanism. The team of internal auditors ensure the compliance of all statutory requirement and implementation of corporate policies in true spirit.

PERFORMANCE

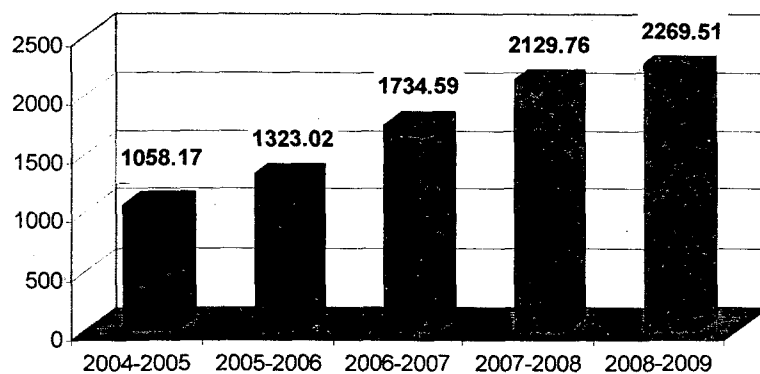
As we are the pioneer in IV fluids and the leading organization, our growth in this segment has been phenomenal. We are also the largest supplier at some of the leading institutions. In branded and generic segment too we have grown by leaps and bounds & the introduction of oncology products have helped us in attending newer heights. The effect of the same is significant in our turnover of this fiscal year.

Oncology market Scenario:

The Indian Oncology sector valued currently at US\$ 225 million, it is expected to reach US\$ 850 million by 2012, growing at a CAGR of nearly 30%. With upwards of 3.5 million cases as estimated prevalence in India and with one million plus new cases diagnosed every year, cancer is becoming an increasing social burden.

The global oncology market is experiencing rapid growth driven by increasing volumes, higher prices for new drugs and increasing access to treatment across the developing world. The sale of cancer drugs is expected to grow at nearly double that rate making the oncology market the largest sales value therapy area, at US\$ 55 bn. Also a large number of existing oncology drugs are expected to go off-patent giving a significant boost to the generic oncology segment.

COMPANY'S PERFORMANCE



Company's Turnover in last five fiscal year (Rs. in Millions)

TOP TEN PRODUCTS:

1. Compound Sodium Lactate Injections (IV Fluids)
2. Dextrose Sodium Chloride Injections (IV Fluids)
3. Dextrose Injection I.P. (IV Fluids)
4. Sodium Chloride Injections (IV Fluids)
5. Metronidazole Injection (IV Fluids)
6. Sterile Water for Injection (Water)
7. Tazomax (Antibacterial)
8. Ceftiwin Tablets (Antibacterial)
9. Ciprofloxacin Injection (IV Fluids)
10. Silenser Cough Linctus (Anti-Cough)

New Products:

PDPL's constant endeavor is to provide cost effective formulations for various ailments and to strength the armamentarium of media fraternity. The Company is focused in developing new formulations for existing and new drug substances. During the last year, the Company launched the following products:

Injections:

1. Falcistar (Artesunate-an anti-malarial)
2. Merogol (Meropenem-an antibacterial)

Tablets/Capsules:

1. Azimist (Azithromycin-an antibacterial)
2. Megastar (Omega 3 Fatty Acid & Multivitamin-an antioxidant)

All the new launches received favourable response from the market. The company continues to lay stress on introducing several new products. During the current year, the Company successfully launched the following products under the oncology (anti-cancer) segment:

1. Fludapar (Fludarabine Phosphate)
2. Trexopar (Methotrexate)
3. Mindro (Zoledronic Acid)
4. Ifopar with Mesna (Ifosfamide)

Opportunities:

The Indian pharmaceutical industry is going through major structural changes. These changes pose many challenges and opportunities to companies operating in this environment. In this context, the Company has identified the following growth initiatives:

1. Opening up of health insurance sector and the expected growth in per capita income are key growth drivers from a long-term perspective. This leads to the expansion of healthcare industry of which pharmaceutical industry is an integral part.
2. Being the lowest cost producer combined with FDA approved plants, Indian companies can become a global outsourcing hub for pharmaceutical products.
3. Parenteral Drugs (India) Limited has also set up its pace to capture the overseas market. It has entered into a joint-venture agreement with M/s. Mascareignes Pharmaceutical Manufacturing Co. Limited, a Mauritius based pharmaceutical company for putting up a plant at Mauritius for manufacturing long range of pharmaceutical products to meet the gap between demand and supply of pharmaceutical products in Mauritius. As per projection, there is a potential of business in Mauritius to an extent of Indian Rs. 1 billion every year which is presently met by importing products from outside. PDIL has acquired 51% stake in the Company as a result of which it has become subsidiary of PDIL.
4. The Company has also taken steps for setting up manufacturing facilities at Kazakhstan through incorporation of a wholly owned subsidiary company in Kazakhstan in the name of "Parenteral Drugs Kazakhstan" for manufacturing of IV fluids.
5. The Company is also in the process of putting up manufacturing facilities in East Africa and Central Europe through its subsidiaries in respect of which necessary steps are being taken.

RISKS AND UNCERTAINTIES

Pharmaceutical industry works in an absolutely dynamic environment. However, at PDPL, we have recognized that managing business risk is an integral part of generating substantial and sustainable shareholder value. The major challenges for the pharma industry as follows:

General Factors

There are certain concerns over the patent regime regarding its current structure. It might be possible that the government may change certain provisions of the patent act formulated by the preceding government.

Competition

Threats from other low cost countries like China exist. However, on the quality front, India is better placed relative to China. So, differentiation in the contract manufacturing side may wane.

Regulatory

The Indian pharmaceutical companies are marred by the price regulation. Over a period of time, this regulation has reduced the pricing ability of companies. The NPPA (National Pharma Pricing Authority), which is the authority to decide the various pricing parameters, sets prices of different drugs, which leads to lower profitability for the companies.

Financial Resources

Financing is an important element of India pharma companies' growth strategy. Finding suitable financing options to fund projects with different risk/return profiles and payback periods is crucial especially in current business environment where global markets are witnessing a liquidity crisis.

Contingencies

In the normal course of operations, claims may arise against the Company pertaining to undesired side effects with respect to products which have been sold in the past. The Company recognizes liabilities for such contingencies when management determines that it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. The Company is currently not party to any such litigation proceedings that are expected to have a material adverse effect on the Company's results of operations or financial position.

OUTLOOK

The domestic pharma market will outshine the global market, growing at a compounded annual rate of 12-15% as against a global average of 4-7% during 2008-2013.

In fact the seven emerging markets of China, Brazil, India, South Korea, Mexico, Turkey and Russia are expected to collectively see drug sales grow by 12-14% in 2010, says market research firm IMS. India alone will grow 12-14% next year. The global pharmaceutical market will grow 4-6% next year, exceeding \$825 billion on strong prescription sales in the US - higher than initially perceived.

Though the growth is historically low compared with high single-to low double-digit growth seen in the past, but "we're seeing a slightly more positive outlook for the pharmaceutical sector mainly driven by stronger growth in the US market, which has proved to be more resilient than expected to the economic downturn," Murray Aitken, senior vice president for Healthcare Insight at IMS said.

Indian pharma has made impressive strides in the global arena across different business segments and has demonstrated its ability to play a leadership role in each of them. PDPL has crafted a detailed future plan of action to make its way into higher echelons of growth in the pharmaceutical market. As we dream big, we are constantly scouting for opportunities that infuse vigor in our strides to scale higher orbits. However, we firmly believe that quality and regulatory compliances in the pharmaceutical context cannot be undermined. Quality should be the mainstay of long-term competitiveness. We believe that our people make all the difference as the value of quality and value addition has been the mainstay of personnel at PDPL in whatever key function they are involved.

FORWARD LOOKING STATEMENTS

This report contains "forward-looking statements" which may be identified by use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words having similar meaning. All such statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements which are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate and will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in such forward-looking statements.

REPORT ON CORPORATE GOVERNANCE

Parenteral Drugs (India) Limited's ('PDPL' or 'the Company') philosophy of corporate governance stems out from its belief that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in preserving shareholders trust while maximizing long-term corporate values.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that Corporate Governance forms part of its commitment to values and ethical business conduct. It is committed to high standards of Corporate Governance and practices them for optimizing shareholders value and protecting the interest of the stakeholders'. PDPL is firmly abiding by the code of corporate governance, so as to be an exemplary corporate citizen. The Company believes that good governance is an essential ingredient of business and that it is not a destination but a continuous journey. While the Senior management team has an excellent blend of competent persons, your Company has also being greatly benefitting from the valuable inputs provided by its non-executive directors, who are eminent persons with vast experience, expertise and wisdom.

Keeping in view the Company's size and complexity of operations, PDPL's Corporate Governance framework is based on the following main principals:

- Appropriate composition and size of the Board, with each director bringing in key expertise in different areas.
- Proactive flow of information to the members of the Board and Board Committees to enable effective discharge of their fiduciary duties.
- Ethical business conduct by the management and the employees.
- Full-fledged systems and processes for internal controls on all operations, risk management and financial reporting.
- Timely and accurate disclosure of all material operational and financial information to the stakeholders.

PDPL is in full compliance with clause 49 of the Listing Agreement. A report on compliance with the Code of Corporate Governance as prescribed by SEBI and incorporated in Listing Agreement is given below:

2. BOARD OF DIRECTORS

BOARD PROCEDURE

To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every Meeting of the overall performance of the Company. The Board also inter alia reviews strategy and business plans, annual operating and capital expenditure budgets, investments and exposure limits, compliance reports of all laws applicable to the Company, review of litigations filed by or against the Company, minutes of Board meetings of company's unlisted subsidiary companies, adoption of quarterly/ annual results, minutes of meetings of audit committee etc.

COMPOSITION:

The strength of the Board of Directors as on 31st March, 2009 was eight directors, of which, four (4) are executive directors and four (4) are independent, professional and non-executive Directors.

The requisite particulars are given below:

Sl. No.	Name of the Director	Whether Promoter/ Executive/ Non-Executive/ Independent	No. of Directorships/ Committees membership of other companies	No. of Board Meetings during the year	Attendance at the last Annual General Meeting
1.	Shri Manoharlal Gupta	Promoter/ Executive	21/0	7	-
2.	Shri Vinod Kumar Gupta	Promoter/ Executive	23/0	9	-
3.	Shri Govind Das Garg	Promoter/ Executive	14/0	7	-
4.	Shri Anil Mittal	Executive	6/0	7	-
5.	Shri Satish Chandra Consul	Non-executive/ Independent	0/2	8	Yes
6.	Shri Dharam Pal Khanna	Non-Executive/ Independent	2/2	9	Yes
7.	Shri Dilip Kumar Panchaity	Non-Executive/ Independent	0/1	9	Yes
8.	Shri Dilip Kumar Sinha	Non-Executive/ Independent	1/0	4	Yes

Note on Directors appointment/ re-appointment:

Shri Satish Chandra Consul and Shri Dilip Kumar Panchaity, directors of the Company are retiring at the forthcoming annual general meeting by rotation and they are eligible for re-appointment.

Shri Satish Chandra Consul is M.A.LL.B, and a retired IAS officer who was in Govt. service for 34 years and held various responsible positions.

Shri Dilip Kumar Panchaity is B.Sc., M.A. and a retired banker and has wide experience of 32 years in the field of accounting and finance.

The Company plans and prepares the schedule of the Board and Committee meetings in advance to assist the Directors in scheduling their program. The schedule of meetings is finalized in consultation with Directors of the Company. The agenda is pre-circulated with detailed notes, supporting documents and executive summary. During the year under review nine (9) meetings of the Board of Directors were held on the following dates:

- i. 5th April, 2008
- ii. 30th April, 2008
- iii. 31st July, 2008
- iv. 4th September, 2008 at 11.30 a.m.
- v. 4th September, 2008 at 4.00 p.m.
- vi. 31st October, 2008
- vii. 10th January, 2009
- viii. 31st January, 2009
- ix. 26th March, 2009

3. AUDIT COMMITTEE

The Audit Committee was constituted in compliance with the requirements of Clause 49 of the Listing Agreement. Shri Dilip Kumar Panchaity is the Chairman and Shri Satish Chandra Consul and Shri Dharam Pal Khanna are the members of the committee, all are independent directors. Ms.Archna Agar, Company Secretary acts as Secretary to the Committee.

During the financial year 2008-2009, five (5) meetings were held on the following dates:

- 1. 30th April, 2008;
- 2. 31st July, 2008;
- 3. 4th September, 2008;
- 4. 31st October, 2008;
- 5. 31st January, 2009.

The constitution of the Committee and attendance of each member is given below:

NAME OF MEMBER	DESIGNATION	COMMITTEE MEETINGS ATTENDED
Shri Dilip Kumar Panchaity	Chairman	Five
Shri Satish Chandra Consul	Member	Five
Shri Dharam Pal Khanna	Member	Five

The Committee addresses matters pertaining to adequacy of provisions for liabilities and appropriateness of audit tests and checks. It performs the functions enumerated in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The matters deliberated upon by the Committee include:

- 1) Overseeing and reviewing dissemination of information and financial reporting process of the Company.

- 2) Recommending to the Board appointment, re-appointment of Statutory Auditors and fixation of audit fees.
- 3) Reviewing with the management and auditors periodical and annual financial statements before submission to the Board with particular reference to:-
 - a) matters covered under Directors' Responsibility Statement pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956;
 - b) changes, if any, in accounting policies and practices with reasons therefore;
 - c) significant adjustments made in financial statements arising out of audit findings;
 - d) compliance with provisions of the listing agreement as also other legal requirements pertaining to financial statements;
 - e) disclosure of related party transactions, which are in the ordinary course of business as also those, not in the normal course of business; and
 - f) qualifications, if any, in the draft audit report.
- 4) Evaluating and reviewing with the management, the performance of Statutory, Internal and Cost Auditors.
- 5) Reviewing the adequacy of internal audit.
- 6) Reviewing significant findings of internal auditors and reporting them to the Board.

In addition to the above the Committee shall have such functions/role/powers as may be specified in the Companies Act, 1956 and the Listing Agreement with Stock Exchanges or any other applicable law.

4. REMUNERATION COMMITTEE

The remuneration Committee is constituted to formulate and recommend to the Board from time to time, a compensation structure for Whole-time Directors/ Executive Directors.

The remuneration committee consists of the following non-executive and independent Directors:

Name of the Member	Designation
Shri Satish Chandra Consul	Chairman
Shri Dilip Kumar Panchaity	Member
Shri Dharam Pal Khanna	Member

During the Financial year 2008-09 only one meeting was held on 4th September, 2008 to decide the remuneration of Shri Anil Mittal, Whole-Time Director of the Company. All the members of the Committee attended the meeting.

The Remuneration Committee considers the following aspects for reviewing the remuneration of Senior management personnel:

- (i) Financial position of the Company;
- (ii) Trends in the industry;
- (iii) Appointee's qualification and experience;
- (iv) Past performance;
- (v) Competitive and benchmarked with the utility sector.

(a) Details of remuneration paid/payable to Executive Directors during the year 2008-09 are given below:

Name of the Director	Relation with other Directors	Business relation with the Company	Salary and Perquisites	Comm-ission	Total
Shri Manohar Lal Gupta	Related to Shri V.K. Gupta and Shri G.D. Garg	Promoter	2803385	Nil	2803385
Shri Vinod Kumar Gupta	Related to Shri M.L.Gupta and Shri G.D.Garg	Promoter	2803385	Nil	2803385
Shri Govind Das Garg	Related to Shri V.K. Gupta and Shri M.L. Gupta	Promoter	1401692	Nil	1401692
Shri Anil Mittal	None	Executive	2647071	Nil	2647071

Notes:

1. The remuneration to the executive directors is being paid as per the approval of the shareholders at the general body meeting.
2. Salary and perquisites includes Provident Fund, Bonus and Gratuity etc.
3. Presently, the Company does not have a scheme for grant of Stock options either to the executive directors or employees.

(b) Details of payment made to Non-Executive Directors during the year 2008-09 are given below:

Name of the Director	Relation with other Directors	Business relation with the Company	Total Sitting Fees
Shri Satish Chandra Consul	None	None	47000
Shri Dharam Pal Khanna	None	None	49000
Shri Dilip Kumar Panchaity	None	None	32000
Shri Dilip Kumar Sinha	None	None	8000

Notes:

1. The above figures are inclusive of fees paid for attendance of Committee meetings.
2. Shri Dilip Kumar Sinha is holding 1000 equity shares of the Company.

5. SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE

A 'Shareholders'/ Investors' Grievance Committee has been formed to look into shareholders and investors grievances as and when they are received. The Committee overseas and reviews all matters connected with transfer of securities of the Company.

During the financial year 2008-2009, four (4) meetings were held on the following dates:

1. 30th April, 2008;
2. 31st July, 2008;
3. 31st October, 2008;
4. 31st January, 2009

The constitution of the Committee and attendance of each member is given below:

NAME OF MEMBER	DESIGNATION	COMMITTEE MEETINGS ATTENDED
Shri Satish Chandra Consul	Chairman	Four
Shri Dharam Pal Khanna	Member	Four

The Company attends the shareholders'/Investors' grievances/ correspondences expeditiously.

During the year, 16 complaints were received from the shareholders, all of which have been attended to/ resolved to date. All the complaints have been suitably replied to the satisfaction of the concerned shareholder and there is no pending complaints with the Company.

Share Transfers

- All shares have been transferred and returned within three weeks from the date of their receipt, so long as the documents have been clear in all respects.
- The Share Transfer work has been delegated to SEBI registered Share transfer agent M/s. Link Intime India Private Limited (Formerly M/s. Intime Spectrum Registry Limited), Mumbai.
- As at 31st March, 2009 there were no requests pending for transfer.
- All complaints received from shareholders have been cleared within a reasonable time frame.
- The complaints are generally replied to within 10 days from their lodgment with the Company.
- There is no complaint pending with the Company.

Compliance Officer:

Ms. Archana Agar, Company Secretary of the Company is the Compliance Officer of the Company.

6. General Body Meetings

The location and time of the Annual General Meetings held during the last 3 years are as follows:

Annual General Meeting	Date	Time	Venue	No. of Special Resolutions passed
Twenty Fourth	30 th Sept., 2008	9.30 a.m.	Classique Club, New Link Road, Oshiwara, Andheri (West), Mumbai-400 053	NIL
Twenty Third	29 th Sept, 2007	10.00 a.m.	Eden Hall, The Classique Club, Link Road, Oshiwara, Andheri (West), Mumbai – 400 053	Three (Passed Unanimously)
Twenty Second	30 th Sept, 2006	10.00 a.m.	57, Mulji House, Bharuch Street, Masjid Bunder, Mumbai-09	Three (Passed Unanimously)

- No resolution is passed through postal ballot till date.
- Presently, the Company does not have any transaction/proposal for postal ballot.
- Postal ballot, if required to be passed in future shall be in terms of provisions of the prescribed section and Rules.

On 16th June, 2009 a court convened meeting of the shareholders of the Company was held to approve the scheme of amalgamation as per the directions of the court.

7. Disclosures

- Details of the related parties as specified in Accounting Standard 18 issued by the Institute of Chartered Accountants of India have been reported in note 6 of **Schedule "P"** attached to the Accounts. This transactions are not likely to have any conflict with the Company's interest.
- There has been no instance of non-compliance by the Company on any matter related to capital markets or imposition of penalties or strictures by SEBI or the Stock Exchanges or any other Statutory Authority during last three years.
- Though there is no formal Whistler Blower Policy, the Company takes cognizance of complaints and suggestions and takes appropriate corrective actions, wherever necessary.
- No personnel of the Company was denied access to the Audit Committee during the year.

- Company has timely complied with all mandatory requirements of the Listing Agreement and also adopted the non-mandatory requirements wherever required.

8. Means of Communication

- The quarterly and audited financial results of the Company are submitted to the Stock Exchanges immediately after the Board approves them.
- The Company generally publishes quarterly results in two news papers i.e.
 - (1) Financial Express/ Business Standard or any other English language news paper having wide circulation;
 - (2) Navshakti/ Maharashtra Times, Mumbai edition.
- The Company also informs general public all matters which in its opinion are material and of relevance, to the shareholders of the Company.
- The annual and quarterly results of the Company are displayed on the website of the Company- www.pdindia.com.
- Management Discussion and Analysis report is forming part of the report.
- Disclosures pursuant to various clauses of the listing.

9. General Shareholder Information

Annual General Meeting: -

- Date & Time

28th December, 2009 at 9.30 a.m.

(Extention of time given by the Registrar of Companies, Maharashtra)

- Venue

The Classique Club, Behind Infinity Mall, Link Road, Oshiwara, Andheri (W), Mumbai - 400 053

Financial Year of the Company

The financial year of the Company is from 1st April to 31st March, each year.

Key Financial Reporting dates for the year 2009-10

Sr.No.	Related Quarter	Tentative Dates
1.	Quarter ending June, 2009	31 st July, 2009 (already held)
2.	Half year ending September, 2009	31 st October, 2009 (already held)
3.	Quarter ending December, 2009	Last week of Jan, 2010
4.	Year ending March, 2010	Last week of April, 2010

Note: The above dates are indicative

Date of Book Closure: -

25th December, 09 to 28th December, 09

(both days inclusive)

Dividend Payment Date: -

on or after 1st January, 2010

Listing on Stock Exchanges

The Shares of the Company are listed at :

- The Bombay Stock Exchange Limited (BSE) Phirozee Jeejeebhoy Towers, Dalal Street, Mumbai

Stock Code

PARENTLD

Scrip Code

BSE No.524689

ISIN No.

INE904D01019 (NSDL & CDSL)

Stock Market Data & comparison of performance

Month	High (BSE) (Rs.)	Low (BSE) (Rs.)	High (BSE Index) (Rs.)	Low (BSE Index) (Rs.)	No. of Shares	No. of Trades
Apr, 08	175.00	102.05	17480.74	15297.96	308132	2541
May	164.50	131.55	17735.70	16196.02	136148	1171
June	155.75	98.20	16632.72	13405.54	209662	2307
July	110.90	89.25	15130.09	12153.55	52702	734
Aug	109.00	85.10	15579.78	14002.43	55480	847
Sept	96.00	61.95	15107.01	12153.55	60511	782
Oct	66.25	42.50	13203.86	7697.39	59591	752
Nov	60.90	41.85	10945.41	8316.39	38136	388
Dec	55.00	45.00	10188.54	8467.43	38423	378
Jan,09	55.70	39.00	10469.72	8631.60	25707	344
Feb	50.40	30.00	9724.87	8619.22	12048	293
Mar	46.00	35.10	10127.09	8047.17	64056	744

Registrar and Transfer Agents

All communications with regard to transfer, transmission, Electronic Clearing Services (ECS), dividend, dematerialization, etc. should be addressed to:

M/s. Link Intime India Private Limited
 (Formerly known as Intime Spectrum Registry Limited)
 C-13, Pannalal Silk Mills Compound,
 LBS Marg, Bhandup (West), Mumbai-400 078
 Tel.: 91-22-25963838 Fax: 91-22-25946969
 e-mail: mumbai@linkintime.co.in

The share transfer and de-materialization related activities are being handled by the share transfer agent.

Share Transfer System

To expedite the transfer of shares held in physical mode the powers to execute transfers have been delegated to a SEBI registered share transfer agent M/s. Intime Spectrum Registry Limited. The transfer of the shares of the Company made during the quarter is further ratified by the members of the Shareholders'/ Investors' Grievance Committee at the end of every quarter.

A predetermined process cycle at regular interval ensures transfer of shares expeditiously. In compliance with the Listing Agreement, every six months the system is audited by a practicing Company Secretary and a certificate to that effect is issued and filed with the Stock Exchanges.

The Company has signed necessary agreements with two depositories currently functional in India viz. National Securities Depository Limited and Central Depository Services (India) Limited. The transfer of shares in depository mode need not to be approved by the Company.

***Distribution of shareholding as on 20th November, 2009**

Slab of Shareholding	No. of Shareholders	% of total	No. of Shares	% of total
1-500	3781	88.82	639341	3.30
501-1000	241	5.66	190964	0.98
1001-2000	91	2.14	146904	0.75
2001-3000	28	0.65	72568	0.37
3001-4000	19	0.45	67186	0.35
4001-5000	13	0.30	61611	0.32
5001-10000	34	0.80	245824	1.27
10001-and above	50	1.18	17975725	92.66
Total	4257	100.00	19400123	100.00

***According to categories of shareholdings as on 20th November, 2009**

SR. NO.	CATEGORY	NO. OF SHARES	% OF HOLDING
A	PROMOTER'S HOLDING		
1.	Promoters		
	-Indian Promoters	1,34,41,433	69.28
	-Foreign Promoters	-	-
2.	Persons acting in concert	-	-
	Sub-Total	1,34,41,433	69.28
B	NON-PROMOTER'S HOLDING		
3.	Institutional Investors	-	-
a.	Mutual funds and UTI	6,000	0.03
b.	Banks, Financial Institutions, Insurance Companies(Central/State Govt. Institutions /Non-government Institutions)	1,000	0.01
C.	FII's	23,95,000	12.34
	Sub-Total	24,02,000	12.38
4.	Others		
a.	Bodies Corporate	7,32,799	3.77
b.	Indian Public	27,70,495	14.28
c.	NRIs/OCBs	25,817	0.13
d.	Any Other (Clearing Members)	27,579	0.14
	Sub-Total	35,56,690	18.34
	GRAND TOTAL	1,94,00,123	100.00

***Dematerialization of shares**

As on 20th November, 2009, total 1,31,89,028 shares are held in dematerialized form.

* Includes 43,30,123 equity shares of Rs.10/- each allotted by the Company pursuant to Order dated 12th October, 2009 of Hon'ble High Court of judicature at Bombay.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments

The Company does not have any outstanding GDRs/ADRs/Warrants or any other convertible instruments issued during the year.

Plant Location

1. Village Asrawad, Post Dudhia, Nemawar Road, Indore-453 331 (M. P.)
2. Village Bhud, Tehsil Nalagarh, Distt. Solan - 173 205 (H. P.)
3. Village Sura, Post Suranussi, Jalandhar-144 027 (Punjab)
4. Honda Industrial Estate, Plot No.1, Phase III, Honda, Sattari-403 530 (Goa)

Investor Correspondence:

For all investor related matters, the Company Secretary and Compliance officer can be contacted at:

- "Company Secretary",
Parenteral Drugs (India) Limited
Shree Ganesh Chambers, Navlakha Crossing, Indore (M.P.) - 452 001
e-mail : investor@pdindia.com

or

- Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West), Mumbai - 400 078.

FOR AND ON BEHALF OF THE BOARD
Vinod Kumar Gupta
Managing Director

Place : Indore
Dt. 26th November, 2009

CERTIFICATE

To
The Members of
Parenteral Drugs (India) Limited

We have examined the compliance of the conditions of Corporate Governance by Parenteral Drugs (India) Limited for the year ended March 31, 2009 as stipulated in Clause 49 of the listing agreement of the said company with stock exchange in India.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statement of the company.

In our opinion and to the best of our information and explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2009 no investor grievances are pending against the company as on date as per the records maintained by the company and presented to the investors/shareholders grievance committee.

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

For T.N.Unni & Co.
Chartered Accountants

T.N.Unni
(Partner)

Dt. : 26th November, 2009

Declaration

This is to certify that the Board Members and senior management personnel adhere compliance to the Code of Conduct as applicable to them.

Indore
Dt. : 26th November, 2009

Managing Director

AUDITORS' REPORT

To,

The Members of

M/s. PARENTERAL DRUGS (INDIA) LIMITED

MUMBAI

1. We have audited the attached Balance Sheet of **M/s. Parenteral Drugs (India) Limited** as at March 31, 2009 and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with 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 mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that;
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Act;
 - e) On the basis of written representation received from the directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the notes thereon attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - (ii) In so far as it relates to the Profit and Loss Account, of the profit for the year ended on that date.
 - (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO

Chartered Accountants

T.N. Unni
(Partner)

Camp : Angadipuram
Dt. 26th November, 2009

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the Members of **Parenteral Drugs (India) Limited** on the accounts for the year ended March 31, 2009]

- 1.a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.
- b) The Fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- c) In our opinion, and according to the information and explanations given to us, the Company has not disposed off a substantial part of fixed assets during the year.
- 2.a) The stock of finished goods, stores, spare parts and raw material lying at its location have been physically verified by the management at intervals during the financial year and the frequency of verification is considered reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the books of records were not material.
- 3.a) The Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- b) The Company has taken unsecured loans from 8 (eight) companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 775.13 lacs and the year end balance of such loans aggregated to Rs. 775.13 lacs
- c) The rate of interest and other terms and conditions of unsecured loan taken by the company, are prima facie not prejudicial to the interest of the Company.
- d) Payment of the principal amount and interest are also regular during the year.
4. In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- 5.a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the Register maintained under Section 301 of Act, have been so entered.
- b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowings made by the Company. No order under the aforesaid sections has been passed by the Company Law Board on the Company.
7. The Company has appointed a firm of Chartered Accountants to carry out the internal audit, and the scope of audit is commensurate with its size and nature of business.
8. Maintenance of cost records has been prescribed for the products of the company by the Central Government, under Section 209(1) (d) of the Companies Act, 1956, and in our opinion prima facie, all cost records are being maintained by the Company.

- 9.(a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities.
- (b) As at March 31, 2009 according to the records of the Company and the information and explanations given to us, the demand of excise duty to the tune of Rs. 230.20 lacs and penalty thereon has been challenged by the Company and the case is pending before the Hon'ble CESTAT, Mumbai.
10. The Company neither has accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. On the basis of information and explanations given by the Management, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or banks.
12. 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, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. The Company is not dealing or trading in Shares, securities, debentures and other investments and the investment made by the Company in shares and other securities has been held in its own name in respect of which the Company has maintained adequate records.
15. The Company has assumed the Corporate Guarantee for loans taken by its subsidiary company Goa Formulations Limited. The terms and condition of Corporate Guarantee are not prejudicial to the interest of the Company.
16. In our opinion and according to the information and explanations given to us the term loans taken by the Company were applied for the purpose for which the loans were obtained.
17. Based on the information and explanations given to us and on examination of the books of the Company, in our opinion the funds raised on a short-term basis have not been used for long-term investment.
18. The Company has allotted 43,30,123 Equity Shares and 29,62,102 0% optionally convertible redeemable Preference Shares to one of the company under section 301 of the Companies Act, 1956 as per Scheme of Amalgamation approved by High Court.
19. No debentures have been issued by the Company during the year.
20. During the year, the Company has not raised money by way of public issue.
21. According to the information and explanations given to us and the examination of the records we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

**Camp : Angadipuram
Dt. 26th November, 2009**

**For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)**

PARENTERAL DRUGS (INDIA) LIMITED

BALANCE SHEET AS AT 31-03-2009

(Rupees)

		AS AT 31-03-09	AS AT 31-03-08
SOURCES OF FUNDS			
<u>SHAREHOLDERS' FUNDS</u>			
SHARE CAPITAL	A	309686250	236764000
RESERVES & SURPLUS	B	2444073317	1070204593
<u>LOAN FUNDS</u>			
SECURED LOANS	C	1255944658	871306061
UNSECURED LOANS	D	182113148	146439472
	TOTAL	4191817373	2324714126
APPLICATION OF FUNDS			
<u>FIXED ASSETS</u>			
GROSS BLOCK	E	1591418596	1216929832
LESS : DEPRECIATION		243634503	186474370
NET BLOCK		13477484093	1030455462
<u>INVESTMENTS</u> (See Note No. 16 of Notes on Accounts)		1390885000	5275000
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>			
INVENTORIES	F	624729686	429370520
SUNDRY DEBTORS	G	743352417	644904529
CASH & BANK BALANCES	H	94446217	221514798
LOANS & ADVANCES	I	368180636	286523973
		1830708956	1582313820
<u>LESS: CURRENT LIABILITIES AND PROVISIONS</u>	J	377624320	293330156
NET CURRENT ASSETS		1453084636	1288983664
<u>MISCELLANEOUS EXPENDITURE</u>			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		63644	0
	TOTAL	4191817373	2324714126

NOTES ON ACCOUNTS

P

As per our report of even date attached
For T.N. Unni & Co.
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

Ms. Archana Agar
Company Secretary

For and on behalf of the Board
Manoharlal Gupta
Chairman cum - Managing Director
Vinod Kumar Gupta
Managing Director
Govind Das Garg
Whole-time Director
Place : Indore
Dt. 26th November, 2009

PARENTERAL DRUGS (INDIA) LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-2009 (Rupees)

		FOR THE YEAR SCHEDULE ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
<u>INCOME</u>			
SALES (NET OF RETURNS)		2269516880	2129762606
INCREASE/DECREASE IN STOCK (+/-)	K	93359751	114941847
OTHER INCOME		2799706	21353182
	TOTAL	2365676337	2266057635
<u>EXPENDITURE</u>			
MATERIAL CONSUMED		1206563130	1008620798
MANUFACTURING EXPENSES	L	193092844	218018198
EXPENDITURE ON EMPLOYEES	M	92553531	84676265
ADMINISTRATIVE & GENERAL EXPENSES	N	152744946	176621514
SELLING & DISTRIBUTION EXPENSES	O	383026803	390837817
INTEREST & FINANCIAL OUTLAY		113022501	107816956
DEPRECIATION	E	57118188	44634320
	TOTAL	2198121944	2031225868
<u>PROFIT BEFORE TAXATION</u>		167554393	234831767
LESS: INCOME TAX FOR THE YEAR		19262947	25763540
LESS: FRINGE BENEFIT TAX FOR THE YEAR		3137723	3119531
LESS: PROVISION FOR DEFERRED TAX LIABILITIES		37459875	14549550
<u>PROFIT AFTER TAX</u>		107693848	191399145
ADD: BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		313325085	177784999
SURPLUS AVAILABLE FOR APPROPRIATION		421018933	369184144
<u>APPROPRIATION</u>			
TRANSFERRED TO GENERAL RESERVE		21538769	40585248
INCOME TAX PAID FOR EARLIER YEARS		0	4843495
PROPOSED DIVIDEND		20805000	17195014
TAX ON DISTRIBUTED PROFIT		3535810	2922293
SURPLUS TRANSFERRED TO BALANCE SHEET		375139354	313325085
EARNING PER SHARE		6.87	16.76
DILUTED EARNING PER SHARE		6.87	16.76
NOTES ON ACCOUNTS	P		

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

Ms. Archana Agar
 Company Secretary

For and on behalf of the Board
Manoharlal Gupta
 Chairman cum - Managing Director
Vinod Kumar Gupta
 Managing Director
Govind Das Garg
 Whole-time Director
 Place : Indore
 Dt. 26th November, 2009

SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE - A		
<u>SHARE CAPITAL</u>		
<u>Authorised</u>		
26500000 Equity Shares of Rs. 10/- each	265000000	265000000
3500000 Shares, Redeemable, Non Cumulative, Non convertible Preference Share of Rs. 10/- Each	35000000	35000000
2962102 - 0% Optionally convertible redeemable Preference Share of Rs. 10/- Each	29621020	0
<u>Issued Subscribed and Paid Up</u>		
Equity Share Capital		
18200123 Equity Shares of Rs. 10/- each (including 6284720 Equity Shares of Rs. 10 /- each Bonus shares issued as fully paid up out of free reserve & 1042560 Equity shares of 10 each issued as fully paid up out of revaluation reserves)	182001230	138700000
Preference Share Capital		
3500000 Shares, Redeemable, Non Cumulative, Non convertible Preference Share of Rs. 10/- Each	35000000	35000000
2962102 - 0% Optionally convertible redeemable Preference Share of Rs. 10/- Each	29621020	0
Share Application Money for Preference Share Capital	59264000	59264000
Advance against Warrants 10% Nominal value advance for 3800000 Warrants (2400000 Warrants issued to promoters) convertible into Equity Shares allotted contingent upon allottee's exercise of option to apply and payment of balance and fulfilment of essential conditions of allotment.	3800000	3800000
TOTAL	<u>309686250</u>	<u>236764000</u>
SCHEDULE B		
<u>RESERVES & SURPLUS</u>		
General Reserve	67090589	45551820
Profit & Loss A/c	306737104	313325085
Surplus transferred from Profit and Loss account	375139354	
Less: Equity shares issued as per scheme of amalgamation	43101230	
Less: Preference shares issued as per scheme of amalgamation	29621020	
Add: Balance of Profit and Loss account of amalgamating companies	4320000	

		(Rupees)	
		AS AT 31-03-09	AS AT 31-03-08
Capital Reserve		100000	100000
Revaluation Reserve		12148067	12190006
Share Premium		1825382013	538304300
Opening balance	538304300		
Add:As per scheme of amalagamtion	<u>1287077713</u>		
Amalgamation Reserve (As per scheme of amalagamtion)		34422287	0
Warrant Premium		67035800	67035800
Deferred Tax Reserve		131157458	93697582
Reserve for the previous years	93697582		
Add :Liability for the current year	<u>37459876</u>		
	TOTAL	<u>2444073317</u>	<u>1070204593</u>
SCHEDULE C			
<u>SECURED LOANS</u>			
(See also note no. 2 of Notes on Accounts)			
State Bank of India,Commercial Branch ,Indore Term Loan I for Indore plant		2389217	9999262
State Bank of India,Commercial Branch ,Indore Term Loan II for Baddi plant		40142747	52513323
State Bank of India,Commercial Branch ,Indore Term Loan III for Baddi plant		106073363	125981750
State Bank of India,Commercial Branch ,Indore Term Loan IV for Baddi plant		282944566	140599921
State Bank of India,Commercial Branch ,Indore Corporate Loan		127763368	148859504
Punjab National Bank, Chandigarh Term Loan for Baddi plant		23972938	27500000
Punjab National Bank, Chandigarh Term Loan for Indore plant		20204018	0
Punjab National Bank, Chandigarh Loan against fixed deposit		0	9594981
Punjab National Bank, Chandigarh Cash Credit		185658271	0
State Bank of India,Commercial Branch ,Indore Cash Credit		466764269	356141485
ICICI Bank Ltd		31901	115835
Car Finance	32586		
Less : Unmatured Interest	<u>685</u>		
	TOTAL	<u>1255944658</u>	<u>871306061</u>

(Rupees)

AS AT 31-03-09 **AS AT 31-03-08**

SCHEDULE D

UNSECURED LOANS

From Directors & Relatives	4560161	2310161
Inter corporate deposits	72953000	0
Sales Tax Deferred Liability (Payable after 5 Yrs. under deferred scheme)	0	10504183
Security Deposit from Dealers & suppliers	104599987	133625128
TOTAL	<u>182113148</u>	<u>146439472</u>

SCHEDULE - E

FIXED ASSETS AND DEPRECIATION AS ON 31.03.2009

PARTICULARS	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	AS ON 01.04.2008	ADDITION	DEDUCTION	AS ON 31.03.2009	UP TO 01.04.2008	FOR THE YEAR	DEPRECIATION ON REVALUATION	WRITTEN BACK	AS ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
LAND	33869325	0	0	33869325	0	0	0	0	0	33869325	33869325
FACTORY BUILDING	307515969	24235555	0	331751524	40758981	9940916	27455	0	50727352	281024171	266756988
OFFICE PREMISES	1566460	0	0	1566460	182906	9780	0	0	192686	1373774	1383554
VEHICLES	10453781	700000	0	11153781	6077987	882468	0	0	6960455	4193326	4375794
OFFICE EQUIPMENTS	3076981	41940	0	3118921	1126892	126033	0	0	1252926	1865995	1950089
ELECTRICAL INSTALLATION	42240791	1047894	0	43288685	8106005	1966491	847	0	10073343	33215342	34134786
PLANT & MACHINERY	781437339	250539666	0	1031977005	103603181	44124626	13637	0	147741445	884235560	677834158
FURNITURE & FITTINGS	14730817	532574	0	15263391	6030486	917840	0	0	6948326	8315064	8700330
COMPUTER & SOFTWARE	22038371	1023469	0	23061839	20587938	1001243	0	1851210	19737971	3323868	1450433
CAPITAL WORK IN PROCESS	0	96367665	0	96367666	0	0	0	0	0	96367666	0
TOTAL	1216929834	374488762	0	1591418596	186474377	58969399	41939	1851210	243634507	1347784089	1030455457
PREVIOUS YEAR FIGURES	960471063	370183321	113724550	1216929834	207911278	44634320	41939	66113168	186474369	1030455465	752559785

SCHEDULE - F

INVENTORIES (At Cost or Market value which ever is less)

(As taken, valued & certified by Management)

Raw Material and Packing Material and stores	221974487	119975072
Finished Goods and SIP	402755199	309395448
TOTAL	<u>624729686</u>	<u>429370520</u>

SCHEDULE G

SUNDRY DEBTORS

Due for more than 6 months (considered good)	23797057	22426299
Other Debts (Considered good)	719555360	622478230
TOTAL	<u>743352417</u>	<u>644904529</u>

SCHEDULE H

CASH & BANK BALANCES

Cash in Hand (Includes Gold coins in previous year)	752246	311092
Cheques in Hand	14665600	22938749
In Current Account with Scheduled Banks	45914743	26064957
In Fixed Deposit with Scheduled Banks	33113628	172200000
TOTAL	<u>94446217</u>	<u>221514798</u>

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE I		
<u>LOANS AND ADVANCES</u>		
Advances (Recoverable in cash or in kind or for value to be received, considered good)	232101795	208230032
Accrued and Prepaid	2700016	2225518
Dividend receivable	18720000	0
Tender and other Deposits	26780508	20664751
Income Tax paid	87878317	55403672
1) Tax Deducted at Source	2306758	
2) Advance Income Tax	11896500	
3) Income Tax Payments On a/c pending Assessments/Appeals	64309659	
4) Advance Fringe Benefit Tax	9365400	
TOTAL	<u>368180636</u>	<u>286523973</u>
SCHEDULE J		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
Sundry Creditors	188310179	134687509
Outstanding Liabilities	79145210	71321197
Dividend payable	20805000	17195014
Taxes Payable	89280847	67967282
1) Provision for Income Tax for the year	19262947	
2) Income Tax payable for previous years	45036198	
3) Tds Payable	5488543	
4) Fringe benefit Tax Payable	9850587	
5) Dividend Tax Payable	3535810	
6) Other Taxes Payable	6106762	
Excise Duty Provision	83084	2159154
TOTAL	<u>377624320</u>	<u>293330156</u>

(Rupees)

	FOR THE YEAR ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
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SCHEDULE K

INCREASE/DECREASE IN STOCK

Stock of finished goods and SIP as at the close of the year	402755199	309395448
Less: Stock of finished goods and SIP as at the commencement of the year	309395448	194453601
TOTAL	<u>93359751</u>	<u>114941847</u>

(Rupees)

FOR THE YEAR ENDED ON 31-03-09 **FOR THE YEAR ENDED ON 31-03-08**

SCHEDULE L

MANUFACTURING EXPENSES

Factory Expenses	14427389	15859894
Analytical, Testing Expenses & Processing expenses	65761977	70484431
Power, Coal and Fuel	87448443	89071682
Consumable Stores	3861572	4127166
Repairs & Maintenance to fixed assets	12820229	12150868
Excise Duty Paid	8773234	26324157
TOTAL	<u>193092844</u>	<u>218018198</u>

SCHEDULE M

EXPENDITURE ON EMPLOYEES

Salaries (Including P.F. Bonus, Gratuity & Earned Leave)	91238341	83633041
Staff Welfare	1315190	1043224
TOTAL	<u>92553531</u>	<u>84676265</u>

SCHEDULE N

ADMINISTRATIVE & GENERAL EXPENSES

Rent, Rates, Taxes & Insurance	84384890	109320052
Stationery & printing	3935933	5319878
Postage, Telegram & Telephone	13068699	13235721
Legal & Professional Expenses	9277221	9819589
Directors' Remuneration	8400000	6000000
Auditors' Remuneration	102884	112360
Bank Commission & Charges	10032648	12738241
Convyance Expenses	8638638	8816151
Vehicle Running & Maintenance	3549813	3336123
Repairs & Maintenance Off. Bldg.	599421	12100
Miscellaneous and general expenses	5954116	5971535
Software & computer maintenance	1767785	1482858
Office Expenses	870950	0
Membership & Subscription	259095	456905
Sundry Balance Written-off	-900	0
Licence & Fees	1903753	0
TOTAL	<u>152744946</u>	<u>176621514</u>

SCHEDULE O

SELLING & DISTRIBUTION EXPENSES

Travelling Expenses	85715736	84590206
Business Promotion	5610978	5082323
Carriage Outward	166131757	176654040
Advertising, Publicity and Conference	5884756	5135560
Sales Commission	97764178	101647764
Sales Incentive	21230693	13998697
Miscellaneous Selling Expenses	688706	3729226
TOTAL	<u>383026803</u>	<u>390837817</u>

SCHEDULE - P**ACCOUNTING POLICIES & NOTES ON ACCOUNTS****Significant Accounting Policies**

- i) The Financial Statements are prepared at historical costs.
- ii) Recognition of Revenue and Expenditure
 - (a) All revenue and expenditure are recognised and accounted for on accrual basis.
 - (b) Foreign Exchange Transactions

Transactions in Foreign Currency are recorded in financial statements based on the exchange rate existing at the time of the transactions.
 - (c) Export incentives are accounted for on receipt basis in view of uncertainties.
 - (d) Taxation

Provision for taxation of income and fringe benefit tax is made on the basis of the taxable profit computed for current accounting year in accordance with the Income Tax Act 1961.

Deferred Tax resulting from timing differences between Book Profits and Tax Profits is accounted for at the current rates of tax to the extent the timing difference are expected to crystallise, in case of Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with virtual certainty that there would be adequate future taxable income against which such Deferred Tax Assets can be realised.
 - (e) Figures for the previous year have been re-grouped and rearranged wherever considered necessary and the previous years figures have been adopted as per the Audited Balance Sheet of the Company, as effective date of amalgamation is 1st November, 2008.
- iii) Fixed Assets
 - (a) Fixed Assets are stated at historical cost as in the past and the assets prior to 1993-94 are at values adjusted by revaluation, which includes expenditure incurred on the acquisition fabrication and/or installation.
 - (b) Pre-operative expenditure comprising revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of project cost and are capitalized.
- iv) Depreciation
 - a) Depreciation on fixed assets has been calculated on straight line method at the rates prescribed in schedule XIV of the Companies Act 1956.
 - b) No Depreciation has been provided on Capital Work in Progress.
- v) Inventories

Inventories are valued at cost, including the element of such expenses & taxes which are directly identifiable to represent cost.
- vi) Analytical Testing and processing expenses also includes labour charges.
- vii) Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalized upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit & Loss Account.
- viii) Separate sets of books of accounts are maintained for separate units of production, as required by law.
- ix) Investments: - Long Term Investments are stated at cost.

Notes Forming part of Accounts

1. In the opinion of the Board of Directors of the Company the current assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

2. Secured Loans

(Referred to in Schedule 'C')

	As At 31.03.2009 Rs.	As At 31.03.2008 Rs.
State Bank of India, Commercial Branch ,Indore	2389217	9999262
Term Loan I for Indore plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Private Limited.)		
State Bank of India, Commercial Branch ,Indore	40142747	52513323
Term Loan II for Baddi plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Private Limited.)		
State Bank of India, Commercial Branch ,Indore	106073363	125981750
Term Loan III for Baddi plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Private Limited.)		
State Bank of India, Commercial Branch ,Indore	282944566	140599921
Term Loan IV for Baddi plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Private Limited.)		
Punjab National Bank, Chandigarh	20204018	0
Term Loan (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Private Limited.)		

Punjab National Bank, Chandigarh	23972938	27500000
Term Loan for Baddi plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Private Limited.)		
Punjab National Bank, Chandigarh	185658271	0
Cash Credit (Secured by first pari-passu charge on current assets of the Company and second pari-passu charge on fixed assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors and by Smt. Alpana Gupta and by Diamond Crystal Private Limited.)		
State Bank of India, Commercial Branch, Indore	466764269	356141485
Cash Credit (Secured by first pari-passu charge on current assets of the Company and second pari-passu charge on fixed assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors and by Smt. Alpana Gupta and by Diamond Crystal Private Limited.)		
State Bank of India, Commercial Branch, Indore	127763368	148859504
Corporate Loan (Secured by first pari-passu charge on fixed assets of the Company and specifically secured by pledge of 20 lacs BSE traded Shares of the Company held by Rajratan Exports Limited.)		
Punjab National Bank, Chandigarh	0	9594981
Loan against Fixed Deposit (Secured against Fixed Deposit of Rs. 1.00 Crores)		
ICICI Bank Ltd	31901	115835
Car Finance (Secured by hypothecation of car)		

3. Contingent Liabilities.

- a) Counter Guarantee given to Bank against guarantee issued by it to the tune of Rs. 748.90 Lacs (Previous year Rs. 388.23 lacs).
- b) Two group companies have offered collateral securities (1) by mortgage of one company immovable properties & (2) by pledge of shares in favour of the Company against credit facilities and corporate loan. Amount involved is uncertain.
- c) Corporate Guarantee given to one subsidiary company to the tune of Rs. 1530 lacs.
- d) On 31st March, 2009, the otherwise belatedly filed appeal of the Commissioner of Central Excise, Indore, claiming alleged demand of excise duty of Rs. 2,30,20,093/- and penalty thereon was admitted by the Hon'ble Supreme Court of India after condonation of delay and the order dated 30th June, 2003 passed by the Hon'ble CESTAT in favour of the Company was set aside with directions to the Hon'ble CESTAT, Mumbai for fresh consideration in accordance with law. The matter is now pending before the Hon'ble CESTAT for fresh consideration as per the directions of the Hon'ble Supreme Court, the whole amount is disputed, this will also settle the issue for the future.

4. Managerial Remuneration:

(Amount in Rs.)

S.NO.	NAME OF DIRECTOR	SALARY
1.	Shri Manoharlal Gupta Chairman Cum Managing Director	28,03,385/-
2.	Shri Vinod Kumar Gupta Managing Director	28,03,385/-
3.	Shri Govind Das Garg Whole-Time Director	14,01,692/-
4.	Shri Anil Mittal Whole-Time Director	26,47,071/-
	TOTAL	96,55,533/-

* Note : It includes Salary and other cost to the Company.

- The Company is principally engaged in the business of pharmaceutical. Accordingly there are no segments as per Accounting Standard 17 "Segmental Reporting" issued by the Institute of Chartered Accountants of India.
- Related party disclosure in accordance with Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below: -

Related Party Relationship and Transactions with Related Parties

A Name of Related Parties & Description of relationship:

1.	Subsidiaries	Parenteral Biotech Limited, Abhay Drugs Limited, Parenteral Impex Limited, Anjaney Pharmaceuticals Ltd., Parentech Healthcare Limited, Parenteral Surgical Limited, Punjab Formulations Limited, Goa Formulations Limited			
2.	Key Management Personnel	Manohar Lal Gupta Chairman cum Managing Director	Vinod Kumar Gupta Managing Director	Govind Das Garg Whole Time Director	Anil Mittal Whole Time Director
3.	Relatives of Key Management Personnel	Alpana Gupta,wife Umashankar Gupta, father Ravindra Gupta, brother Aditya Gupta, son Ayush Gupta, son	Aruna Gupta, wife Ramesh Gupta, brother Abhay Gupta, son Archana Gupta, daughter	Shashi Garg, wife Manish Garg, son Ashish Garg, son	Deepali Mittal, wife Lalit Mittal, brother
4.	Enterprises Controlled by Key Management Personnel / Relatives of Key Management Personnel	Rajratan Exports Pvt. Limited, Mahaganpati Investments Pvt. Ltd., PDPL Holdings Pvt. Ltd., PDPL Securities Pvt. Ltd., Parenteral Medicines Ltd., Panorama Remedies Ltd., Anitas Exports Pvt. Ltd., Lalit Media & Education Limited, Orissa Formulations Private Limited, Anitas Management Pvt. Ltd., MVG Mercantile Pvt. Ltd., Vino Infratech Pvt. Ltd., Chiron Metco Limited, Chetan Medicaments Private Ltd., Diamond Crystal Private Limited, Earawat Steels Private limited, Neptune Packaging Private Limited, Prem Pharmaceuticals, Parenteral Commercial Services Pvt. Ltd., Manish Medicates Pvt. Ltd., AGT Mercantile Pvt. Ltd., Simtrad Overseas Pvt. Ltd., KRM Holdings Pvt. Ltd.			

B. Summary of Related Party Transactions

(Rs. in Lacs)

S. No.	Particulars	Subsidiary	Company Under Control	Individuals Having Control	Others
a)	Transactions				
	01. Managerial Remuneration	Nil	Nil	96.50	Nil
	02. Sale of Goods / Material	597.70	0.61	Nil	13.66
	03. Purchase of Goods/Material	175.77	Nil	Nil	Nil
	04. Fixed Assets Purchased	1.17	2076.24	Nil	Nil
	05. Loans Received	0.50	Nil	Nil	Nil
	06. Loans Given	30.97	Nil	Nil	Nil
	07. Office Rent Given	Nil	13.20	Nil	Nil
	08. Job Work Income	81.84	Nil	Nil	Nil
	09. Investment in shares of Subsidiary companies	16.00	Nil	Nil	Nil
	10. Remuneration to relatives of key management personnel	Nil	Nil	35.44	Nil
b)	Outstanding Balance as on 31.03.09				
	Investments	13637.75	Nil	Nil	Nil
	Advances for Fixed Assets Purchase	Nil	920.09	Nil	Nil
	Outstanding Loans	35.92	-0.87	Nil	-728.09

7. Auditors Remuneration in Profit & Loss account as under:-

Audit Fees	Rs.	99,270.00
Tax Audit Fees	Rs.	11,030.00
Total	Rs.	1,10,300.00

8. There are no outstanding dues in excess of Rs. 1.00 lac each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.
9. Raw Material consumption also includes Rs12,56,86,209/- for purchase of goods for Trade. (Previous year Rs. 13,00,19,106/-)
10. One group Company, Shareholder of 35,00,000 Redeemable, Non Cumulative, Non Convertible Preference Shares have waived its right to claim dividend on such Shares.
11. 10% of the issue price of 38,00,000 warrants convertible into Equity Shares received in previous year has been split into nominal value and warrant premium. These have been shown in Schedule 'A' and Schedule 'B' respectively.
12. Calculation of Basic and Diluted Earning per Share

Particulars	31.03.2009	31.03.2008
Earnings available for Equity Shareholders		
Profit After Tax	10,76,93,848/-	19,13,99,145/-
Earnings for Basic and Diluted Earning per Share	10,76,93,848/-	19,13,99,145/-
Per Share for Basic and Diluted Earning per Share		
No. of Shares Outstanding	1,38,70,000	1,12,00,000
Add : Shares Issued on Preferential Basis (26,70,000 shares x 1/12)	—	2,22,500
Add : Shares Issued as per Scheme of Amalgamation (43,30,123 shares x 5/12)	18,04,218	—
Total Weighted Average No. of Shares	1,56,74,218	1,14,22,500

13. Consequent to the issuance of Accounting Standard 22 "Accounting for Taxes on Income" by the Institute of Chartered Accountants of India, the Company has recognised the deferred tax liability aggregating to Rs. 3,74,59,876/- in the Profit & Loss Accounts in the current year. (Amount in Rs.)

Particulars	Upto 31.03.08	Arising during the year	Balance Carried as at 31.03.09
Deferred Tax Liabilities			
On account of timing difference in depreciation	98324445/-	36452153/-	134776598/-
Total Deferred Tax Liability	98324445/-	36452153/-	134776598/-
Deferred Tax Assets			
On account of timing Difference In disallowance u/s 43B of the Income Tax Act, 1961.	3205584/-	413556/-	3619140/-
Deferred Tax Assets			
On account of MAT Credit available	1421279/-	-1421279/-	Nil
Total Deferred Tax Assets	4626863/-	-1007723/-	3619140/-
Net Deferred Tax Liability	93697582/-	37459876/-	131157458/-

14. Disclosure required as per AS-14 'Accounting for Amalgamation':

1. Name of Amalgamating Companies	PFL Holdings Private Limited	Goa Holdings (India) Private Limited
2. General Nature of Business	Holding Company	Holding Company
3. Effective Date of Amalgamation	1 st November, 2008 as per High Court order dt. 12 th October, 2009	1 st November, 2008 as per High Court order dt. 12 th October, 2009
4. Method of Accounting for Amalgamation	Pooling of Interest Method	Pooling of Interest Method
5. Particulars of Scheme	With the Sanction of the Scheme of Amalgamation of PFL Holdings Private Limited and Goa Holdings (India) Private Limited with the Company, their respective subsidiary companies i.e. M/s Punjab Formulations Limited and Goa Formulations Limited have become subsidiary companies of the Company and in terms of the scheme, in consideration thereof the Company has issued 43,30,123 equity shares and 29,62,102, 0% Optionally Convertible Redeemable Preference Shares of Rs. 10/- each at a premium of Rs. 176.50 per Shares in the Company to their respective shareholders.	
6. Description and no. of Shares Issued	31,52,075 Equity Shares of Rs. 10 each and 21,56,236 - 0% Optionally Convertible Redeemable Preference Shares of Rs. 10 each	11,78,048 Equity Shares of Rs. 10 each and 8,05,866 - 0% Optionally Convertible Redeemable Preference Shares of Rs. 10 each
7. Exchange Ratio	31,52,075 Equity Shares & 21,56,236 Preference Shares of Rs. 10/- each allotted against 10000 Equity Shares	11,78,048 Equity Shares & 8,05,866 Preference Shares of Rs. 10/- each allotted against 10000 Equity Shares
8. Diff between Net Identifiable assets acquired and Consideration given	Nil	Nil
9. Treatment of Reserve specified in Scheme		
- Description and accounting treatment of Reserve	Revaluation Reserve Treated as Share Premium Account & Amalgamation Reserve	Revaluation Reserve Treated as Share Premium Account & Amalgamation Reserve
- Reason for deviation from Standard	As per Scheme	As per Scheme
- Deviation in the accounting treatment	No deviation except mention above	No deviation except mention above
- Financial effect of Deviation	No financial effect arises except nomenclature	No financial effect arises except nomenclature

15 Information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule VI of the Companies Act, 1956.

a) Particulars of licenced & installed capacity and production	(Units in Lacs)		
	Particulars	Licenced Capacity (p.a)	Installed Capacity (p.a)
I.V. SECTION			
Large Volume	1500.00 (1500.00)	1500.00 (1500.00)	1533.17 (1401.89)
TABLET SECTION			
Tablets/Capsules	14250.00 (14250.00)	14250.00 (14250.00)	2332.03* (2452.32)
OPHTHALMICS SECTION			
Ampoules (Nos.)	4500.00 (3550.00)	4500.00 (3550.00)	2139.77 (1909.23)
Injections (Nos)	1080.00 (1080.00)	1080.00 (1080.00)	108.00* (93.45)

* Tables includes Trading Purchase for 23.39 lacs and Injections includes Trading Purchase for 5.54 lacs.

b) Particulars of Sales

Particulars	Quantity (Nos in lacs)	Value (Rs. in lacs)
I.V. SECTION		
I.V. Fluid Transfusion	1483.46	14146.35
Fluid bottles	(1284.02)	(12375.47)
TABLET SECTION		
Tablets/Capsules	1962.97 (2223.70)	2552.01 (2248.23)
OPHTHALMICS SECTION		
Ampoules	2018.82 (1427.53)	2290.62 (1822.70)
Liquid Syrup (Bottles)	24.08 (16.75)	498.45 (354.30)
Injection (Nos)	103.05 (89.69)	1861.04 (1371.89)
Goods for resale / Other Sales		1346.69 (3125.03)

c) Details of Quantity & Value of Opening & Closing stock of finished goods & work in Process (Units in Lacs)

Particulars	Opening Stock		Closing Stock	
	Quantity	Value (Rs.in lacs)	Quantity	Value (Rs.in lacs)
Finished Goods				
I.V. Transfusion	233.14	1055.25	282.85	1469.59
(Fluid Bottles)	(115.27)	(475.55)	(233.14)	(1055.25)
Tablet/Capsules	740.66	576.79	1065.57	889.25
(Nos.)	(600.71)	(468.35)	(740.66)	(576.79)
Ophthalmic	765.85	791.93	742.44	615.13
(Ampoules)	(362.44)	(442.18)	(765.85)	(791.93)
Liquid Syrup	2.64	28.54	8.60	107.31
(Bottles)	(4.84)	(80.12)	(2.64)	(28.54)
Injections	25.99	366.09	36.43	602.95
(Units)	(23.81)	(199.55)	(25.99)	(366.09)

Work in Process

Tablet/Capsules	95.04	87.97	139.19	83.10
(Nos.)	(230.18)	(192.67)	(95.04)	(87.97)
Ophthalmic	78.29	93.72	222.65	185.73
(Ampoules)	(48.42)	(35.61)	(78.29)	(93.72)
Injections	9.64	93.67	4.15	74.49
	(6.86)	(50.51)	(9.64)	(93.67)

Note: 1. Figures in brackets represent previous year figures.
2. Production figures also include work in process.

d) Material Consumed

A) Raw Material Consumed

Raw Materials	Quantity (MTs)		Value (Rs. in lacs)	
	Year ended 31.03.2009	Year ended 31.03.2008	Year ended 31.03.2009	Year ended 31.03.2008
1. Granules	4338.31	4377.92	3233.91	3581.46
2. Dextrose	1484.31	1748.30	458.50	589.46
3. Other Raw Materials (Includes Tablets & SVP Section & Liquid Orals also)			5572.90	2238.83
TOTAL			9265.31	6409.75

B) Packing Material consumed

	1546.46	1456.12
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Total (A+B)

10811.77

7865.87

C) Purchase for Trading / Other Material

1256.86

2220.34

Total Material consumed (A+B+C)

12065.63

10086.21

31.03.2009

31.03.2008

D) Raw Material Consumed

(i) Indigenous	93.47%	85.73%
(ii) Imported	6.53%	14.27%

E) Foreign Exchange Outgo

a) CIF Value of Import

Raw Material	Rs. 604.83 lacs	Rs. 1364.84 lacs
Packing Material	Rs. 15.60 lacs	—
Capital Goods	Rs. 4.22 lacs	Rs. 18.41 lacs

b) Remittance in Foreign Exchange (Out go) Rs. 167.37 lacs Rs. 1403.12 lacs

c) Remittance in Foreign Exchange for Dividend Nil Nil

d) Foreign Travelling Outgo Rs. 45.18 lacs Rs. 24.90 lacs

F) Earning in Foreign Exchange Rs. 632.02 lacs Rs. 268.11 lacs

16 The details of the investments made are as under (at Cost) :-

Script	Face Value (Rupees)	Quantity		Amount(Rs.in lacs)	
		Year 31.3.09	Year 31.3.08	Year 31.3.09	Year 31.3.08
Quoted					
Medicaman Biotech Ltd. (Market Value Rs. 10.34 per Share)	10	10000	10000	1.00	1.00
PNB Principle Long Term Mutual Fund (Market Value Rs. 4.71 per Unit)	10	200000	200000	20.00	20.00
SBI One India Fund (Market Value Rs. 5.47 per Unit)	10	100000	100000	10.00	10.00

Unquoted

Parenteral Biotech Ltd. (Subsidiary of the Company)					
Equity Shares	10	127500	127500	12.75	12.75
Abhay Drugs Limited (Subsidiary of the Company)					
Equity Shares	10	50000	10000	5.00	1.00
Parenteral Impex Limited (Subsidiary of the Company)					
Equity Shares	10	50000	50000	5.00	5.00
Parentech Healthcare Ltd. (Subsidiary of the Company)					
Equity Shares	10	50000	10000	5.00	1.00
Anjaney Pharmaceuticals Ltd. (Subsidiary of the Company)					
Equity Shares	10	50000	10000	5.00	1.00
Parenteral Surgicals Ltd. (Subsidiary of the Company)					
Equity Shares	10	50000	10000	5.00	1.00
National Saving Certificate				0.10	—
Punjab Formulations Ltd. (Subsidiary of the Company)					
Equity Shares	10	600000	—	9900.00	—
Preference Shares	10	2400000	—	240.00	—
Goa Formulations Limited (Subsidiary of the Company)					
Equity Shares	10	3250000	—	3700.00	—

Signature to Schedules "A" to "P"

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

Ms. Archna Agar
 Company Secretary

For and on behalf of the Board
Manoharlal Gupta
 Chairman cum - Managing Director
Vinod Kumar Gupta
 Managing Director
Govind Das Garg
 Whole-time Director.
 Place : Indore
 Dt. 26th November, 2009

To,
The Board of Directors
Parenteral Drugs (India) Limited
 340, Laxmi Plaza, Laxmi Industrial Estate,
 New Link Road, Andheri (W),
MUMBAI 400053

We have examined the attached cash flow statement of the Parenteral Drugs (India) Limited for the year ended 31.03.2009. The statement has been prepared by the Company in accordance with the requirement of clause 32 of the Stock Exchange and is based on in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 26th November, 2009 to the members of the Company.

For T.N. UNNI & CO
Chartered Accountants

Camp : Angadipuram
Dt. 26th November, 2009

T.N. Unni
(Partner)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rs. in Lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	1675.54	2305.12
adjustment for :		
Depreciation	571.18	446.34
Interest/Dividend	1130.23	1078.17
	<u>1701.41</u>	<u>1524.51</u>
Operating profit before working capital change	3376.95	3829.63
adjustment for :		
Trade and other receivable	-1801.04	-3499.31
Inventories	-1953.59	-1522.15
Trade and other Payable	3805.75	51.12
	<u>51.12</u>	<u>-579.43</u>
Cash Generated from Operation	3428.07	-1771.26
Interest Paid	-1130.23	-1078.17
Direct Taxes Paid	-259.36	-269.62
	<u>-1389.59</u>	<u>-1347.79</u>
Cash Flow Before Extraordinary items	2038.48	-3119.05
Extra ordinary Items	42.55	0.00
	<u>42.55</u>	<u>0.00</u>
Net cash from operating activities.....A	2081.03	-3119.05
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	-3744.89	-3225.71
Purchase of investments	-13856.10	-14.00
Sale of investments	0.00	317.35
Dividend Received	0.00	43.20
	<u>0.00</u>	<u>43.20</u>
Net Cash used in investing activitiesB	-17600.99	-2879.16
C-CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of share capital	13217.00	6278.15
Proceeds from long term borrowings	1982.23	1847.69
Repayment of Finance Liabilities	-741.91	-471.33
Dividend Paid	-208.05	-171.95
	<u>-969.69</u>	<u>-712.93</u>
Net Cash from Financing ActivitiesC	14249.27	7482.56
Net increase/decrease in Cash & Cash equivalents (A+B+C)	-1270.69	1484.35
Cash and Cash equivalents as at 01.04.2008 (Opening Balance)	2215.15	730.80
Cash and Cash equivalents as at 31.03.2009 (Cash & Bank Balance)	944.46	2215.15
(Closing Balance)	<u>944.46</u>	<u>2215.15</u>

As per our report of even date attached

For **T.N. Unni & Co.**

Chartered Accountants

T.N. Unni

Partner

Camp : Angadipuram

Dt. 26th November, 2009

Ms. Archana Agar

Company Secretary

For and on behalf of the Board

Manoharlal Gupta

Chairman cum:- Managing Director

Vinod Kumar Gupta

Managing Director

Govind Das Garg

Whole-time Director

Place : Indore

Dt. 26th November, 2009

**SCHEDULE VI
PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No.

L	9	9	9	9	9	M	H	1	9	8	3
P	L	C	1	2	6	4	8	1			

Balance Sheet Date

3	1
---	---

 /

0	3
---	---

 /

2	0	0	9
---	---	---	---

Date Month Year

**II. CAPITAL RAISED DURING THE YEAR
(Amount in Rs. Thousands)**

Public Issue

N	I	L
---	---	---

 Rights Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

7	2	9
---	---	---

**III. POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS
(Amount in Rs. Thousands)**

Total Liabilities

4	1	9	1	8	1	7
---	---	---	---	---	---	---

 Total Assets

4	1	9	1	8	1	7
---	---	---	---	---	---	---

Sources of Funds

Paid-up Capital

2	4	6	6	2	2
---	---	---	---	---	---

 Reserves & Surplus

2	4	4	4	0	7	3
---	---	---	---	---	---	---

Share App. Money for Pef. Share

5	9	2	6	4
---	---	---	---	---

Advance against Warrants

3	8	0
---	---	---

Secured Loans

1	2	5	5	9	4	5
---	---	---	---	---	---	---

 Unsecured Loans

1	8	2	1	1	3
---	---	---	---	---	---

Application of Funds

Net Fixed Assets

1	3	4	7	7	8	4
---	---	---	---	---	---	---

 Investments

1	3	9	0	8	8	5
---	---	---	---	---	---	---

Net Current Assets

1	4	5	3	0	8	5
---	---	---	---	---	---	---

 Misc. Expenditure

6	4
---	---

**IV. PERFORMANCE OF COMPANY
(Amount in Rs. Thousands)**

Turnover

2	2	6	9	5	1	7
---	---	---	---	---	---	---

 Total Expenditure

2	1	0	1	9	6	3
---	---	---	---	---	---	---

Profit / Loss before tax

✓	-	1	6	7	5	5	4
---	---	---	---	---	---	---	---

 Profit / Loss after tax

✓	-	1	0	7	6	9	4
---	---	---	---	---	---	---	---

Earning per Share in Rs.

6	8	7
---	---	---

 Divident rate %

1	5
---	---

**V. GENERIC NAMES OF PRODUCT OF THE COMPANY
(as per monetary terms)**

Item Code No.(ITC Code)

3	0	0	3	3	9	0	0
---	---	---	---	---	---	---	---

 Product Description

I	N	T	R	A	V	E	N	O	U	S	
T	R	A	N	S	F	U	S	I	O	N	S

Item Code No.(ITC Code)

3	0	0	4	9	0	9	9
---	---	---	---	---	---	---	---

 Product Description

T	A	B	L	E	T		
C	A	P	S	U	L	E	S

Item Code No.(ITC Code)

3	0	0	4	9	0	7	6
---	---	---	---	---	---	---	---

 Product Description

W	A	T	E	R	F	O	R		
I	N	J	E	C	T	I	O	N	S

For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

Ms. Archana Agar
Company Secretary

For and on behalf of the Board
Manoharlal Gupta
Chairman cum - Managing Director
Vinod Kumar Gupta
Managing Director
Govind Das Garg
Whole-time Director
Place : Indore
Dt. 26th November, 2009

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**RELATING TO SUBSIDIARY COMPANY****Particulars :-**

- 1) Name of the Subsidiary Company : PUNJAB FORMULATIONS LIMITED
(BECAME SUBSIDIARY ON 01.11.2008)
- 2) Financial year of the Subsidiary : 31ST MARCH, 2009
ended on
- 3) Holding Company's Interest :
- 1) Number of Shares : 6,00,000 equity Shares of Rs. 10/- each
- 2) Paid up value
- Fully paid up : 6,00,000 equity Shares of Rs. 10/- each
- 3) Percent of holding : 100%*

*600 Shares are held by nominee

- 4) Net aggregate amount of profit (Losses)
of the Subsidiary so far as they concern
members of Parenteral Drugs (India)
Limited and is not dealt within the
Company's account

a) Profit (Loss) for the : Rs. 94,74,884/-
Subsidiary's
financial year

b) Profit (Loss) for the : NIL
previous financial years
of the subsidiary since it
became the subsidiary
of Parenteral Drugs (India) Limited

- 5) Net aggregate amount of the profits
(Losses) of the Subsidiary so far or
those profits (Losses) are dealt within
Parenteral Drugs (India) Ltd's account

a) For the previous : NIL
financial year

b) For the previous : NIL
financial year's
since it became the
subsidiary

As per our report of even date attached.

For **T.N. Unni & Co.**
Chartered Accountants

T.N. Unni
Partner

Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board

Manoharlal Gupta
Chairman cum - Managing Director

Vinod Kumar Gupta
Managing Director

Govind Das Garg
Whole-time Director

Place : Indore

Dt. 26th November, 2009

Ms. Archana Agar
Company Secretary

DIRECTORS' REPORT

To,
The Members of
M/s. Punjab Formulations Limited

Dear Shareholders

Your Directors have pleasure in presenting the 15th Annual Report on the working of the Company for the financial year 2008-09 ended on 31st March, 2009.

FINANCIAL RESULTS:

(Rs.in lacs)

Particulars	31 st March, 09	31 st March, 08
Sales and other Incomes	3519.47	3443.95
Less: Total Expenditure	3254.40	3132.58
Less: Depreciation	59.64	44.49
Profit/ Loss before Tax	205.43	266.87
Less : Provision for Current Tax	51.12	29.73
Less : Provision for Tax	45.39	55.03
Less : Dividend Tax	8.57	6.12
Less : Fringe Benefit Tax	5.60	4.43
Profit/ Loss after Tax	94.75	171.56
Appropriation :		
Add : MAT Credit Written Back	28.48	0
Less: Dividend on Preference Share Capital	43.20	43.20
Balance Carried to Balance Sheet	80.03	128.36
EPS	13.34	21.39

DIVIDEND

The Board of Directors express their inability to recommend any dividend over equity shares of the Company for the year under review in order to conserve financial resources for expansion activities.

DIRECTORS

Shri Govind Das Garg is retiring by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. The Board recommends their re-appointment.

AUDITORS

M/s.T.N.Unni & Co., Chartered Accountants, Indore is retiring at the forthcoming Annual General Meeting and is eligible for re-appointment as Statutory Auditors of the Company for the financial year 2009-10.

AUDITORS' REPORT

Report of the Auditors and their observations on the Accounts of the Company for the year under review are self explanatory and have been explained wherever required.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms that:

- a) The financial statements are in full conformity with the requirements of the Companies Act, 1956, and applicable accounting standards have been followed along with proper explanation relating to material departure.

- b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

The provisions of Section 217 (2A) of the Companies Act, 1956, read with the provisions of the Companies (Particulars of Employees) Rules, 1975, are not applicable in case of any employee of the Company.

FIXED DEPOSITS

The Company has not invited or accepted any deposits from the public during the year; and there are no unpaid or unclaimed deposits with the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

The details of energy conservation, technology absorption, foreign exchange earnings and outgo during the year are annexed in Form No. A and B as required under section 217 (1) (e) and forming part of the report of the Board.

RELATIONS WITH EMPLOYEES

The relations with the employees continued to be cordial during the year. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGEMENT

The Directors wish to place their sincere thanks to Banks and all Government Agencies and Departments for their continued support and co-operation to the Company during the year.

For and on behalf of the Board

Vinod Kumar Gupta
Chairman

Place : Indore
Dt. : 29th September, 2009

ANNEXURE TO THE DIRECTORS' REPORT

FORM 'A'

Particulars Required Under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Sr.No.	Particulars	Current Year 31.03.2009	Previous Year 31.03.2008
A.	Power And Fuel Consumption		
1.	Electricity		
	(a) Purchased Units (in Lacs)	14.44	18.16
	Total Amount (Rs.in Lacs)	64.64	82.70
	Rate/ Unit	4.48	4.55
	(b) Own Generation		
	Through diesel/ LDO generator		
	Units (In Lacs)	1.91	2.37
	Units per Litre of diesel / LDO Oil	3.94	2.91
	Total Cost (Rs. In Lacs)	15.50	23.64
	Cost/Unit (Rs.)	8.14	9.97
2.	Petro Coke		
	Quantity (tones)	727.93	786.37
	Total Cost (Rs. In lacs)	58.57	50.23
	Average Rate (Rs.)	8045.62	6387.69
3.	Furnace Oil		
	Quantity (Litres)	0	0.82
	Amount (Rs. In lacs)	0	15.66
	Average rate	0	19.09

B) CONSUMPTION PER UNIT OF PRODUCTION

The Company manufactures several pharmaceutical products in different sizes and potency and therefore it is difficult to allocate the cost of consumption of power to individual product.

FORM 'B'

(A) RESEARCH AND DEVELOPMENT

1. Specific areas in which Research & Development carried out by the Company

- i) On going research for the development of formulations.

2. Benefits arrived as a result of above Research & Development:

- i) Better customer satisfaction on use of the product.
- ii) Number of complaints has been reduced.

3. Future Plan of Action:

- i) Development of affordable and efficacious mode of treatment.

4. Expenditure

- a) Capital : Nil
- b) Recurring : Borne by the Company on regular basis.

(B) TECHNOLOGY ABSORPTION, ADOPTATION AND INNOVATION

The Company uses its indigenous technology in the production line and no new technology was absorbed or adopted during the year under review.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lacs)

Particulars	Current Year	Previous Year
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	78.39	197.95

AUDITORS' REPORT

To,

The Members of

M/s. PUNJAB FORMULATIONS LIMITED

MUMBAI

1. We have audited the attached Balance Sheet of Punjab Formulations limited as at March 31, 2009, the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with 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 mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that ;
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Act;
 - e) On the basis of written representation received from the directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the notes there on attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - (ii) In so far as it relates to the Profit and Loss Account, of the profit for the year ended on that date.
 - (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO
Chartered Accountants

T.N. Unni
(Partner)

Place: Indore
Dt. 29th September, 2009

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the Members of **Punjab Formulations Limited** on the accounts for the year ended March 31, 2009]

1. a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.
 - b) The Fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
 - c) In our opinion, and according to the information and explanations given to us, the Company has not disposed off a substantial part of fixed assets during the year.
2. a) The stock of finished goods, stores, spare parts raw material and packing material lying at its location have been physically verified by the management at intervals during the financial year and the frequency of verification is considered reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the books of records were not material.
3. a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
 - b) The Company has taken unsecured loan unsecured, from 6 (six) companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 966.36 lacs and the year end balance of such loans aggregated to Rs. 821.36 lacs.
 - c) The rate of interest and other terms and conditions of unsecured loan taken by the company, are prima facie not prejudicial to the interest of the Company.
 - d) Payment of the principal amount and interest are also regular during the year.
4. In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the Register maintained under Section 301 of Act, have been so entered
 - (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowings made by the Company. No order under the aforesaid sections has been passed by the Company Law Board on the Company.
7. The Company has an internal audit system commensurate with its size and nature of business.
8. Maintenance of cost records has not been prescribed for the products of the company by the Central Government, under Section 209(1) (d) of the Companies Act, 1956.
9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities.

- (b) According to the information and explanations given to us, there is no disputed due of Income tax, Sales tax, Wealth tax, Services tax, Custom duty, Excise duty, cess, pending against any forum or authority.
10. The Company neither has accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
 11. On the basis of information and explanations given by the Management, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or banks.
 12. 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, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
 14. The Company is not dealing or trading in Shares, securities and debentures and other investments and the investment made by the Company in securities has been held in its own name in respect of which the Company has maintained adequate records.
 15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
 16. In our opinion and according to the information and explanations given to us the term loans taken by the Company were applied for the purpose for which the loans were obtained.
 17. Based on the information and explanations given to us and on examination of the books of the Company, in our opinion the funds raised on a short-term basis have not been used for long-term investment.
 18. The Company has not made any preferential allotment of shares during the year.
 19. *No debentures have been issued by the Company during the year.*
 20. During the year, the Company has not raised money by way of public issue.
 21. According to the information and explanations given to us and the examination of the records we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For T.N. UNNI & CO
Chartered Accountants

Place: Indore
Dt. : 29th September, 2009

T.N. Unni
(Partner)

PUNJAB FORMULATIONS LIMITED

BALANCE SHEET AS AT 31-03-09

(Rupees)

	SCHEDULE	AS AT 31-03-09	AS AT 31-03-08
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDERS' FUNDS</u>			
SHARE CAPITAL	A	30000000	30000000
RESERVE & SURPLUS	B	50702724	33840248
<u>LOAN FUNDS</u>			
SECURED LOANS	C	117470809	97621754
UNSECURED LOANS	D	85472927	76898791
	TOTAL	283646460	238360792
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
GROSS BLOCK	E	140318258	136501593
LESS DEPRECIATION RESERVE		26573442	20609493
NET BLOCK		113744816	115892100
INVESTMENTS		300000	300000
(PNB PRINCIPAL LONG TERM MUTUAL FUND)			
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>			
INVENTORIES	F	82388443	57974827
SUNDRY DEBTORS	G	104047500	107812937
CASH AND BANK BALANCES	H	7329502	4833208
LOANS AND ADVANCES	I	29318366	18862343
		223083811	189483315
LESS: CURRENT LIABILITIES & PROVISIONS	J	53482166	67317617
NET CURRENT ASSETS		169601644	122165698
MISCELLANEOUS EXPENDITURE	K		
PRELIMINARY EXPENSES		0	2994
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
	TOTAL	283646460	238360792
NOTES ON ACCOUNTS	R		

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Place : Indore
 Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
 Director
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director

PUNJAB FORMULATIONS LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-09
(Rupees)

		FOR THE YEAR ENDED 31-03-09	FOR THE YEAR ENDED 31-03-08
<u>INCOME</u>			
SALES		351049358	343897194
INCREASE / DECREASE IN STOCK OF FG (+ / -) L		9900284	23057460
OTHER INCOMES.		897811	498273
	TOTAL	361847453	367452927
<u>EXPENDITURE</u>			
MATERIAL CONSUMED	M	171141960	187665763
MANUFACTURING OVERHEADS	N	34489776	38948335
ADMINISTRATIVE & GENERAL OVERHEADS	O	11768710	8809935
SELLING & DISTRIBUTION OVERHEADS	P	102102890	86289686
INTEREST & FINANCIAL OVERHEADS	Q	15837090	14601894
DEPRECIATION	E	5963948	4449891
	TOTAL	341304374	340765504
PROFIT/LOSS BEFORE TAX		20543079	26687423
LESS : PROVISION FOR CURRENT TAX		5112541	2973492
LESS : PROVISION FOR DEFERRED TAX LIABILITIES FOR CURRENT YEAR		4539138	5503104
LESS : DIVIDEND TAX		856548	611820
LESS : FRIENGE BENEFIT TAX		559968	443014
PROFIT AFTER TAX AVAILABLE		9474884	17155993
FOR APPROPRIATION			
APPROPRIATION :			
ADD : MAT CREDIT WRITTEN BACK		2848455	0
DIVIDEND ON PREFERENCE SHARE CAPITAL (TRF. TO DIVIDEND PAYMENT RESERVE)		4320000	4320000
SURPLUS TRANSFERRED TO BALANCE SHEET		8003339	12835993
NOTES ON ACCOUNTS	R		
BASIC AND DILUTED EARNING PER SHARE		13.34	21.39

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Place : Indore
Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
Director
Vinod Kumar Gupta
Director
Govind Das Garg
Director

**PUNJAB FORMULATIONS LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET**

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE - A		
<u>SHARE CAPITAL</u>		
<u>Authorised</u>		
600000 EQUITY SHARES RS. 10/- EACH	6000000	6000000
2400000, 18% CUMULATIVE REDEEMABLE NON CONVERTIBLE PREFERENCE SHARES OF RS. 10/- EACH	24000000	24000000
TOTAL	<u>30000000</u>	<u>30000000</u>
<u>ISSUED, SUBSCRIBED AND PAID UP.</u>		
<u>EQUITY SHARE CAPITAL</u>		
600000 EQUITY SHARES RS. 10/- EACH FULLY PAID UP	6000000	6000000
PREFERENCE SHARE CAPITAL 2400000 PREFERENCE SHARES OF RS. 10/-EACH	24000000	24000000
TOTAL	<u>30000000</u>	<u>30000000</u>
SCHEDULE - B		
<u>RESERVE & SURPLUS</u>		
DIVIDEND PAYMENT RESERVE (AS PER SHAREHOLDERS AGREEMENT)	23040000	18720000
CAPITAL RESERVE	3000000	3000000
PROFIT AND LOSS ACCOUNT		
PROFIT DURING THE YEAR	8003339	
ADD : PROFIT BROUGHT FORWARD FROM PREVIOUS YEARS	8023204	
CLOSING BALANCE	16026543	8023204
DEFERRED TAX LIABILITIES		
PROVISION FOR CURRENT YEAR	4539138	
ADD : DEFERRED TAX LIABILITIES FOR PREVIOUS YEARS	4097043	
CLOSING BALANCE	8636181	4097043
TOTAL	<u>50702724</u>	<u>33840248</u>

(Rupees)

**AS AT
31-03-09**

**AS AT
31-03-08**

SCHEDULE - C

SECURED LOANS:

(A) PUNJAB NATIONAL BANK, CHANDIGARH

TERM LOAN

20687461

26391992

(SECURED AGAINST HYPOTHECATION OF PLANT & MACHINERY ALONG WITH EQUITABLE CHARGE ON LAND & BUILDING BELONGING TO THE COMPANY & THE PERSONAL GUARANTEE OF THE DIRECTORS)

(B) PUNJAB NATIONAL BANK, CHANDIGARH

CASH CREDIT LIMITS

96579046

70879276

(SECURED AGAINST HYPOTHECATION OF ALL CURRENT ASSETS INCLUDING STOCKS & BOOK DEBTS BELONGING TO THE COMPANY & PERSONAL GUARANTEE OF THE DIRECTORS)

(C) CHOLAMANDALAM DBS FINANCE LTD

VEHICAL LOAN

204302

350486

(SECURED AGAINST HYPOTHECATION OF VEHICAL FINANCED)

OUTSTANDING AMOUNT

247907

LESS : UNMATURED INTEREST ON

43605

HIRE PURCHASE

TOTAL

117470809

97621754

SCHEDULE - D

UNSECURED LOANS

FROM DIRECTORS & RELATIVES

871000

871000

SECURITY DEPOSIT FROM SUPPLIERS & CUST.

3337352

1756773

INTERCORPORATE DEPOSITS

81264575

74271018

TOTAL

85472927

76898791

SCHEDULE - E

FIXED ASSETS & DEPRECIATION AS ON 31.03.2009

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01.04.2008	ADDITION	DEDUCTION	AS ON 31.03.2009	AS ON 01.04.2008	FOR THE YEAR	WRITTEN BACK	AS ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
LAND	891040	0	0	891040	0	0	0	0	891040	891040
ROAD AND APPROCH	1079711	0	0	1079711	0	0	0	0	1079711	1079711
FACTORY BUILDING	41554552	638093	0	42192645	5157687	1337104	0	6494791	35697854	36396865
OFFICE EQUIPMENT	356302	84487	0	440789	40912	20787	0	61699	379090	315390
ELECTRICAL INSTALLATION	3470583	32700	0	3503283	833086	165219	0	998305	2504978	2637497
VEHICLES	1792797	0	0	1792797	958035	169850	0	1127885	664912	834762
PLANT AND MACHINERY	85464228	3038905	0	88501133	13059302	4086937	0	17146239	71354894	72404926
FURNITURE AND FIXTURE	1252912	0	0	1252912	260664	79093	0	339756	913156	992249
COMPUTER	639469	24480	0	663949	299808	104958	0	404765	259184	339661
TOTAL	136501594	3816665	0	140318259	20609493	5963948	0	26573441	113744818	115892100
PREVIOUS YEAR FIGURE	94521350	82871367	40891124	136501593	16159601	4449891	0	20609493	115892100	78361751

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE - F		
<u>INVENTORIES</u>		
AT COST OR MARKET VALUE WHICHEVER IS LESS (VALUE AS VALUED AND CERTIFIED BY THE MANAGEMENT)		
FINISHED GOODS	50691085	40790801
RAW MATERIAL	22226859	9365638
PACKING MATERIAL	6834876	5860359
CONSUMABLE STORES / STORES & SPARES	2635623	1958028
TOTAL	<u>82388443</u>	<u>57974827</u>
SCHEDULE - G		
<u>SUNDRY DEBTORS</u>		
BELOW SIX MONTHS (UNSECURED CONSIDERED GOOD)	88234603	85602463
EXCEEDING SIX MONTHS (UNSECURED CONSIDERED GOOD)	15812897	22210474
TOTAL	<u>104047500</u>	<u>107812937</u>
SCHEDULE - H		
<u>CASH & BANK BALANCES</u>		
CASH & CHEQUES IN HAND	3330968	2701815
CURRENT ACCOUNTS WITH SCHEDULED BANKS	200271	44100
FDRS WITH SCHEDULED BANKS	3798263	2087293
TOTAL	<u>7329502</u>	<u>4833208</u>
SCHEDULE - I		
<u>LOANS AND ADVANCES</u>		
ADVANCES(RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED) (UNSECURED CONSIDERED GOOD)	9741339	6939247
ADVANCES TO CREDITORS	7588553	2307547
SECURITY DEPOSITS	556902	546902
PREPAID AND ACCRUED	359624	320461
ADVANCE INCOME TAX & TDS (ASSETS)	8071948	5748186
CAPITAL SUBSIDY RECEIVABLE	3000000	3000000
TOTAL	<u>29318366</u>	<u>18862343</u>
SCHEDULE - J		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
SUNDRY CREDITORS FOR MATERIALS	24815308	25406819
SUNDRY CREDITORS FOR CAPITAL GOODS	1114325	2942179
EXPENSES PAYABLE	16708084	13383842
TDS PAYABLE	817868	2036280
TAX PAYABLE	7091383	4827296

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
PROVIDENT FUND PAYABLE	249248	202929
SERVICE TAX PAYABLE	172086	178181
SALES TAX PAYABLE	756911	1406662
ADVANCES FROM CUSTOMERS	0	15816448
FRINGE BENEFIT TAX PAYABLE	1002982	443014
TAX ON DIVIDEND	734184	611820
AUDIT FEES PAYABLE	19788	62148
TOTAL	<u>53482166</u>	<u>67317617</u>

SCHEDULE - K

MISCELLANEOUS EXPENDITURE

(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)

PRELIMINARY EXPENSES

AS PER LAST BALANCE SHEET

LESS: AMOUNT W/OFF DURING THE YEAR

	2994	5989
	2994	2995
TOTAL	<u>0</u>	<u>2994</u>

(Rupees)

**FOR THE YEAR
ENDED ON 31-03-09**

**FOR THE YEAR
ENDED ON 31-03-08**

SCHEDULE - L

INCREASE /DECREASE IN FINISHED STOCK

CLOSING STOCK	50691085	40790801
LESS : OPENING STOCK	40790801	17733341
TOTAL	<u>9900284</u>	<u>23057460</u>

SCHEDULE - M

MATERIAL CONSUMED

OPENING STOCK	17184025	9208049
ADD :PURCHASES	185655292	195641739
	<u>202839317</u>	<u>204849788</u>
LESS :CLOSING STOCK	31697358	17184025
TOTAL	<u>171141960</u>	<u>187665763</u>

SCHEDULE - N

MANUFACTURING OVERHEADS

SALARY TO STAFF AND BENEFITS	4134313	4703869
CONTRIBUTION TO P.F.	1532020	1072858
PROCESSING CHARGES	7693776	6509743
POWER & LIGHT & FUEL	13870215	18757186
STORES CONSUMED	227046	3425210
ANALYTICAL & TESTING EXPENSES	884038	733780
REPAIRS & MAINTENANCE TO MACHINERY	1865871	1171768

(Rupees)

	FOR THE YEAR ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
MANUFACTURING EXPENSES	3362884	2092029
EXCISE DUTY EXPENSES	140838	0
REPAIRS & MAINTENANCE TO ELECTRICALS INSTLATION	501500	276819
REPAIRS & MAINTENANCE TO FACTORY BUILDING	277275	205073
TOTAL	<u>34489776</u>	<u>38948335</u>
SCHEDULE - O		
<u>ADMINISTRATIVE AND GENERAL OVERHEADS</u>		
RENT ,RATES, TAXES & INSURANCE	1298500	653181
STATIONARY & PRINTING	313235	322487
SALARY TO OFFICE STAFF AND BENEFITS	1067200	980500
STAFF WELFARE EXPENSES	12100	1377290
POSTAGE, TELEGRAM & TELEPHONE	2006355	1492766
AUDITOR'S REMUNERATION	22060	22472
RUNNING & MAINTENANCE TO VEHICLE	1625398	933905
CHARITY & DONATION	0	42151
REPAIRS & MAINTENANCE GENERAL	164745	280011
LEGAL AND PROFESSIONAL EXPENSES	2675176	444845
ISO EXPENSES	24736	80795
SERVICE TAX EXPENSES	961503	1052255
PRELIMINARY EXPENSES W/OFF	2994	2995
SUNDRY BALANCE W /OFF	0	9118
LICENCE FEES	754086	454081
BONUS, GRATUITY & LEAVE ENCASHMENT	573951	455768
MISCELLANEOUS EXPENSES	266671	205315
TOTAL	<u>11768710</u>	<u>8809935</u>
SCHEDULE - P		
<u>SELLING & DISTRIBUTION OVERHEADS</u>		
FIELD STAFF SALARY AND EXPENSES	14248810	9885269
TRAVELLING EXPENSES	11597049	8886747
BUSINESS PROMOTION EXPENSES	3644127	2365462
REBATE & DISCOUNT	4074013	2236965
COMMISSION ON SALES	17571449	17307546
CARRIAGE OUTWARD	39584982	37194266
CONFERENCE AND TRAINING	313137	597926
SALES TAX EXPENSES	10321444	6341971
OTHER SELLING & DISTRIBUTION EXP.	747879	1473534
TOTAL	<u>102102890</u>	<u>86289686</u>
SCHEDULE - Q		
<u>INTEREST AND FINANCIAL OVERHEADS</u>		
INTEREST TO BANKS	13014321	9504370
INTEREST ON SECURITY DEPOSITS/OTHERS	218719	3278878
BANK CHARGES	2604050	1818646
TOTAL	<u>15837090</u>	<u>14601894</u>

SCHEDULE - R

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. Significant Accounting Policies

- a) The company has maintained its books of accounts on Mercantile System of accounting and provisions have been made for all known liabilities and income accruals.
- b) The fixed assets have been reflected at cost and the Depreciation on the fixed assets has been correspondingly accounted for under Depreciation Reserve account.
- c) The stock and inventories have been valued "At cost". The method of valuation is consistent as compared with the valuation method in the immediately previous year.
- d) Depreciation:**
 - a) Depreciation on fixed assets has been calculated on straight line method on prorata basis at the rates prescribed in schedule XIV to the Companies Act, 1956.
 - b) No Depreciation has been provided on Capital Work in progress.
 - c) Capital Subsidy for Incentive to promoters has been reduced from the cost for purpose of calculating depreciation.

2. Notes on Accounts

- (i) Contingent liabilities: Bank Guarantee of Rs. 15.12 Lacs (Previous Year : Rs. 10.33 Lacs)
- (ii) In the opinion of the Board of Directors of the Company the Current Assets, Loan & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities are adequate and not in excess of the amount reasonably necessary. Purchase includes repurchase.
- (iii) The Company does not have any liability towards gratuity, as no employee was in continuous service with the Company for 5 years or more, hence not provided for.
- (iv) On the basis of information available, there are no outstanding dues in excess of Rs. 1.00 lac each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.
- (v) Auditors Remuneration :-

Audit Fees	Rs. 16,545.00
Tax Audit Fees	Rs. 5,515.00
Total	Rs. 22,060.00
- (vi) The figures of the previous year have been regrouped/ reclassified/ rearranged wherever necessary for easy comparison.
- (vii) Consequent to the issuance of Accounting Standard 22 "Accounting for Taxes on Income" by the Institute of Chartered Accountants of India, the Company has recognised the deferred tax liabilities aggregating to Rs. 45,39,138/- in the Profit & Loss Accounts in the current year.

(Amount in Rs.)

Particulars	Upto 31.03.08	Arising during the year	Balance Carried as at 31.03.09
Deferred Tax Liabilities			
On account of timing difference in depreciation	12744746/-	1780368/-	14525114/-
Total Deferred Tax Liability	12744746/-	1780368/-	14525114/-
Deferred Tax Assets			
On account of timing Difference due to carried forward losses as per Income Tax Act, 1961.	5586140/-	Nil	5586140/-
Deferred Tax Assets			
On account of timing Difference due to expense disallowed u/s 43B of Income Tax Act, 1961	-	89685/-	89685/-
Deferred Tax Assets			
On account of timing Difference due to MAT Provision as per Income Tax Act, 1961	3061563/-	-2848455/-	213108/-
Total deferred Tax Assets	8647703/-	-2758770/-	5888933/-
Net Deferred Tax Assets/Liabilities	4097043/-	4539138/-	8636181/-

- (viii) Raw Material consumption also includes Rs. 49,62,008/- for purchase of goods for trade. (Previous year Rs. 19,38,765/-).
- (ix) The Company has provided income tax of Rs. 51,12,541/- at normal rate of income tax.
- (x) The Company is principally engaged in the business of pharmaceutical. Accordingly there are no segments as per Accounting Standard 17 "Segmental Reporting" issued by the Institute of Chartered Accountants of India.
- (xi) Dividends on preference share capital are subject to approval / declaration in AGM. As per Shareholders agreement with Bank as part of credit facilities, the dividends have been treated as a reserve, payable only with Bank's approvals.
- (xii) Related party disclosure in accordance with Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below: -

Related Party Relationship and Transactions with Related Parties

A Name of Related Parties & Description of relationship:

1.	Key Management Personnel	Manohar lal Gupta Director	Vinod Kumar Gupta Director	Govind Das Garg Director	Anil Mittal Director
2.	Relatives of Key Management Personnel	Alpana Gupta, wife Umashankar Gupta, father Padma Bai Gupta, mother Aditya Gupta, son Ayush Gupta, son	Aruna Gupta, wife Abhay Gupta, son	Shashi Garg, wife Manish Garg, son Ashish Garg, son	Deepali Mittal, wife
3.	Enterprises Controlled by Key Management Personnel / Relatives of Key Management Personnel	Parenteral Drugs (India) Limited, Rajratan Exports Limited, Mahaganapati Investments Pvt. Ltd., PDPL Holdings Pvt. Ltd., PDPL Securities Pvt. Ltd., Parenteral Medicines Ltd., Panorama Remedies Ltd., Anitas Exports Ltd., Lalit Media & Education Limited, Goa Formulations Limited, Orissa Formulations Limited, Goa Holdings (India) Pvt. Ltd., PFL Holdings Pvt. Ltd., Anitas Management Pvt. Ltd., MVG Mercantile Pvt. Ltd., Rama Contractors Pvt. Ltd., Chiron Metco Limited, Chetan Medicaments Ltd., Diamond Crystal Private Limited, Earawat Steels Private limited, Neptune Packaging Private Limited, Prem Pharmaceuticals, Fast Cast India Limited, Parenteral Commercial Services Pvt. Ltd., Manish Medicates Pvt. Ltd., AGT Mercantile Pvt. Ltd., KRM Holdings Pvt. Ltd.			

B. Summary of Related Party Transactions :

(Rs. in Lacs)

S.	Particulars	Enterprises Controlled by Key Management Personnel / Relatives of Key Management Personnel
a)	Transactions	
	01. Purchase of Goods/ Material	400.16
	02 Fixed Assets Purchased	2.59
	03. Sales of Goods/Material	168.97
	04. Job Work charges	41.02
b)	Outstanding Balance as on 31.03.2009	4.73 (Debit)

(xiii) Basic and Diluted Earning per Share are calculated as under

Earnings after Appropriation	Rs. 8003339/-
Equity Shares (in No.)	600000
Basic and Diluted Earning per Share	Rs. 13.34

(xiv) Information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule VI of Companies Act 1956.

a) Particulars of licenced & installed capacity and production

Particulars	Licenced Capacity (p.a)	Installed Capacity (p.a)	Production Current Year
-------------	-------------------------	--------------------------	-------------------------

I.V. SECTION

IV Transfusion	600 lacs	600 lacs	283.55* lacs
(Fluid Bottles) (Qty. in Nos.)	(500 lacs)	(250 lacs)	(349.36 lacs)

*it includes 8.19 nos. of bottles on job work basis

b) Particulars of Turnover

Particulars	Quantity (in Nos in lacs)	Value (Rs. in lacs)
I.V. SECTION		
I.V. Fluid Transfusion	281.57	2664.51
(Fluid bottles)	(314.48)	(2926.21)
Other Sales		845.98
(WFI, Tab./Cap., Injectibles & misc.)		(512.76)

c) Details of Quantity & Value of Opening & Closing stock of finished goods.

Particulars	Opening Stock		Closing Stock	
	Quantity (in Nos. in lacs)	Value (Rs.in lacs)	Quantity (Nos. in lacs)	Value (Rs.in lacs)
I.V. Transfusion	53.30	256.22	55.28	271.73
(Fluid Bottles)	(18.42)	(79.72)	(53.30)	(256.22)
Others		138.23		235.18
(WFI, Tab./Cap., Injectable)		(97.62)		(138.23)

Note : Figures in brackets represent previous year figures.

d) Material Consumed

	Quantity (in Tons)		Value (Rs. in lacs)	
	Year Ended 31.03.2009	Year Ended 31.03.2008	Year Ended 31.03.2009	Year Ended 31.03.2008
i) Raw Materials				
1. P.P. Granules	694.836	934.598	560.28	813.10
2. Dextrose	414.946	586.875	173.08	234.86
3. Other Chemicals			99.61	290.84
ii) Packing Material consumed			236.53	219.05
iii) Job Work Material consumed			600.90	298.46
iv) Job Work Charges			41.02	20.35
Total Material Consumed			1711.42	1876.66
e) CIF Value of Imported Raw Material			42.80	113.08
f) Earning in Foreign Exchange			Nil	Nil
g) Remittance in Foreign Exchange (Out go)			35.59	84.87
h) Remittance in Foreign Exchange for Dividend			Nil	Nil

Signature to Schedules "A" to "R"

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Place : Indore
Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
Director
Vinod Kumar Gupta
Director
Govind Das Garg
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rs. in Lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	205.43	266.87
adjustment for :		
Depreciation	59.64	
Interest/Dividend	132.33	
Miscellaneous expenditure	0.03	192.00
	192.00	172.36
Operating profit before working capital change	397.43	439.23
adjustment for :		
Trade and other receivable	-66.91	
Inventories	-244.14	
Trade and other Payable	-138.35	-449.40
Cash Generated from Operation	-51.97	-34.01
Interest Paid	-132.33	-127.83
Taxes Paid	-36.81	-95.31
Cash Flow Before Extraordinary items	-221.11	-257.15
Extra ordinary Items	0.00	0.00
Net cash from operating activities.....A	-221.11	-257.15
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	-38.18	-419.80
Net Cash used in investing activitiesB	-38.18	-419.80
C - CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings	340.26	783.37
Repayment of Finance Liabilities	-56.00	-66.00
Net Cash from Financing ActivitiesC	284.26	717.37
Net increase/decrease in Cash & Cash equivalents (A+B+C)	24.97	40.42
Opening Cash and Cash equivalents Balances	48.33	7.91
Closing Cash and Cash equivalents Balances	73.30	48.33

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Place : Indore
 Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
 Director
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director

SCHEDULE VI

PART IV

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

I. REGISTRATION DETAILS

Registration No.

1	4	6	1	2	9
---	---	---	---	---	---

 State Code

1	1
---	---

Balance Sheet Date

3	1
---	---

0	3
---	---

2	0	0	9
---	---	---	---

Date Month Year

**II. CAPITAL RAISED DURING THE YEAR
(Amount in Rs. Thousands)**

Public Issue

N	I	L
---	---	---

 Rights Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

**III. POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS
(Amount in Rs. Thousands)**

Total Liabilities

2	8	3	6	4	7
---	---	---	---	---	---

 Total Assets

2	8	3	6	4	7
---	---	---	---	---	---

Sources of Funds

Paid-up Capital

3	0	0	0	0
---	---	---	---	---

 Reserves & Surplus

5	0	7	0	3
---	---	---	---	---

Secured Loans

1	1	7	4	7	1
---	---	---	---	---	---

 Unsecured Loans

8	5	4	7	3
---	---	---	---	---

Application of Funds

Net Fixed Assets

1	1	3	7	4	5
---	---	---	---	---	---

 Investments

3	0	0
---	---	---

Net Current Assets

1	6	9	6	0	2
---	---	---	---	---	---

 Misc. Expenditure

0	0
---	---

**IV. PERFORMANCE OF COMPANY
(Amount in Rs. Thousands)**

Turnover

3	5	1	0	4	9
---	---	---	---	---	---

 Total Expenditure

3	3	0	5	0	6
---	---	---	---	---	---

Profit / Loss before tax

<input checked="" type="checkbox"/>	<input type="checkbox"/>	2	0	5	4	3
-------------------------------------	--------------------------	---	---	---	---	---

 Profit / Loss after tax

<input checked="" type="checkbox"/>	<input type="checkbox"/>	9	4	7	5
-------------------------------------	--------------------------	---	---	---	---

Earning per Share in Rs.

1	3	.	3	4
---	---	---	---	---

 Divident rate %

1	8
---	---

(on Preference Shares)

**V. GENERIC NAMES OF PRODUCT OF THE COMPANY
(as per monetary terms)**

Item Code No. (ITC Code)

3	0	0	3	3	9	0	0
---	---	---	---	---	---	---	---

 Product Description

I	N	T	R	A	V	E	N	O	U	S	
T	R	A	N	S	F	U	S	I	O	N	S

For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Place : Indore
Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
Director
Vinod Kumar Gupta
Director
Govind Das Garg
Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**RELATING TO SUBSIDIARY COMPANY****Particulars :-**

- 1) Name of the Subsidiary Company : GOA FORMULATIONS LIMITED.
(BECAME SUBSIDIARY ON 01.11.2008)
- 2) Financial year of the Subsidiary : 31ST MARCH, 2009
ended on
- 3) Holding Company's Interest :
- 1) Number of Shares : 32,50,000 equity Shares of Rs. 10/- each
- 2) Paid up value
- Fully paid up : 32,50,000 equity Shares of Rs. 10/- each
- 3) Percent of holding : 100%*
- *600 Shares are held by nominee
- 4) Net aggregate amount of profit (Losses) of the Subsidiary so far as they concern members of Parenteral Drugs (India) Limited and is not dealt within the Company's account
- a) Profit (Loss) for the Subsidiary's financial year : Rs. (40,82,018/-)
- b) Profit (Loss) for the previous financial years of the subsidiary since it became the subsidiary of Parenteral Drugs (India) Limited : NIL
- 5) Net aggregate amount of the profits (Losses) of the Subsidiary so far or those profits (Losses) are dealt within Parenteral Drugs (India) Ltd's account
- a) For the previous financial year : NIL
- b) For the previous financial year's since it became the subsidiary : NIL

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

Ms. Archana Agar
Company Secretary

For and on behalf of the Board
Manoharlal Gupta
Chairman cum - Managing Director
Vinod Kumar Gupta
Managing Director
Govind Das Garg
Whole-time Director
Place : Indore
Dt. 26th November, 2009

DIRECTORS' REPORT

To,
The Members of
M/s. Goa Formulations Limited

Dear Shareholders,

Your Directors have pleasure in presenting the 4th Annual Report on the working of the Company for the financial year 2008-09 ended on 31st March, 2009.

FINANCIAL RESULTS:

(Rs.in lacs)

Particulars	31 st March, 09	31 st March, 08
Sales and other Incomes	717.26	0
Less: Total Expenditure	490.81	-3.17
Less: Interest	152.15	12.05
Less: Depreciation	72.35	9.16
Profit/ Loss before Tax	19.47	-18.04
Less : Provision for Tax	0	0
Less : Fringe Benefit Tax	0.52	0.8
Less : Provision for deferred Tax	42.24	65.28
Profit/ Loss after Tax	-40.82	-83.40
Balance Carried to Balance Sheet	-40.82	-83.40
EPS	-1.26	-

DIVIDEND

The Board of Directors express their inability to recommend any dividend over equity shares of the Company for the year under review in order to conserve financial resources for expansion activities.

DIRECTORS

Shri Manohar Lal Gupta is retiring by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. The Board recommends their re-appointment.

AUDITORS

M/s.T.N.Unni & Co., Chartered Accountants, Indore is retiring at the forthcoming Annual General Meeting and is eligible for re-appointment as Statutory Auditors of the Company for the financial year 2009-10.

AUDITORS' REPORT

Report of the Auditors and their observations on the Accounts of the Company for the year under review are self explanatory and have been explained wherever required.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms that:

- a) The financial statements are in full conformity with the requirements of the Companies Act, 1956, and applicable accounting standards have been followed along with proper explanation relating to material departure.
- b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

The provisions of Section 217 (2A) of the Companies Act, 1956, read with the provisions of the Companies (Particulars of Employees) Rules, 1975, are not applicable in case of any employee of the Company.

FIXED DEPOSITS

The Company has not invited or accepted any deposits from the public during the year; and there are no unpaid or unclaimed deposits with the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

The details of energy conservation, technology absorption, foreign exchange earnings and outgo during the year are annexed in Form No. A and B as required under section 217 (1) (e) and forming part of the report of the Board.

RELATIONS WITH EMPLOYEES

The relations with the employees continued to be cordial during the year. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGEMENT

The Directors wish to place their sincere thanks to Banks and all Government Agencies and Departments for their continued support and co-operation to the Company during the year.

Place : Indore
Dt. : 29th September, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

FORM 'A'

Particulars Required Under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Sr.No.	Particulars	Current Year 31.03.2009	Previous Year 31.03.2008
A.	Power And Fuel Consumption		
1.	Electricity		
	(a) Purchased Units (in Lacs)	8.72	-
	Total Amount (Rs.in Lacs)	26.16	-
	Rate/ Unit	3.00	-
	(b) Own Generation		
	Through diesel/ LDO generator Units (In Lacs)	0.00	-
	Units per Litre of diesel / LDO Oil	0.00	-
	Total Cost (Rs. In Lacs)	0.00	-
	Cost/Unit (Rs.)	0.00	-
2.	Petro Coke		
	Quantity (tones)	0.00	-
	Total Cost (Rs. In lacs)	0.00	-
	Average Rate (Rs.)	0.00	-
3.	Furnace Oil		
	Quantity (Litres)	0.00	-
	Amount (Rs. In lacs)	0.00	-
	Average rate	0.00	-

B) CONSUMPTION PER UNIT OF PRODUCTION

The Company manufactures several pharmaceutical products in different sizes and potency and therefore it is difficult to allocate the cost of consumption of power to individual product.

FORM 'B'

(A) RESEARCH AND DEVELOPMENT

1. Specific areas in which Research & Development carried out by the Company

i) On going research for the development of formulations.

2. Benefits arrived as a result of above Research & Development:

i) Better customer satisfaction on use of the product.

ii) Number of complaints has been reduced.

3. Future Plan of Action:

i) Development of affordable and efficacious mode of treatment.

4. Expenditure

a) Capital : Nil

b) Recurring : Borne by the Company on regular basis.

(B) TECHNOLOGY ABSORPTION, ADOPTATION AND INNOVATION

The Company uses its indigenous technology in the production line and no new technology was absorbed or adopted during the year under review.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lacs)

Particulars	Current Year	Previous Year
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	-	-

AUDITORS' REPORT

To,

The Members of

M/s. GOA FORMULATIONS LIMITED

MUMBAI

1. We have audited the attached Balance Sheet of **M/s. Goa Formulations Limited** as at 31st March, 2009, the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform 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 amount and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 of India (the act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraphs 3 above, we report that;
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examinations of those books;
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Act;
 - e) On the basis of written representation received from the directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - (ii) In so far as it relates to the Profit and Loss Account, of the profit for the year ended on that date.
 - (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO

Chartered Accountants

T.N. Unni

(Partner)

Place: Indore

Dt. 29th September, 2009

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the Members of **M/s. Goa Formulations Limited** on the accounts for the period ended March 31, 2009]

- 1.a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.
- b) The Fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- c) In our opinion, and according to the information and explanations given to us, the Company has not disposed off a substantial part of fixed assets during the year.
- 2.a) The stock of finished goods, stores, spare parts raw material and packing material lying at its location have been physically verified by the management at intervals during the financial year and the frequency of verification is considered reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the books of records were not material.
- 3.a) The Company has granted unsecured loans to 1 (one) Companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and at the year end balances of such loans aggregates to Rs. 7.84 lacs and Rs. 7.84 lacs respectively.
- b) The rate of interest and other terms and conditions of unsecured loan granted by the company, are prima facie not prejudicial to the interest of the Company.
- c) Payment of the principal amount and interest are also regular during the year.
- d) The Company has taken unsecured loans, from 2 (two) companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. During the period under review Company has taken Rs. 295.10 lacs from the parties covered under section 301 of the Companies Act, 1956. The maximum amount involved during the period and at the year end balance of such loans aggregates to Rs.863.38 lacs and Rs.863.38 lacs respectively.
- e) The term of interest, repayment and other terms and conditions of unsecured loans taken by the company, are prima facie not prejudicial to the interest of the Company.
- f) Payment of the principal amount and interest are also regular during the year.
4. In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- 5.a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the Register maintained under Section 301 of Act, have been so entered.
- b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of Act, and exceeding the value of five lacs rupees in respect of any party during the period have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowings made by the Company. No order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India on the Company.

7. The Company has an adequate internal audit system to carry out the internal audit, and the scope of audit is commensurate with its size and nature of business.
8. Maintenance of cost records has not been prescribed for the products of the company by the Central Government, under Section 209(1) (d) of the Companies Act, 1956.
- 9.(a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material dues as applicable, have been regularly deposited by the Company during the period with the appropriate authorities.

(b) As at March 31, 2009 according to the records of the Company and the information and explanations given to us, there were no disputed dues.
10. The Company neither has accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date. But the Company has accumulated losses of Rs. 18.04 lacs in immediately preceding financial year.
11. On the basis of information and explanations given by the Management, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or banks.
12. 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, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. The Company is not dealing or trading in Shares, securities, debentures and other investments.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us the term loans taken by the Company were applied for the purpose for which the loans were obtained.
17. Based on the information and explanations given to us and on examination of the books of the Company, in our opinion the funds raised on a short-term basis have not been used for long-term investment.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued debentures during the year.
20. During the year, the Company has not raised money by way of public issue.
21. According to the information and explanations given to us and the examination of the records we have not come across any instance of fraud on or by the Company, noticed or reported during the year, and we not have been informed of any such case by the Management.

Place: Indore
Dt. 29th September, 2009

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

GOA FORMULATIONS LIMITED
BALANCE SHEET AS AT 31-03-09

(Rupees)

	SCHEDULE	AS AT 31-03-09	AS AT 31-03-08
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	32500000	32500000
RESERVES AND SURPLUS	B	10752119	6527673
LOAN FUNDS			
SECURED LOANS	C	120441739	100135262
UNSECURED LOANS	D	86338102	56828102
	TOTAL	250031960	195991037
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
GROSS BLOCK	E	182880846	174744065
DEPRECIATION		8151607	915944
NET BLOCK		174729239	173828121
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	F	44556436	12356484
SUNDRY DEBTORS	G	18361265	0
CASH & BANK BALANCES	H	3312850	1044209
LOANS AND ADVANCES	I	6785221	6912921
	TOTAL	73015772	20313614
LESS:			
CURRENT LIABILITIES AND PROVISIONS	J	10169413	6525046
NET CURRENT ASSETS		62846359	13788568
MISCELLANEOUS EXPENDITURE	K	12456362	8374348
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
	TOTAL	250031960	195991037
NOTES ON ACCOUNTS			
	O		

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Place : Indore
Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
Director
Vinod Kumar Gupta
Director
Govind Das Garg
Director

GOA FORMULATIONS LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-09

(Rupees)

		FOR THE YEAR SCHEDULE ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
INCOME			
SALES (NET OF RETURNS)		71611034	0
INCREASE/DECREASE IN STOCK		26316032	6342593
OTHER INCOME		115241	0
	TOTAL	98042307	6342593
EXPENDITURE			
MATERIAL CONSUMED		43184403	3775720
MANUFACTURING EXPENCES	L	14039473	1650929
ADMINISTRATIVE AND OTHER EXPENCES	M	4720306	598876
SELLING & DISTRIBUTION EXPENSES	N	13452645	0
INTEREST EXPENSES		15215063	1205501
DEPRECIATION	E	7235663	915944
	TOTAL	97847554	8146970
PROFIT/(LOSS) BEFORE TAX		194752	-1804377
LESS: PROVISION FOR FRINGE BENEFIT TAX		52321	8198
LESS : PROVISION FOR DEFFERED TAX LIABILITES		4224446	6527673
PROFIT/(LOSS) AFTER TAX		-4082015	-8340248
TRANSFERRED TO BALANCE SHEET		-4082015	-8340248
NOTES ON ACCOUNTS	O		

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Place : Indore
 Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
 Director
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director

GOA FORMULATIONS LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET (Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE - A		
<u>SHARE CAPITAL</u>		
AUTHORISED CAPITAL		
5000000 EQUITY SHARES OF Rs.10 EACH	<u>50000000</u>	<u>50000000</u>
ISSUED, SUBSCRIBED AND PAID UP.		
EQUITY SHARE CAPITAL		
3250000 EQUITY SHARES OF Rs.10 EACH	<u>32500000</u>	<u>32500000</u>
TOTAL	<u><u>32500000</u></u>	<u><u>32500000</u></u>
SCHEDULE - B		
<u>RESERVE & SURPLUS</u>		
DEFERRED TAX LIABILITY	10752119	6527673
OPENING BALANCE	6527673	
ADD: FOR THE YEAR	<u>4224446</u>	
TOTAL	<u><u>10752119</u></u>	<u><u>6527673</u></u>
SCHEDULE C		
<u>SECURED LOANS</u>		
PUNJAB NATIONAL BANK, GOA	91562805	97612091
TERM LOAN		
(SECURED BY FIRST CHARGE ON FIXED ASSETS OF THE COMPANY AND SECOND CHARGE ON CURRENT ASSETS OF THE COMPANY AND PERSONAL GUARANTEE OF THE DIRECTORS AND CORPORATE GUARANTEE OF GOA HOLDINGS (INDIA) PVT. LTD)		
PUNJAB NATIONAL BANK, GOA	28878934	2523171
CASH CREDIT		
(SECURED BY FIRST CHARGE ON CURRENT ASSETS OF THE COMPANY AND SECOND CHARGE ON FIXED ASSETS OF THE COMPANY AND PERSONAL GUARANTEE OF THE DIRECTORS AND CORPORATE GUARANTEE OF GOA HOLDINGS (INDIA) PVT. LTD)		
TOTAL	<u><u>120441739</u></u>	<u><u>100135262</u></u>
SCHEDULE D		
<u>UNSECURED LOANS</u>		
FROM DIRECTORS & RELATIVES	204352	204352
INTER CORPORATE DEPOSIT	<u>86133750</u>	<u>56623750</u>
TOTAL	<u><u>86338102</u></u>	<u><u>56828102</u></u>

**AS AT
31-03-09**

**AS AT
31-03-08**

SCHEDULE E

FIXED ASSETS AND DEPRECIATION AS ON 31.03.2009

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01.04.2008	ADDITION	DEDUCTION	AS ON 31.03.2009	AS ON 01.04.2008	FOR THE YEAR	WRITTEN BACK	AS ON 31.03.2009	AS ON 31.03.2009	AS ON 01.03.2008
LAND	9476769			9476769	0	0	0	0	9476769	9476769
FACTORY BUILDING	69144709	3096759		72241468	303706	2320019	0	2623725	69617743	68841003
PLANT & MACHINERY	87530230	4793371		92323601	546764	4397664	0	4944428	87379173	86983465
ELECTRICAL INSTALLATION	6367749	210095		6577844	39777	312448	0	352224	6225620	6327972
OFFICE EQUIPMENT	267862			267862	1673	12723	0	14397	253465	266189
COMPUTER	388981	36556		425537	8292	73187	0	81479	344058	380689
VEHICLES	643011			643011	8033	61086	0	69119	573892	634978
FURNITURE & FIXTURE	924754			924754	7698	58537	0	66235	858519	917056
TOTAL	174744065	8136781	0	182880846	915944	7235663	0	8151607	174729239	173828121
PREVIOUS FIGURES	62488261	174744065	62488261	174744065	0	915944	0	915944	173828121	0

SCHEDULE F

INVENTORIES

(AT COST OR MARKET VALUE WHICH EVER IS LESS AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)

RAW MATERIAL, PACKING MATERIAL AND STORES	11897811	6013891
FINISHED GOODS	32658625	6342593
TOTAL	44556436	12356484

SCHEDULE G

SUNDRY DEBTORS

DUE FOR MORE THAN 6 MONTH	0	0
OTHER DEBTS (CONSIDERED GOOD)	18361265	0
TOTAL	18361265	0

SCHEDULE H

CASH & BANK BALANCES

CASH IN HAND	32692	84007
IN CURRENT ACCOUNT WITH SCHEDULE BANK	216694	160202
CHEQUES IN HAND	2160964	0
FIXED DEPOSIT WITH SCHEDULED BANK	902500	800000
TOTAL	3312850	1044209

SCHEDULE I

LOANS AND ADVANCES

ADVANCES (RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED CONSIDERED GOOD)	5859654	5517811
ACCURED & PREPAID	97104	0
DEPOSITS	151400	141900
ADVANCE TO SUPPLIERS	654028	1253210
ADVANCE INCOME TAX	23035	0
FRINGE BENEFIT TAX OF LAST YEAR	8198	
TAX DEDUCTED AT SOURCE	14837	
TOTAL	6785221	6912921

SCHEDULE J

CURRENT LIABILITIES & PROVISIONS

SUNDRY CREDITORS	9218533	5524762
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(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
OUTSTANDING LIABILITIES	267101	977651
TAX PAYABLE	683779	22633
FRINGE BENEFIT TAX FOR LAST YEAR	8198	
FRINGE BENEFIT TAX FOR CURRENT YEAR	52321	
TDS PAYABLE	265328	
OTHER TAX PAYABLE	357932	
TOTAL	10169413	6525046
SCHEDULE K		
MISCELLANEOUS EXPENDITURE		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
PRELIMINARY EXPENSES	34100	34100
DEBIT BALANCE OF PROFIT AND LOSS A/C	12422262	8340248
OPENING BALANCE	8340248	
ADD: LOSS DURING YEAR	4082015	
TOTAL	12456362	8374348
	FOR THE YEAR ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
SCHEDULE L		
MANUFACTURING EXPENSES		
FACTORY EXPENSES	1023780	334609
ANALYTICAL TESTING & PROCESSING CHARGES	3879865	349922
POWER, LIGHT, COAL & FUEL	2616702	394970
CONSUMABLES STORE	474313	109733
REPAIRS & MAINTANCE OF FIXED ASSETS	63738	41300
SALARIES (Including P.F. Bonus ,Gratuity & Earned Leave)	5969866	420396
STAFF WELFARE	11209	0
TOTAL	14039473	1650929
SCHEDULE M		
ADMINISTRATIVE & GENERAL EXPENSES		
RENT,RATES,TAXES & INSURANCE	2324294	106020
STATIONERY & PRINTING	81972	42161
POSTAGE , TELEGRAM & TELEPHONE	246421	26419
LEGAL & PROFESSIONAL EXPENSES	1068372	1100
AUDITOR'S REMUNERATION	20000	15000
BANK COMMISSION	307535	22808
CONVEYANCE	43085	20523
VEHICLE RUNNING & MAINTANANCE	260943	14392
MISCELLANEOUS EXPENSES	314840	28898
SOFTWARE & COMPUTER MAINTENANCE	52844	20300
TOTAL	4720306	297621
SCHEDULE N		
SELLING & DISTRIBUTION EXPENSES		
TRAVELLING EXPENSE	1258377	301255
CARRIAGE OUTWARD	10863201	0
ADVERTISING, PUBLICITY AND CONFERENCE	11100	0
SALES COMMISSION	1319968	0
TOTAL	13452645	598876

SCHEDULE - O

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. Significant Accounting Policies

- a) The company has maintained its books of accounts on Mercantile System of accounting and provisions have been made for all known liabilities and income accruals.
- b) The fixed assets have been reflected at cost and the Depreciation on the fixed assets has been correspondingly accounted for under Depreciation Reserve account.
- c) The stock and inventories have been valued "At cost". The method of valuation is consistent as compared with the valuation method in the immediately previous year.
- d) Depreciation:
 - a) Depreciation on fixed assets has been calculated on straight line method on prorata basis at the rates prescribed in schedule XIV to the Companies Act, 1956.
 - b) No Depreciation has been provided on Capital Work in progress.

2. Notes on Accounts

- (i) Contingent liabilities: Bank Guarantee of Rs. 8.65 Lacs (Previous Year : Rs. 8.00 Lacs)
- (ii) In the opinion of the Board of Directors of the company the current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are Stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- (iii) The Company does not have any liability towards gratuity, because as no employee was in continuous service with the Company for 5 years or more, hence not provided for. The Company does not have any liability towards Leave encashment.
- (iv) On the basis of information available, there are no outstanding dues in excess of Rs. 1.00 lac each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.
- (v) Auditors Remuneration: -
 Audit Fees Rs. 20,000.00
Total Rs 20,000.00
- (vi) The figures of the previous year have been regrouped/ reclassified/ rearranged wherever necessary for easy comparison.
- (vii) Consequent to the issuance of Accounting Standard 22 "Accounting for Taxes on Income" by the Institute of Chartered Accountants of India, the Company has recognised the deferred tax liabilities aggregating to Rs. 42,24,446/- in the Profit & Loss Accounts in the current year.

(Amount in Rs.)			
Particulars	Upto 31.03.08	Arising during the year	Balance Carried as at 31.03.09
Deferred Tax Liabilities			
On account of timing difference in depreciation	6527673/-	4224446/-	10752119/-
Total Deferred Tax Liability	6527673/-	4224446/-	10752119/-
Deferred Tax Assets	NIL	NIL	NIL
Net Deferred Tax Assets/Liabilities	6527673/-	4224446/-	10752119/-

- (viii) The Company is principally engaged in the business of pharmaceutical. Accordingly there are no segments as per Accounting Standard 17 "Segmental Reporting" issued by the Institute of Chartered Accountants of India.

(ix) Related party disclosure in accordance with Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below: -

Related Party Relationship and Transactions with Related Parties

A Name of Related Parties & Description of relationship:

1.	Key Management Personnel	Manohar Lal Gupta Director	Vinod Kumar Gupta Director	Govind Das Garg Director	Aditya Gupta Director
2.	Relatives of Key Management Personnel	Alpana Gupta, wife Umashankar Gupta, father Padma Bai Gupta, mother Aditya Gupta, son Ayush Gupta, son	Aruna Gupta, wife Abhay Gupta, son	Shashi Garg, wife Manish Garg, son Ashish Garg, son	Nayantara Gupta, Wife Manohar Lal Gupta, father Alpana Gupta, mother Ayush Gupta, brother
3.	Enterprises Controlled by Key Management Personnel / Relatives of Key Management Personnel	Parenteral Drugs (India) Limited, Rajratan Exports Limited, Mahaganpati Investments Pvt. Ltd., PDPL Holdings Pvt. Ltd., PDPL Securities Pvt. Ltd., Parenteral Medicines Ltd., Panorama Remedies Ltd., Anitas Exports Ltd., Lalit Media & Education Limited, Goa Formulations Limited, Orissa Formulations Limited, Goa Holdings (India) Pvt. Ltd., PFL Holdings Pvt. Ltd., Anitas Management Pvt. Ltd., MVG Mercantile Pvt. Ltd., Rama Contractors Pvt. Ltd., Chiron Metco Limited, Chetan Medicaments Ltd., Diamond Crystal Private Limited, Earawat Steels Private limited, Neptune Packaging Private Limited, Prem Pharmaceuticals, Parenteral Commercial Services Pvt. Ltd., Manish Medicates Pvt. Ltd., AGT Mercantile Pvt. Ltd.			

B. Summary of Related Party Transactions :

(Rs. in Lacs)

S. No.	Particulars	Enterprises Controlled by Key Management Personnel / Relatives of Key Management Personnel
a)	Transactions	
	01. Purchase of Goods/ Material	156.99
	02 Fixed Assets Purchased	16.24
	03. Job Work charges	41.53
b)	Outstanding Balance as on 31.03.2009	20.74 (Credit)

(x) Information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule VI of Companies Act 1956.

a) Particulars of licenced & installed capacity and production

Particulars	Licenced Capacity (p.a)	Installed Capacity (p.a.)	Production for Current Year
-------------	-------------------------	---------------------------	-----------------------------

I.V. SECTION

IV Transfusion	300 lacs	300 lacs	103.61* lacs
Fluid Bottles (Qty. in Nos.)	(300 lacs)	(300 lacs)	(10.99 lacs)

*it includes 20.96 nos. of bottles on job work basis

Note:1. Figures in brackets represent previous year figures.

2. Due to increase in products of other than 500 MI in IV Fluids, the Company has decided to not to convert IV quantities in 500 MI, so quantities shown above are in number of bottles.

b) Particulars of Turnover

Particulars	Quantity (Nos in lacs)	Value (Rs. in lacs)
-------------	------------------------	---------------------

I.V. SECTION

I.V. Transfusion (Fluid bottles)	88.51 (NIL)	714.99 (NIL)
Other Sales (WFI, Injectibles)		1.12 (NIL)

c) Details of Quantity & Value of Opening & Closing stock of finished goods.

Particulars	Opening Stock		Closing Stock	
	Quantity	Value	Quantity	Value
	(Nos. in lacs)	(Rs.in lacs)	(Nos. in lacs)	(Rs.in lacs)
I.V. Transfusion	10.99	63.43	47.05	302.31
Fluid Bottles	(NIL)	(NIL)	(10.99)	(63.43)
Others		NIL		24.27
(WFI, Injectable)		(NIL)		(NIL)

Note: 1. Figures in brackets represent previous year figures.

2. Due to increase in products of other than 500 MI in IV Fluids, the Company has decided to not to convert IV quantities in 500 MI, so quantities shown above are in number of bottles

d) Material Consumed

	Quantity (in Tons)		Value (Rs. in lacs)	
	Year Ended	Year Ended	Year Ended	Year Ended
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
i) Raw Materials				
1. P.P. Granules	195.025	23.769	164.18	19.52
2. Dextrose	126.470	16.690	51.33	6.39
3. Other Chemicals			107.34	7.73
ii) Packing Material consumed			7.16	4.12
iii) Job Work Material consumed			101.83	—
Total			431.84	37.76

Signature to Schedules "A" to "O"

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Place : Indore
 Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
 Director
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rs. in Lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/loss before tax and extra-ordinary items	1.95	-18.04
adjustment for :		
Depreciation	72.35	
Interest/Dividend	152.15	
Miscellaneous expenditure	0.00	21.22
	224.50	
Operating profit before working capital change	226.45	3.18
adjustment for :		
Trade and other receivable	-182.33	
Inventories	-322.00	
Trade and other Payable	299.99	-70.71
	-204.34	
Cash Generated from Operation	22.11	-67.53
Interest Paid	-152.15	-12.06
Direct Taxes Paid	-0.52	-0.08
Cash Flow Before Extraordinary items	-130.56	-79.67
Extra ordinary Items	0.00	0.00
Net cash from operating activities.....A	-130.56	-79.67
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	-81.36	-1122.58
Net Cash used in investing activitiesB	-81.36	-1122.58
C - CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings	0.00	976.12
Received from Finance Liabilities	295.10	440.07
Repayment of Long Term Borrowings	-60.49	-204.11
Net Cash from Financing ActivitiesC	234.61	1212.08
Net increase/decrease in Cash & Cash equivalents (A+B+C)	22.69	9.83
Opening Cash and Cash equivalents Balances	10.44	0.61
Closing Cash and Cash equivalents Balances	33.13	10.44

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Place : Indore
Dt. 29th September, 2009

For and on behalf of the Board
Manohar Lal Gupta
Director
Vinod Kumar Gupta
Director
Govind Das Garg
Director

SCHEDULE VI

PART IV

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

I. Registration No. State Code

Balance Sheet Date
Date Month Year

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

Public Issue Rights Issue
Bonus Issue Private Placement

**III. Position of Mobilisation and Deployment of Funds
(Amount in Rs. Thousands)**

Total Liabilities Total Assets

Sources of Funds

Paid-up Capital Reserves & Surplus
Secured Loans Unsecured Loans

Application of Funds

Net Fixed Assets Investments
Net Current Assets Misc. Expenditure
Accumulated Losses

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

Turnover Total Expenditure

+ - Profit / Loss before tax + - Profit / Loss after tax
(Please tick Appropriate box + for profit, - for loss)

Earning per Share in Rs. Divident rate %

**V. Generic Names of Three Principal Products / Services of Company
(as per monetary terms)**

Item Code No.

For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Place : Indore
Dt. 29th September, 2009

For and on behalf of the Board
Manoharlal Gupta
Director
Vinod Kumar Gupta
Director
Govind Das Garg
Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**RELATING TO SUBSIDIARY COMPANY****Particulars :-**

- 1) Name of the Subsidiary Company : PARENTERAL IMPEX LIMITED
(BECAME SUBSIDIARY ON 21.12.2006)
- 2) Financial year of the Subsidiary : 31ST MARCH, 2009
ended on
- 3) Holding Company's Interest :
- 1) Number of Shares : 50,000 equity Shares of Rs. 10/- each
- 2) Paid up value
- Fully paid up : 50,000 equity Shares of Rs. 10/- each
- 3) Percent of holding : 100%*
- *60 Shares are held by nominee
- 4) Net aggregate amount of profit (Losses)
of the Subsidiary so far as they concern
members of Parenteral Drugs (India)
Limited and is not dealt within the
Company's account
- a) Profit (Loss) for the : NIL
Subsidiary's
financial year
- b) Profit (Loss) for the : NIL
previous financial years
of the subsidiary since it
became the subsidiary
of Parenteral Drugs (India) Limited
- 5) Net aggregate amount of the profits
(Losses) of the Subsidiary so far or
those profits (Losses) are dealt within
Parenteral Drugs (India) Ltd's account
- a) For the previous : NIL
financial year
- b) For the previous : NIL
financial year's
since it became the
subsidiary

As per our report of even date attached

For **T.N. Unni & Co.**
Chartered Accountants

T.N. Unni

Partner

Camp : Angadipuram

Dt. 26th November, 2009

Ms. Archna Agar
Company Secretary

For and on behalf of the Board

Manoharlal Gupta

Chairman cum - Managing Director

Vinod Kumar Gupta

Managing Director

Govind Das Garg

Whole-time Director

Place : Indore

Dt. 26th November, 2009

DIRECTORS' REPORT

To
The Members of
M/s. Parenteral Impex Limited

Dear Shareholders,

Your Directors are pleased to present the 3rd Annual Report on the state of affairs of the Company and the financial accounts for the financial year ended 31st March, 2009 and the Auditors' Report thereon.

PERFORMANCE

During the year under review the Company did not carry out any operating activities.

DIRECTORS

Shri Manoharlal Gupta, Director of the Company is retiring at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment on the Board of the Company.

AUDITORS

M/s. T. N. Unni & Co., Chartered Accountants, Indore the retiring Auditors of the Company are eligible for re-appointment. The Board recommends their appointment.

AUDITORS' REPORT

Report of the Auditors and their observations on the annual accounts of the Company for the period under review are attached herewith and have been explained in the Notes to the Accounts wherever required.

DIVIDEND

The Directors regret their inability to propose any dividend for the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms that:-

- (a) The financial statements are in full conformity with the requirements of the Companies Act, 1956 and applicable accounting standards had been followed along with proper explanation relating to material departure.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review.
- (c) The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

Provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not attracted in case of any employee of the Company.

FIXED DEPOSITS

The Company did not accept any deposit during the period from the public and there is no unpaid or unclaimed deposit with the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not required to provide the details of Energy conservation. No new technology was absorbed during the period. There was no foreign exchange earnings and outgo during the period under review.

RELATIONS WITH THE EMPLOYEES

The relation with the employees continues to be cordial during the period. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks to Banks and all Government Agencies and Departments for their continued support to the Company during the period.

For and on behalf of the Board

Place : Indore
Dt. : 26th November, 2009

Vinod Kumar Gupta
Chairman

AUDITORS' REPORT

To,
The Members of
M/s. PARENTERAL IMPEX LIMITED

1. We have audited the attached Balance Sheet of **M/s. Parenteral Impex Limited**, as at March 31, 2009 and the related Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with 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 mis-statement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us we set out in the Annexure 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) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 211 (3C) of the Act.
 - (e) On the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009,
 - (ii) In case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009.

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 3 of the Auditors' Report of even date to the members of **Parenteral Impex Limited** on the accounts for the year ended March 31, 2009.]

1. The Company has no fixed assets.
2. The Company has no trading activities during the year.
3. a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or to the companies under same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956.
- b) The Company has taken unsecured loan from 2 (Two) companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and at the year end balance of such loans aggregated to Rs. 9.75 lacs and Rs. 9.75 lacs respectively.

- c) The rate of interest and other terms and conditions of unsecured loan taken by the company, are prima facie not prejudicial to the interest of the Company.
- d) Payment of the principal amount and interest are also regular during the year.
- 4 In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered, have been so entered.
(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowing made by the Company. No order under the aforesaid sections has been passed by the Company Law Board on the Company.
7. The Company has an internal audit system commensurate with its size and nature of business.
8. As informed to us by the Company is not manufacturing articles or goods for which cost records have been prescribed.
9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, there are no undisputed statutory dues in the Company.
(b) As at March 31, 2009 according to the records of the Company and the information and explanations given to us, there were no disputed dues (provided/considered contingent liability, as appropriate) on account of sales-tax, income tax, custom duty, wealth tax, service tax, excise duty and cess matters that have not been deposited on account of a dispute.
10. The Company has no accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date or immediately preceding financial year.
- 11 The Company had not taken any loan from banks or financial institutions or debenture holders.
- 12 In our opinion and according the information and explanations given to us no fresh term loans have been raised during the year. Further the company has not defaulted in repayment of dues to any financial institution or banks as at the Balance Sheet date.
- 13 The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 14 In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
- 15 The Company is not dealing or trading in Shares, securities, debentures and other investments and the investment made by the Company in shares and other securities has been held in its own name in respect of which the Company has maintained adequate records.
- 16 The Company has not given any guarantees for loans taken by others from banks or financial institutions.
- 17 Based on the information and explanations given to us and overall examination of the books of the Company, in our opinion there are no funds raised on a short-term basis.
- 18 During the year the Company has not made any Preference allotment of shares.
- 19 No debentures have been issued by the Company during the year.
- 20 During the year, the Company has not raised money by way of public issue.
- 21 In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

**PARENTERAL IMPEX LIMITED
BALANCE SHEET AS AT 31-03-09**

(Rupees)

		AS AT 31-03-09	AS AT 31-03-08
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	500000	500000
LOAN FUNDS			
UNSECURED LOANS	B	974600	87000
	TOTAL	1474600	587000
APPLICATION OF FUNDS			
CURRENT ASSETS, LOANS AND ADVANCES			
CASH & BANK BALANCES	C	98155	507902
LOANS & ADVANCES	D	31708	25000
LESS: CURRENT LIABILITIES AND PROVISIONS	E	108363	7009
NET CURRENT ASSETS		21500	525893
MISCELLANEOUS EXPENDITURE			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
PRELIMINARY & POP EXP.		1453100	61107
	TOTAL	1474600	587000
NOTES ON ACCOUNTS			
	G		

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rupees)

		AS AT 31-03-09	AS AT 31-03-08
SCHEDULE - A			
SHARE CAPITAL			
AUTHORISED			
50000 EQUITY SHARES OF Rs.10 EACH		500000	500000
ISSUED, SUBSCRIBED AND PAID UP.			
50000 EQUITY SHARES OF Rs.10 EACH		500000	500000
	TOTAL	500000	500000
SCHEDULE - B			
UNSECURED LOANS			
INTER CORPORATE DEPOSITS		974600	87000
	TOTAL	974600	87000
SCHEDULE C			
CASH & BANK BALANCE			
CASH IN HAND		70306	68016
IN CURRENT A/C WITH SCHEDULED BANK		27849	439886
	TOTAL	98155	507902
SCHEDULE - D			
LOANS & ADVANCES			
ADVANCES(RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED) (UNSECURED CONSIDERED GOODS)		6708	0

		(Rupees)	
		AS AT 31-03-09	AS AT 31-03-08
DEPOSIT (SALES TAX)		25000	25000
	TOTAL	31708	25000
SCHEDULE E			
CURRENT LIABILITIES & PROVISIONS			
SUNDRY CREDITORS		0	2750
OUTSTANDING LIABILITIES		1655	1684
TDS PAYABLE		106708	2575
	TOTAL	108363	7009
SCHEDULE F			
MISCELLANEOUS EXPENDITURE			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
PRELIMINARY AND POP EXPENCES		1453100	61107
OPENING BALANCE	61107		
ADD : INCURRED DURING THE YEAR	1391993		
	TOTAL	1453100	61107

SCHEDULE - G

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Significant Accounting Policies

- i) The Financial Statements are prepared at historical costs.
- ii) Recognition of Revenue and Expenditure
The Company yet not started its activities so all expenses incurred are clubbed in Preliminary and pre-operative expenses.
- iii) The Financial statements have been prepared on the basis of generally accepted principles of accounting, applicable accounting standards of the Institute of the Chartered Accountant of India and provisions of Companies Act 1956.
- iv) Material events subsequent to the Balance Sheet date up to the finalisation of accounts have been taken into account to determine the account of Income & expenses.
- v) As there are no fixed assets, no provisions for depreciation has been made

Notes on Accounts

- i) In the opinion of the Board of Directors of the Company the Current Assets. Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- ii) Claims against the Company not acknowledged as debt - NIL
- iii) Contingent Liabilities not funded for - NIL
- iv) Contracts remaining to be executed on capital account not provided for - NIL
- v) a) Foreign Exchange Earnings : NIL
b) Foreign Remittance : NIL
- vi) No Income Tax liability arises during the year.
- vii) No Deferred Tax Liability or Assets arises during the year as per provisions of AS-23 "Accounting for Taxes on Incomes".
- viii) Other additional information as required under Para 4, 4A, 4C, 4D and part II of the Companies Act, 1956 are either NIL or N.A. to the Company.
- ix) There are no outstanding dues in excess of Rs.1.00 lacs each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.
- x) Figures for the previous year have been re-grouped and re-arranged wherever considered necessary.
- xi) Auditors Remuneration are as under: -

Audit Fees	Rs. 1,655.00
Total	Rs. 1,655.00

Signature to Schedule "A" to "G"

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

PARENTRAL IMPEX LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009 (Rs. In lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	0.00	0.00
adjustment for :		
Depreciation	0.00	
Interest/Dividend	0.00	0.00
Operating profit before working capital change	0.00	0.00
adjustment for :		
Trade and other receivable	-0.07	
Trade and other payables	1.06	0.99
Cash Generated from Operation	0.99	-0.20
Interest Paid	0.00	0.00
Direct Taxes Paid	0.00	0.00
Cash Flow Before Extraordinary items	0.99	-0.20
Extra ordinary Items	0.00	0.00
Net cash from operating activities.....A	0.99	-0.20
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Misc. Exp. / Pre-Operative Exp.	-13.97	-0.43
Net Cash used in investing activitiesB	-13.97	-0.43
C-CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Share Capital Issued	0.00	4.00
Received from Unsecured Loans	8.88	0.87
Net Cash from Financing ActivitiesC	8.88	4.87
Net increase/decrease in Cash & Cash equivalents (A+B+C)	-4.10	4.24
Cash and Cash equivalents as at 01.04.2008 (Opening Balance)	5.08	0.84
Cash and Cash equivalents as at 31.03.2009 (Cash & Bank Balance) (Closing Balance)	0.98	5.08

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt : 26th November, 2009.

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt : 26th November, 2009

**PARENTERAL IMPEX LIMITED
SCHEDULE VI
PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No.

U	2	4	2	3	9	M	H	2	0	0	6	P	T	C	1	6	6	4	1	9		
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--

Balance Sheet Date

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

Date Month Year

**II. CAPITAL RAISED DURING THE YEAR
(Amount in Rs. Thousands)**

Public Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Rights Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
N	I	L							
N	I	L							
Bonus Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Private Placement	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
N	I	L							
N	I	L							

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS
(Amount in Rs. Thousands)**

Total Liabilities	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>4</td><td>7</td><td>5</td></tr></table>	1	4	7	5	Total Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>4</td><td>7</td><td>5</td></tr></table>	1	4	7	5
1	4	7	5								
1	4	7	5								
Sources of Funds											
Paid-up Capital	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>5</td><td>0</td><td>0</td></tr></table>	5	0	0	Reserves & Surplus	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L		
5	0	0									
N	I	L									
Secured Loans	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Unsecured Loans	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>9</td><td>7</td><td>5</td></tr></table>	9	7	5		
N	I	L									
9	7	5									
Application of Funds											
Net Fixed Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Investments	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L		
N	I	L									
N	I	L									
Net Current Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>2</td><td>2</td></tr></table>		2	2	Misc. Expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>4</td><td>5</td><td>3</td></tr></table>	1	4	5	3	
	2	2									
1	4	5	3								
Accumulated Losses	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L							
N	I	L									

**IV. PERFORMANCE OF COMPANY
(Amount in Rs. Thousands)**

Turnover	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Total Expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L										
N	I	L																	
N	I	L																	
Profit / Loss before tax	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="text-align: center;">+ / -</td><td style="text-align: center;"><table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>✓</td><td></td></tr></table></td><td style="text-align: center;"><table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table></td></tr></table>	+ / -	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>✓</td><td></td></tr></table>	✓		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Profit / Loss after tax	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="text-align: center;">+ / -</td><td style="text-align: center;"><table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>✓</td><td></td></tr></table></td><td style="text-align: center;"><table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table></td></tr></table>	+ / -	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>✓</td><td></td></tr></table>	✓		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
+ / -	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>✓</td><td></td></tr></table>	✓		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L												
✓																			
N	I	L																	
+ / -	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>✓</td><td></td></tr></table>	✓		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L												
✓																			
N	I	L																	
Earning per Share in Rs.	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Dividend rate %	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L										
N	I	L																	
N	I	L																	

**V. GENERIC NAMES OF PRODUCT OF THE COMPANY
(as per monetary terms)**

Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>A</td></tr></table>	N	A	Product Description	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>A</td></tr></table>	N	A
N	A						
N	A						

For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY

Particulars :-

- 1) Name of the Subsidiary Company : ANJANEY PHARMACEUTICALS LIMITED
(BECAME SUBSIDIARY ON 21.12.2006)
- 2) Financial year of the Subsidiary : 31ST MARCH, 2009
ended on
- 3) Holding Company's Interest :
- 1) Number of Shares : 50,000 equity Shares of Rs. 10/- each
- 2) Paid up value
- Fully paid up : 50,000 equity Shares of Rs. 10/- each
- 3) Percent of holding : 100%*

*60 Shares are held by nominee

- 4) Net aggregate amount of profit (Losses) of the Subsidiary so far as they concern members of Parenteral Drugs (India) Limited and is not dealt within the Company's account

a) Profit (Loss) for the Subsidiary's financial year : NIL

b) Profit (Loss) for the previous financial years of the subsidiary since it became the subsidiary of Parenteral Drugs (India) Limited : NIL

- 5) Net aggregate amount of the profits (Losses) of the Subsidiary so far or those profits (Losses) are dealt within Parenteral Drugs (India) Ltd's account

a) For the previous financial year : NIL

b) For the previous financial year's since it became the subsidiary : NIL

As per our report of even date attached

For T.N. Unni & Co.
Chartered Accountants
T.N. Unni
Partner

Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board

Manoharlal Gupta
Chairman cum - Managing Director
Vinod Kumar Gupta
Managing Director
Govind Das Garg

Whole-time Director

Place : Indore

Dt. 26th November, 2009

Ms. Archna Agar
Company Secretary

DIRECTORS' REPORT

To
The Members of
M/s. Anjaney Pharmaceuticals Limited

Dear Shareholders,

Your Directors are pleased to present the 3rd Annual Report on the state of affairs of the Company and the financial accounts for the financial year ended 31st March, 2009 and the Auditors' Report thereon.

PERFORMANCE

During the year under review the Company did not carry out any operating activities.

DIRECTORS

Shri Manohar Lal Gupta, Director of the Company is retiring at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment on the Board of the Company.

AUDITORS

M/s. T. N. Unni & Co., Chartered Accountants, Indore the retiring Auditors of the Company are eligible for re-appointment. The Board recommends their appointment.

AUDITORS' REPORT

Report of the Auditors and their observations on the annual accounts of the Company for the period under review are attached herewith and have been explained in the Notes to the Accounts wherever required.

DIVIDEND

The Directors regret their inability to propose any dividend for the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms that:-

- (a) The financial statements are in full conformity with the requirements of the Companies Act, 1956 and applicable accounting standards had been followed along with proper explanation relating to material departure.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review.
- (c) The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

Provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not attracted in case of any employee of the Company.

FIXED DEPOSITS

The Company did not accept any deposit during the period from the public and there is no unpaid or unclaimed deposit with the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not required to provide the details of Energy conservation. No new technology was absorbed during the period. There was no foreign exchange earnings and outgo during the period under review.

RELATIONS WITH THE EMPLOYEES

The relation with the employees continues to be cordial during the period. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks to Banks and all Government Agencies and Departments for their continued support to the Company during the period.

For and on behalf of the Board

Place : Indore
Dt. : 26th November, 2009

Vinod Kumar Gupta
Chairman

AUDITORS' REPORT

To,
The Members of
M/s. ANJANEY PHARMACEUTICALS LIMITED

1. We have audited the attached Balance Sheet of **M/s. Anjaney Pharmaceuticals Limited**, as at March 31, 2009 and the related Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with 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 mis-statement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us we set out in the Annexure 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) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 211 (3C) of the Act.
 - (e) On the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009.
 - (ii) In case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 3 of the Auditors' Report of even date to the members of **Anjaney Pharmaceuticals Limited** on the accounts for the year ended March 31, 2009.]

1. The Company has no fixed assets.
2. The Company has engage in trading activities during the year.
3. a) The Company has granted unsecured loans to 1 (One) Companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and at the year balances of such loans aggregates to Rs.3.50 lacs and Rs.3.50 lacs respectively.
- b) The rate of interest and other terms and conditions of unsecured loan granted by the company, are prima facie not prejudicial to the interest of the Company.
- c) Payment of the principal amount and interest are also regular during the year.

- d) The Company has not taken any loan, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or from the companies under same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956.
4. In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
 5.
 - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the Register maintained under Section 301 of Act, have been so entered.
 - b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
 6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowings made by the Company. No order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India on the Company.
 7. The Company has an adequate internal audit system to carry out the internal audit, and the scope of audit is commensurate with its size and nature of business.
 8. Maintenance of cost records has not been prescribed for the products of the company by the Central Government, under Section 209(1) (d) of the Companies Act, 1956.
 9.
 - (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities.
 - (b) As at March 31, 2009 according to the records of the Company and the information and explanations given to us, there were no disputed dues.
 10. The Company neither has accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
 11. On the basis of information and explanations given by the Management, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or banks.
 12. 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, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
 14. The Company is not dealing or trading in Shares, securities, debentures and other investments.
 15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
 16. In our opinion and according to the information and explanations given to us the term loans taken by the Company were applied for the purpose for which the loans were obtained.
 17. Based on the information and explanations given to us and on examination of the books of the Company, in our opinion the funds raised on a short-term basis have not been used for long-term investment.
 18. The Company has not made any preferential allotment of shares during the year.
 19. No debentures have been issued by the Company during the year.
 20. During the year, the Company has not raised money by way of public issue.
 21. According to the information and explanations given to us and the examination of the records we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

ANJANEY PHARMACEUTICALS LIMITED

BALANCE SHEET AS AT 31-03-09

(Rupees)

	SCHEDULE	AS AT 31-03-09	AS AT 31-03-08
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	500000	100000
	TOTAL	500000	100000
APPLICATION OF FUNDS			
CURRENT ASSETS, LOANS AND ADVANCES			
CASH & BANK BALANCES	B	371231	83016
LOANS AND ADVANCES	C	350000	0
	TOTAL	721231	83016
LESS: CURRENT LIABILITIES AND PROVISIONS	D	241554	1684
NET CURRENT ASSETS		479677	81332
MISCELLANEOUS EXPENDITURE			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
PRELIMINARY & POP EXP.	E	20323	18668
	TOTAL	500000	100000
NOTES ON ACCOUNTS			
F			

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE A		
SHARE CAPITAL		
Authorised		
50000 Equity Shares of Rs.10 each	500000	100000
Issued, Subscribed & Paid Up		
50000 Equity Shares of Rs.10 each	500000	100000
	TOTAL	100000
SCHEDULE B		
CASH & BANK BALANCE		
CASH IN HAND	66332	83016
IN CURRENT ACCOUNT WITH SCHEDULE BANK	293896	0
CHEQUES IN HAND	11003	0
	TOTAL	83016
SCHEDULE C		
LOANS AND ADVANCES		
ADVANCES	350000	0
(RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED CONSIDERED GOOD)		
	TOTAL	0

(Rupees)

		AS AT 31-03-09	AS AT 31-03-08
SCHEDULE D			
CURRENT LIABILITIES & PROVISIONS			
OUTSTANDING LIABILITIES		241554	1684
	TOTAL	241554	1684
SCHEDULE E			
MISCELLANEOUS EXPENDITURE			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
PRELIMINARY AND POP EXPENCES		20323	18668
OPENING BALANCE	18668		
ADD : INCURRED DURING THE YEAR	1655		
	TOTAL	20323	18668

SCHEDULE - F

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1) Significant Accounting Policies

- (i) The company has maintained its books of accounts on Mercantile System of accounting and provisions have been made for all known liabilities and income accruals.
- (ii) Recognition of Revenue and Expenditure
 - (a) All revenue and expenditure are recognized and accounted for on accrual basis as per the accounting principles of recognition of Income.
 - (b) Figures for the previous year have been re-grouped and rearranged wherever considered necessary.
- (iii) Material events subsequent to the Balance Sheet date upto the finalisation of accounts have been taken into account to determine the account of Income & Expenses.
- (iv) The Financial statements have been prepared on the basis of generally accepted principles of accounting, applicable accounting standards of the Institute of the Chartered Accountant of India and provisions of Companies Act 1956.
- (v) As there are no fixed assets, no provisions for depreciation has been made
- (2) In the opinion of the Board of Directors of the company the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are Stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- (3) On the basis of information available, there are no outstanding dues in excess of Rs. 1.00 lac each payable to SSI units for more than 30 days in so far as they could be identified.
- (4) Contingent Liabilities : NIL
- (5) a) Foreign Exchange Earnings : NIL
b) Foreign Remittance : NIL
- (6) No Income Tax liability arises during the year.
- (7) No Deferred Tax Liability or Assets arises during the year as per provisions of AS-23 "Accounting for Taxes on Incomes".
- (8) Other additional information as required under Para 4, 4A, 4C, 4D and part II of the Companies Act, 1956 are either NIL or N.A. to the Company.
- (9) The Company does not have any liability towards gratuity & leave encashment, as no employee was on roll during the year with the Company.
- (10) Auditors Remuneration are as under: -

Audit Fees	Rs. 1,655.00
Total	<u>Rs. 1,655.00</u>

Signature to Schedule "A" to "F"

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

ANJANEY PHARMACEUTICALS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009 (Rs. In lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	0.00	0.00
adjustment for :		
Depreciation	0.00	
Interest/Dividend	0.00	0.00
Operating profit before working capital change	0.00	0.00
adjustment for :		
Trade and other receivable	-2.50	
Trade and other payables	2.40	0.00
Cash Generated from Operation	-1.10	0.00
Interest Paid	0.00	0.00
Direct Taxes Paid	0.00	0.00
Cash Flow Before Extraordinary items	-1.10	0.00
Extra ordinary Items	0.00	0.00
Net cash from operating activities.....A	-1.10	0.00
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Misc. Exp. / Pre-Operative Exp.	-0.02	-0.01
Net Cash used in investing activitiesB	-0.02	-0.01
C-CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Share Capital Issued	4.00	0.00
Net Cash from Financing ActivitiesC	4.00	0.00
Net increase/decrease in Cash & Cash equivalents (A+B+C)	2.89	-0.01
Cash and Cash equivalents as at 01.04.2008 (Opening Balance)	0.83	0.84
Cash and Cash equivalents as at at 31.03.2009 (Cash & Bank Balance) (Closing Balance)	3.72	0.83

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

**ANJANEY PHARMACEUTICALS LIMITED
SCHEDULE VI
PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No.

U	2	4	2	3	9	M	H	2	0	0	6	P	T	C	1	6	6	4	2	0		
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Balance Sheet Date

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

Date Month Year

**II. CAPITAL RAISED DURING THE YEAR
(Amount in Rs. Thousands)**

Public Issue	N	I	L		Rights Issue	N	I	L
Bonus Issue	N	I	L		Private Placement	4	0	0

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS
(Amount in Rs. Thousands)**

Total Liabilities	5	0	0		Total Assets	5	0	0
-------------------	---	---	---	--	--------------	---	---	---

Sources of Funds

Paid-up Capital	5	0	0		Reserves & Surplus	N	I	L
Secured Loans	N	I	L		Unsecured Loans	N	I	L

Application of Funds

Net Fixed Assets	N	I	L		Investments	N	I	L
Net Current Assets	4	8	0		Misc. Expenditure	2	0	
Accumulated Losses	N	I	L					

**IV. PERFORMANCE OF COMPANY
(Amount in Rs. Thousands)**

Turnover	N	I	L		Total Expenditure	N	I	L	
Profit / Loss before tax	<input checked="" type="checkbox"/>	N	I	L	Profit / Loss after tax	<input checked="" type="checkbox"/>	N	I	L
Earning per Share in Rs.	N	I	L		Dividend rate %	N	I	L	

**V. GENERIC NAMES OF PRODUCT OF THE COMPANY
(as per monetary terms)**

Item Code No.(ITC Code)	N	A		Product Description	N	A
-------------------------	---	---	--	---------------------	---	---

For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY**

Particulars :-

- 1) Name of the Subsidiary Company : PARENTECH HEALTHCARE LIMITED
(BECAME SUBSIDIARY ON 21.12.2006)
- 2) Financial year of the Subsidiary : 31ST MARCH, 2009
ended on
- 3) Holding Company's Interest :
- 1) Number of Shares : 50,000 equity Shares of Rs. 10/- each
- 2) Paid up value
- Fully paid up : 50,000 equity Shares of Rs. 10/- each
- 3) Percent of holding : 100%*

*60 Shares are held by nominee

- 4) Net aggregate amount of profit (Losses) of the Subsidiary so far as they concern members of Parenteral Drugs (India) Limited and is not dealt within the Company's account
- a) Profit (Loss) for the Subsidiary's financial year : Rs. 20856/-
- b) Profit (Loss) for the previous financial years of the subsidiary since it became the subsidiary of Parenteral Drugs (India) Limited : NIL
- 5) Net aggregate amount of the profits (Losses) of the Subsidiary so far or those profits (Losses) are dealt within Parenteral Drugs (India) Ltd's account
- a) For the previous financial year : NIL
- b) For the previous financial year's since it became the subsidiary : NIL

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

Ms. Archana Agar
Company Secretary

For and on behalf of the Board
Manoharlal Gupta
Chairman cum - Managing Director
Vinod Kumar Gupta
Managing Director
Govind Das Garg
Whole-time Director
Place : Indore
Dt. 26th November, 2009

DIRECTORS' REPORT

To
The Members of
Parentech Healthcare Limited

Dear Shareholders,

Your Directors are pleased to present the 3rd Annual Report on the state of affairs of the Company and the financial accounts for the financial year ended 31st March, 2009 and the Auditors' Report thereon.

PERFORMANCE

The Company incurred profit of Rs.20,856/- during the financial year under review.

AUDITORS

M/s. T. N. Unni & Co., Chartered Accountants, Indore the retiring Auditors of the Company are eligible for re-appointment. The Board recommends their appointment.

DIRECTORS

Shri Manoharlal Gupta, Director of the Company is retiring at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment on the Board of the Company.

AUDITORS' REPORT

Report of the Auditors and their observations on the annual accounts of the Company for the period under review are attached herewith and have been explained in the Notes to the Accounts wherever required.

DIVIDEND

The Directors regret their inability to propose any dividend for the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms that:-

- (a) The financial statements are in full conformity with the requirements of the Companies Act, 1956 and applicable accounting standards had been followed along with proper explanation relating to material departure.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review.
- (c) The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

Provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not attracted in case of any employee of the Company.

FIXED DEPOSITS

The Company did not accept any deposit during the period from the public and there is no unpaid or unclaimed deposit with the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not required to provide the details of Energy conservation. No new technology was absorbed during the period. There was no foreign exchange earnings and outgo during the period under review.

RELATIONS WITH THE EMPLOYEES

The relation with the employees continues to be cordial during the period. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks to Banks and all Government Agencies and Departments for their continued support to the Company during the period.

Place : Indore
Dt. : 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Chairman

AUDITORS' REPORT

To,
The Members of
M/s. PARENTECH HEALTHCARE LIMITED

1. We have audited the attached Balance Sheet of **M/s. Parentech Healthcare Limited**, as at March 31, 2009, the related Profit and Loss Account and the related Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with 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 mis-statement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that;
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement Account dealt with by this report comply with the accounting standards referred to in section 211 (3C) of the Act.
 - (e) On the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009.
 - (ii) In case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.
 - (iii) In case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 3 of the Auditors' Report of even date to the members of **Parentech Healthcare Limited** on the accounts for the year ended March 31, 2009.]

1. The Company has no fixed assets.
2.
 - a) The stock of finished goods lying at its location has been physically verified by the management at intervals during the financial year and the frequency of verification is considered reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the books of records were not material.

3. a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or to the companies under same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956
- (b) The Company has taken unsecured loan from 2 (two) companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or from the companies under same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956. During the year under review the Company has taken Rs. 40.41 lacs from parties covered under section 301 of the Companies Act, 1956. The maximum amount involved during the year and year end balances are Rs. 40.41 lacs and Rs. 40.41 lacs respectively.
- (c) The rate of interest and other terms and conditions of unsecured loan taken by the company, are prima facie not prejudicial to the interest of the Company.
- (d) Payment of the principal amount and interest are also regular during the year.
4. In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered, have been so entered.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowing made by the Company. No order under the aforesaid sections has been passed by the Company Law Board on the Company.
7. The Company has an internal audit system commensurate with its size and nature of business.
8. As informed to us by the Company is not manufacturing articles or goods for which cost records have been prescribed.
9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities.
- (b) As at March 31, 2009 according to the records of the Company and the information and explanations given to us, there were no disputed dues.
10. The Company neither has accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. On the basis of information and explanations given by the Management, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or banks.
12. 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, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. The Company is not dealing or trading in Shares, securities, debentures and other investments.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us no term loans taken by the Company.
17. Based on the information and explanations given to us and on examination of the books of the Company, in our opinion the funds raised on a short-term basis have not been used for long-term investment.
18. The Company has not made any preferential allotment of shares during the year.
19. No debentures have been issued by the Company during the year.
20. During the year, the Company has not raised money by way of public issue.
21. According to the information and explanations given to us and the examination of the records we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

PARENTECH HEALTHCARE LIMITED

BALANCE SHEET AS AT 31-03-09

(Rupees)

	SCHEDULE	AS AT 31-03-09	AS AT 31-03-08
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	500000	100000
RESERVES AND SURPLUS	B	20856	0
LOAN FUNDS			
UNSECURED LOANS	C	4040500	0
	TOTAL	4561356	100000
APPLICATION OF FUNDS			
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	D	1438765	0
SUNDRY DEBTORS	E	1182002	0
CASH & BANK BALANCES	F	704304	83016
LOANS AND ADVANCES	G	1066195	0
	TOTAL	4391266	83016
LESS: CURRENT LIABILITIES AND PROVISIONS	H	2982395	1684
NET CURRENT ASSETS		1408871	81332
MISCELLANEOUS EXPENDITURE	I	3152485	18668
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
	TOTAL	4561356	100000
NOTES ON ACCOUNTS	K		

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-09 (Rupees)

		FOR THE YEAR SCHEDULE ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
INCOME			
SALES (NET OF RETURNS)		1561094	0
INCREASE/DECREASE IN STOCK		1438765	0
OTHER INCOME		325	0
	TOTAL	3000184	0
EXPENDITURE			
PURCHASES		2764861	0
ADMINISTRATIVE AND OTHER EXPENCES	J	205140	0
	TOTAL	2970001	0
PROFIT/(LOSS) BEFORE TAX		30183	0
LESS: PROVISION FOR TAX		9327	0
PROFIT/(LOSS) AFTER TAX		20856	0
TRANSFERRED TO BALANCE SHEET		20856	0
NOTES ON ACCOUNTS	K		

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

**PARENTECH HEALTHCARE LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET**

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE A		
<u>SHARE CAPITAL</u>		
<u>Authorised</u>		
50000 Equity Shares of Rs.10 each	500000	100000
<u>Issued, Subscribed & Paid Up</u>		
50000 Equity Shares of Rs.10 each	500000	100000
TOTAL	500000	100000
SCHEDULE B		
<u>RESERVES AND SURPLUS</u>		
PROFIT AND LOSS ACCOUNT	20856	0
TOTAL	20856	0
SCHEDULE C		
<u>UNSECURED LOANS</u>		
INTER CORPORATE DEPOSIT (Including Loan of Rs 25.87 lacs from Holding Companies)	4040500	0
TOTAL	4040500	0
SCHEDULE D		
<u>INVENTORIES</u>		
(AT COST OR MARKET VALUE WHICH EVER IS LESS AS TAKEN ,VALUED AND CERTIFIED BY MANAGEMENT)		
FINISHED GOODS	1438765	0
TOTAL	1438765	0
SCHEDULE E		
<u>SUNDRY DEBTORS</u>		
DUE FOR LESS THAN 6 MONTH (CONSIDERED GOOD)	1182002	0
OTHER DEBTS (CONSIDERED GOOD)	0	0
TOTAL	1182002	0
SCHEDULE F		
<u>CASH & BANK BALANCES</u>		
CASH IN HAND	128086	83016
IN CURRENT ACCOUNT WITH SCHEDULE BANK	176218	0
FIXED DEPOSIT WITH SCHEDULED BANK	400000	0
TOTAL	704304	83016
SCHEDULE G		
<u>LOANS AND ADVANCES</u>		
ADVANCES (Recoverable in Cash or in Kind or for value to be received considered good)	60414	0
ADVANCE TO CAPITAL GOODS SUPPIERS	491534	0
TENDER AND OTHER DEPOSITS	498150	0
ADVANCE TO SUPPIERS	16097	0
TOTAL	1066195	0
SCHEDULE H		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
SUNDRY CREDITORS	2768846	0
OUTSTANDING LIABILITIES	126790	1684
TAX PAYABLE	86759	0
INCOME TAX FOR CURRENT YEAR	9327	
TDS PAYABLE	16758	
OTHER TAX PAYABLE	60674	
TOTAL	2982395	1684
SCHEDULE I		
<u>MISCELLANEOUS EXPENDITURE</u>		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
PRELIMINARY EXPENSES	18668	18668
DEFERRED REVENUE EXPENDITURE	3133817	0
TOTAL	3152485	18668

(Rupees)

FOR THE YEAR ENDED ON 31-3-09 **FOR THE YEAR ENDED ON 31-03-08**

SCHEDULE J

ADMINISTRATIVE & GENERAL EXPENSES

AUDITOR'S REMUNERATION	5000	0
BANK COMMISSION	11199	0
ELECTRICITY EXPENSES	17010	0
VEHICLE RUNNING & MAINTANANCE	6595	0
POSTAGE, TELEGRAM & TELEPHONE	161964	0
GARRIAGE OUTWARD	3372	0
TOTAL	<u><u>205140</u></u>	<u><u>0</u></u>

SCHEDULE - K

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Significant Accounting Policies

- i) The company has maintained its books of accounts on Mercantile System of accounting and provisions have been made for all known liabilities and income accruals.
- ii) The Financial statements have been prepared on the basis of generally accepted principles of accounting, applicable accounting standards of the Institute of the Chartered Accountant of India and provisions of Companies Act 1956.
- iii) Material events subsequent to the Balance Sheet date up to the finalisation of accounts have been taken into account to determine the account of Income & expenses.
- iv) As there are no fixed assets, no provisions for depreciation has been made

Notes on Accounts

- i) In the opinion of the Board of Directors of the Company the Current Assets. Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- ii) Claims against the Company not acknowledged as debt - NIL
- iii) Contingent Liabilities - Bank Guarantee of Rs. 4.00 lacs (Previous year nil)
- iv) Contracts remaining to be executed on capital account not provided for - NIL
- v) a) Foreign Exchange Earnings : NIL
b) Foreign Remittance : NIL
- vi) No Income Tax liability arises during the year.
- vii) No Deferred Tax Liability or Assets arises during the year as per provisions of AS-23 "Accounting for Taxes on Incomes".
- viii) Other additional information as required under Para 4, 4A, 4C, 4D and part II of the Companies Act, 1956 are either NIL or N.A. to the Company.
- ix) There are no outstanding dues in excess of Rs.1.00 lacs each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.
- x) Figures for the previous year have been re-grouped and re-arranged wherever considered necessary.
- xi) Auditors Remuneration in profit & loss account as under:

Audit Fees	Rs. 5,000.00
Total	<u>Rs. 5,000.00</u>

Signature to Schedule "A" to "K"

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

PARENTECH HEALTHCARE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rs. In lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	0.30	0.00
adjustment for :		
Depreciation	0.00	
Interest/Dividend	0.00	0.00
Operating profit before working capital change	0.00	0.00
adjustment for :		
Trade and other receivable	-22.48	
Trade and other payables	29.81	
Inventories	-14.39	0.00
Cash Generated from Operation	-6.76	0.00
Interest Paid	0.00	0.00
Direct Taxes Paid	0.09	0.00
Cash Flow Before Extraordinary items	-6.85	0.00
Extra ordinary Items	0.00	0.00
Net cash from operating activities.....A	-6.85	0.00
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Misc. Exp.	-31.35	-0.01
Net Cash used in investing activitiesB	-31.35	-0.01
C-CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Share Capital Issued	4.00	0.00
Proceed from Long Term Borrowings	40.41	0.00
Net Cash from Financing ActivitiesC	44.41	0.00
Net increase/decrease in Cash & Cash equivalents (A+B+C)	6.21	-0.01
Cash and Cash equivalents as at 01.04.2008 (Opening Balance)	0.83	0.84
Cash and Cash equivalents as at at 31.03.2009 (Cash & Bank Balance) (Closing Balance)	7.04	0.83

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

**PARENTECH HEALTHCARE LIMITED
SCHEDULE VI
PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No:

U	2	4	2	3	9	M	H	2	0	0	6	P	T	C	1	6	6	4	1	7		
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--

Balance Sheet Date

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

Date Month Year

**II. CAPITAL RAISED DURING THE YEAR
(Amount in Rs. Thousands)**

Public Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Rights Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
N	I	L							
N	I	L							
Bonus Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Private Placement	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>0</td><td>0</td></tr></table>	4	0	0
N	I	L							
4	0	0							

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS
(Amount in Rs. Thousands)**

Total Liabilities	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>5</td><td>6</td><td>1</td></tr></table>	4	5	6	1	Total Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>5</td><td>6</td><td>1</td></tr></table>	4	5	6	1
4	5	6	1								
4	5	6	1								
Sources of Funds											
Paid-up Capital	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>5</td><td>0</td><td>0</td></tr></table>	5	0	0	Reserves & Surplus	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>2</td><td>1</td></tr></table>		2	1		
5	0	0									
	2	1									
Secured Loans	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Unsecured Loans	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>0</td><td>4</td><td>0</td></tr></table>	4	0	4	0	
N	I	L									
4	0	4	0								
Application of Funds											
Net Fixed Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Investments	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L		
N	I	L									
N	I	L									
Net Current Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>4</td><td>0</td><td>9</td></tr></table>	1	4	0	9	Misc. Expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>3</td><td>1</td><td>5</td><td>2</td></tr></table>	3	1	5	2
1	4	0	9								
3	1	5	2								

**IV. PERFORMANCE OF COMPANY
(Amount in Rs. Thousands)**

Turnover	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>5</td><td>6</td><td>1</td></tr></table>	1	5	6	1	Total Expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>5</td><td>3</td><td>1</td></tr></table>	1	5	3	1						
1	5	6	1														
1	5	3	1														
Profit / Loss before tax	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td align="center">+</td><td align="center">-</td></tr><tr><td align="center">✓</td><td></td></tr></table> <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>3</td><td>0</td></tr></table>	+	-	✓			3	0	Profit / Loss after tax	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td align="center">+</td><td align="center">-</td></tr><tr><td align="center">✓</td><td></td></tr></table> <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>2</td><td>1</td></tr></table>	+	-	✓			2	1
+	-																
✓																	
	3	0															
+	-																
✓																	
	2	1															
Earning per Share in Rs.	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>0</td><td>.</td><td>4</td><td>2</td></tr></table>	0	.	4	2	Dividend rate %	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L							
0	.	4	2														
N	I	L															

**V. GENERIC NAMES OF PRODUCT OF THE COMPANY
(as per monetary terms)**

Item Code No.(ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>A</td></tr></table>	N	A	Product Description	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>A</td></tr></table>	N	A
N	A						
N	A						

For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**RELATING TO SUBSIDIARY COMPANY****Particulars :-**

- 1) Name of the Subsidiary Company : PARENTERAL SURGICALS LIMITED
(BECAME SUBSIDIARY ON 21.12.2006)
- 2) Financial year of the Subsidiary : 31ST MARCH, 2009
ended on
- 3) Holding Company's Interest :
- 1) Number of Shares : 50,000 equity Shares of Rs. 10/- each
- 2) Paid up value
Fully paid up : 50,000 equity Shares of Rs. 10/- each
- 3) Percent of holding : 100%*
- *60 Shares are held by nominee
- 4) Net aggregate amount of profit (Losses)
of the Subsidiary so far as they concern
members of Parenteral Drugs (India)
Limited and is not dealt within the
Company's account
- a) Profit (Loss) for the : NIL
Subsidiary's
financial year
- b) Profit (Loss) for the : NIL
previous financial years
of the subsidiary since it
became the subsidiary
of Parenteral Drugs (India) Limited
- 5) Net aggregate amount of the profits
(Losses) of the Subsidiary so far or
those profits (Losses) are dealt within
Parenteral Drugs (India) Ltd's account
- a) For the previous : NIL
financial year
- b) For the previous : NIL
financial year's
since it became the
subsidiary

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

Ms. Archana Agar
Company Secretary

For and on behalf of the Board
Manoharlal Gupta
Chairman cum - Managing Director
Vinod Kumar Gupta
Managing Director
Govind Das Garg
Whole-time Director
Place : Indore
Dt. 26th November, 2009

DIRECTORS' REPORT

To
The Members of
M/s. Parenteral Surgicals Limited

Dear Shareholders,

Your Directors are pleased to present the 3rd Annual Report on the state of affairs of the Company and the financial accounts for the financial year ended 31st March, 2009 and the Auditors' Report thereon.

PERFORMANCE

During the year under review the Company did not carry out any operating activities.

DIRECTORS

Shri Manoharlal Gupta, Director of the Company is retiring at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment on the Board of the Company.

AUDITORS

M/s. T. N. Unni & Co., Chartered Accountants, Indore the retiring Auditors of the Company are eligible for re-appointment. The Board recommends their appointment.

AUDITORS' REPORT

Report of the Auditors and their observations on the annual accounts of the Company for the period under review are attached herewith and have been explained in the Notes to the Accounts wherever required.

DIVIDEND

The Directors regret their inability to propose any dividend for the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms that:-

- (a) The financial statements are in full conformity with the requirements of the Companies Act, 1956 and applicable accounting standards had been followed along with proper explanation relating to material departure.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review.
- (c) The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

Provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not attracted in case of any employee of the Company.

FIXED DEPOSITS

The Company did not accept any deposit during the period from the public and there is no unpaid or unclaimed deposit with the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not required to provide the details of Energy conservation. No new technology was absorbed during the period. There was no foreign exchange earnings and outgo during the period under review.

RELATIONS WITH THE EMPLOYEES

The relation with the employees continues to be cordial during the period. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks to Banks and all Government Agencies and Departments for their continued support to the Company during the period.

For and on behalf of the Board

Vinod Kumar Gupta
Chairman

Place : Indore
Dt. : 26th November, 2009

AUDITORS' REPORT

To,

The Members of

M/s. PARENTERAL SURGICALS LIMITED

1. We have audited the attached Balance Sheet of M/s. PARENTERAL SURGICALS LIMITED, as at March 31, 2009 and the related Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with 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 mis-statement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us we set out in the Annexure 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) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 211 (3C) of the Act.
 - (e) On the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009.
 - (ii) In case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO
Chartered Accountants

T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 3 of the Auditors' Report of even date to the members of Parenteral Surgicals Limited on the accounts for the year ended March 31, 2009.]

1. The Company has no fixed assets.
2. The Company has no trading activities during the year.
3.
 - a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or to the companies under same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956.
 - b) The Company has taken unsecured loan from 1 (one) companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved

- during the year and at the year end balance of such loans aggregated to Rs. 0.30 lacs and Rs. 0.30 lacs respectively.
- c) The rate of interest and other terms and conditions of unsecured loan taken by the company, are prima facie not prejudicial to the interest of the Company.
 - d) Payment of the principal amount and interest are also regular during the year.
- 4 In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
 5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered, have been so entered.
(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
 6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowing made by the Company. No order under the aforesaid sections has been passed by the Company Law Board on the Company.
 7. The Company has an internal audit system commensurate with its size and nature of business.
 8. As informed to us by the Company is not manufacturing articles or goods for which cost records have been prescribed.
 9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, there are no undisputed statutory dues in the Company.
(b) As at March 31, 2009 according to the records of the Company and the information and explanations given to us, there were no disputed dues (provided/considered contingent liability, as appropriate) on account of sales-tax, income tax, custom duty, wealth tax, service tax, excise duty and cess matters that have not been deposited on account of a dispute.
 - 10 The Company has no accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date or immediately preceding financial year.
 - 11 The Company had not taken any loan from banks or financial institutions or debenture holders.
 - 12 In our opinion and according the information and explanations given to us no term loan has been taken by the Company.
 - 13 The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 - 14 In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
 - 15 The Company is not dealing or trading in Shares, securities, debentures and other investments and the investment made by the Company in shares and other securities has been held in its own name in respect of which the Company has maintained adequate records.
 - 16 The Company has not given any guarantees for loans taken by others from banks or financial institutions.
 - 17 Based on the information and explanations given to us and overall examination of the books of the Company, in our opinion there are no funds raised on a short-term basis.
 - 18 During the year the Company has not made any Preference allotment of shares.
 - 19 No debentures have been issued by the Company during the year.
 - 20 During the year, the Company has not raised money by way of public issue.
 - 21 In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

PARENTERAL SURGICALS LIMITED

BALANCE SHEET AS AT 31-03-09

(Rupees)

	SCHEDULE	AS AT 31-03-09	AS AT 31-03-08
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	500000	100000
LOAN FUNDS			
UNSECURED LOANS	B	30000	0
	TOTAL	530000	100000
CURRENT ASSETS, LOANS AND ADVANCES			
LOANS AND ADVANCES	C	400000	0
CASH & BANK BALANCES	D	95002	83016
	TOTAL	495002	83016
LESS: CURRENT LIABILITIES AND PROVISIONS	E	1655	1684
NET CURRENT ASSETS		493347	81332
MISCELLANEOUS EXPENDITURE			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
PRELIMINARY & POP EXP.	F	36653	18668
	TOTAL	530000	100000
NOTES ON ACCOUNTS			
	G		

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE A		
SHARE CAPITAL		
Authorised		
50000 EQUITY SHARES OF RS.10 EACH	500000	100000
Issued, Subscribed & Paid Up		
50000 EQUITY SHARES OF RS.10 EACH	500000	100000
	TOTAL	500000
SCHEDULE B		
UNSECURED LOANS		
INTER CORPORATE DEPOSIT	30000	0
	TOTAL	30000
SCHEDULE C		
LOANS AND ADVANCES		
ADVANCES (RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED CONSIDERED GOOD)	400000	0
	TOTAL	400000
SCHEDULE D		
CASH & BANK BALANCE		
CASH IN HAND	81332	83016
IN CURRENT A/C. WITH SCHEDULED BANK	13670	0
	TOTAL	95002

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE E		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
OUTSTANDING LIABILITIES	1655	1684
TOTAL	1655	1684
SCHEDULE F		
<u>MISCELLANEOUS EXPENDITURE</u>		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
PRELIMINARY AND POP EXPENSES	36653	18668
OPENING BALANCE	18668	
ADD : INCURRED DURING THE YEAR	17985	
TOTAL	36653	18668

SCHEDULE - G

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Significant Accounting Policies

- i) The Financial Statements are prepared at historical costs.
- ii) Recognition of Revenue and Expenditure
The Company yet not started its activities so all expenses incurred are clubbed in Preliminary and pre-operative expenses.
- iii) The Financial statements have been prepared on the basis of generally accepted principles of accounting, applicable accounting standards of the Institute of the Chartered Accountant of India and provisions of Companies Act 1956.
- iv) Material events subsequent to the Balance Sheet date up to the finalisation of accounts have been taken into account to determine the account of Income & expenses.
- v) As there are no fixed assets, no provisions for depreciation has been made

Notes on Accounts

- i) In the opinion of the Board of Directors of the Company the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- ii) Claims against the Company not acknowledged as debt - NIL
- iii) Contingent Liabilities not funded for - NIL
- iv) Contracts remaining to be executed on capital account not provided for - NIL.
- v) a) Foreign Exchange Earnings : NIL
b) Foreign Remittance : NIL
- vi) No Income Tax liability arises during the year.
- vii) No Deferred Tax Liability or Assets arises during the year as per provisions of AS-23 "Accounting for Taxes on Incomes".
- viii) Other additional information as required under Para 4, 4A, 4C, 4D and part II of the Companies Act, 1956 are either NIL or N.A. to the Company.
- ix) There are no outstanding dues in excess of Rs.1.00 lacs each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.
- x) Figures for the previous year have been re-grouped and re-arranged wherever considered necessary.
- xi) Auditors Remuneration are as under: -

Audit Fees	Rs. 1,655.00
Total	Rs. 1,655.00

Signature to Schedule "A" to "G"

As per our report of even date attached

For **T.N. Unni & Co.**

Chartered Accountants

T.N. Unni

Partner

Camp : Angadipuram

Dt. 26th November, 2009

For and on behalf of the Board

Vinod Kumar Gupta

Director

Govind Das Garg

Director

Place : Indore

Dt. : 26th November, 2009

PARENTERAL SURGICALS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

(Rs. In lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	0.00	0.00
adjustment for :		
1. Depreciation	0.00	
2. Interest/Dividend	0.00	0.00
Operating profit before working capital change	0.00	0.00
adjustment for :		
1. Trade and other receivable	-4.00	0.00
2. Trade and other payables	0.00	0.00
Cash Generated from Operation	-4.00	0.00
1. Interest Paid	0.00	0.00
2. Direct Taxes Paid	0.00	0.00
Cash Flow Before Extraordinary items	-4.00	0.00
Extra ordinary Items	0.00	0.00
Net cash from operating activities.....A	-4.00	0.00
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Misc. Exp.	-0.18	-0.01
Net Cash used in investing activitiesB	-0.18	-0.01
C-CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Share Capital Issued	4.00	0.00
Received from Unsecured Loans	0.30	0.00
Net Cash from Financing ActivitiesC	4.30	0.00
Net increase/decrease in Cash & Cash equivalents (A+B+C)	0.12	-0.01
Cash and Cash equivalents as at 01.04.2008 (Opening Balance)	0.83	0.84
Cash and Cash equivalents as at at 31.03.2009 (Cash & Bank Balance) (Closing Balance)	0.95	0.83

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

**PARENTERAL SURGICALS LIMITED
SCHEDULE VI
PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No.

U	2	4	2	3	9	M	H	2	0	0	6	P	T	C	1	6	6	4	1	5		
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--

Balance Sheet Date

3	1	0	3	2	0	0	9
Date		Month		Year			

**II. CAPITAL RAISED DURING THE YEAR
(Amount in Rs. Thousands)**

Public Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Rights Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
N	I	L							
N	I	L							
Bonus Issue	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Private Placement	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>0</td><td>0</td></tr></table>	4	0	0
N	I	L							
4	0	0							

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS
(Amount in Rs. Thousands)**

Total Liabilities	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>5</td><td>3</td><td>0</td></tr></table>	5	3	0	Total Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>5</td><td>3</td><td>0</td></tr></table>	5	3	0
5	3	0							
5	3	0							
Sources of Funds									
Paid-up Capital	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>5</td><td>0</td><td>0</td></tr></table>	5	0	0	Reserves & Surplus	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
5	0	0							
N	I	L							
Secured Loans	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Unsecured Loans	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>3</td><td>0</td></tr></table>		3	0
N	I	L							
	3	0							
Application of Funds									
Net Fixed Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Investments	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
N	I	L							
N	I	L							
Net Current Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>9</td><td>3</td></tr></table>	4	9	3	Misc. Expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>3</td><td>7</td></tr></table>		3	7
4	9	3							
	3	7							
Accumulated Losses	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L					
N	I	L							

**IV. PERFORMANCE OF COMPANY
(Amount in Rs. Thousands)**

Turnover	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Total Expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L								
N	I	L															
N	I	L															
Profit / Loss before tax	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr><td align="center">+</td><td align="center">-</td></tr> <tr><td align="center">✓</td><td></td></tr> </table> <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	+	-	✓		N	I	L	Profit / Loss after tax	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr><td align="center">+</td><td align="center">-</td></tr> <tr><td align="center">✓</td><td></td></tr> </table> <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	+	-	✓		N	I	L
+	-																
✓																	
N	I	L															
+	-																
✓																	
N	I	L															
Earning per Share in Rs.	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Dividend rate %	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L								
N	I	L															
N	I	L															

**V. GENERIC NAMES OF PRODUCT OF THE COMPANY
(as per monetary terms)**

Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>A</td></tr></table>	N	A	Product Description	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>A</td></tr></table>	N	A
N	A						
N	A						

For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY**

Particulars :-

- 1) Name of the Subsidiary Company : ABHAY DRUGS LIMITED
(BECAME SUBSIDIARY ON 21.12.2006)
- 2) Financial year of the Subsidiary : 31ST MARCH, 2009
ended on
- 3) Holding Company's Interest :
- 1) Number of Shares : 50,000 equity Shares of Rs. 10/- each
- 2) Paid up value
- Fully paid up : 50,000 equity Shares of Rs. 10/- each
- 3) Percent of holding : 100%*

*60 Shares are held by nominee

- 4) Net aggregate amount of profit (Losses)
of the Subsidiary so far as they concern
members of Parenteral Drugs (India)
Limited and is not dealt within the
Company's account

a) Profit (Loss) for the : NIL
Subsidiary's
financial year

b) Profit (Loss) for the : NIL
previous financial years
of the subsidiary since it
became the subsidiary
of Parenteral Drugs (India) Limited

- 5) Net aggregate amount of the profits
(Losses) of the Subsidiary so far or
those profits (Losses) are dealt within
Parenteral Drugs (India) Ltd's account

a) For the previous : NIL
financial year

b) For the previous : NIL
financial year's
since it became the
subsidiary

As per our report of even date attached

For **T.N. Unni & Co.**

Chartered Accountants.

T.N. Unni

Partner

Camp : Angadipuram

Dt. 26th November, 2009

For and on behalf of the Board

Manoharlal Gupta

Chairman cum - Managing Director

Vinod Kumar Gupta

Managing Director

Govind Das Garg

Whole-time Director

Place : Indore

Dt. 26th November, 2009

Ms. Archana Agar

Company Secretary

DIRECTORS' REPORT

To
The Members of
M/s. Abhay Drugs Limited

Dear Shareholders,

Your Directors are pleased to present the 3rd Annual Report on the state of affairs of the Company and the financial accounts for the financial year ended 31st March, 2009 and the Auditors' Report thereon.

PERFORMANCE

During the year under review the Company did not carry out any operating activities.

DIRECTORS

Shri Manoharlal Gupta, Director of the Company is retiring at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment on the Board of the Company.

AUDITORS

M/s. T. N. Unni & Co., Chartered Accountants, Indore the retiring Auditors of the Company are eligible for re-appointment. The Board recommends their appointment.

AUDITORS' REPORT

Report of the Auditors and their observations on the annual accounts of the Company for the period under review are attached herewith and have been explained in the Notes to the Accounts wherever required.

DIVIDEND

The Directors regret their inability to propose any dividend for the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms that:-

- (a) The financial statements are in full conformity with the requirements of the Companies Act, 1956 and applicable accounting standards had been followed along with proper explanation relating to material departure.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review.
- (c) The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

Provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not attracted in case of any employee of the Company.

FIXED DEPOSITS

The Company did not accept any deposit during the period from the public and there is no unpaid or unclaimed deposit with the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not required to provide the details of Energy conservation. No new technology was absorbed during the period. There was no foreign exchange earnings and outgo during the period under review.

RELATIONS WITH THE EMPLOYEES

The relation with the employees continues to be cordial during the period. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks to Banks and all Government Agencies and Departments for their continued support to the Company during the period.

For and on behalf of the Board

**Place : Indore
Dt. : 26th November, 2009**

**Vinod Kumar Gupta
Chairman**

AUDITORS' REPORT

To,

The Members of

M/s. ABHAY DRUGS LIMITED

1. We have audited the attached Balance Sheet of M/s. **Abhay Drugs Limited**, as at March 31, 2009 and the related Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with 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 mis-statement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us we set out in the Annexure 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) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 211 (3C) of the Act.
 - (e) On the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009.
 - (ii) In case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 3 of the Auditors' Report of even date to the members of **Abhay Drugs Limited** on the accounts for the year ended March 31, 2009.]

1. The Company has no fixed assets.
2. The Company has no trading activities during the year.
3. a) The Company has not granted, secured or unsecured loans, to Companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- b) The Company has taken unsecured loan from 1 (one) companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or from the companies under same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956. The maximum amount involve during the year and year end balance is Rs. 0.25 lacs and Rs. 0.25 lacs respectively.

- c) The rate of interest and other terms and conditions of unsecured loan taken by the company, are prima facie not prejudicial to the interest of the Company.
- d) Payment of the principal amount and interest are also regular during the year.
4. In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the Register maintained under Section 301 of Act, have been so entered.
- b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowings made by the Company. No order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India on the Company.
7. The Company has an adequate internal audit system to carry out the internal audit, and the scope of audit is commensurate with its size and nature of business.
8. Maintenance of cost records has not been prescribed for the products of the company by the Central Government, under Section 209(1) (d) of the Companies Act, 1956.
9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities.
- (b) As at March 31, 2009 according to the records of the Company and the information and explanations given to us, there were no disputed dues.
10. The Company neither has accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. On the basis of information and explanations given by the Management, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or banks.
12. 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, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. The Company is not dealing or trading in Shares, securities, debentures and other investments.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us the term loans taken by the Company were applied for the purpose for which the loans were obtained.
17. Based on the information and explanations given to us and on examination of the books of the Company, in our opinion the funds raised on a short-term basis have not been used for long-term investment.
18. The Company has not made any preferential allotment of shares during the year.
19. No debentures have been issued by the Company during the year.
20. During the year, the Company has not raised money by way of public issue.
21. According to the information and explanations given to us and the examination of the records we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For T.N. UNNI & CO
Chartered Accountants
T.N. Unni
(Partner)

Camp : Angadipuram
Dt. : 26th November, 2009

**ABHAY DRUGS LIMITED
BALANCE SHEET AS AT 31-03-09**

(Rupees)

	SCHEDULE	AS AT 31-03-09	AS AT 31-03-08
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	500000	100000
LOAN FUNDS			
UNSECURED LOANS	B	25000	0
	TOTAL	525000	100000
APPLICATION OF FUNDS			
CURRENT ASSETS, LOANS AND ADVANCES			
LOAN AND ADVANCES	C	400000	0
CASH & BANK BALANCES	D	99952	83016
	TOTAL	499952	83016
LESS: CURRENT LIABILITIES AND PROVISIONS	E	1655	1684
NET CURRENT ASSETS		498297	81332
MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
PRELIMINARY & POP EXP.	F	26703	18668
	TOTAL	525000	100000
NOTES ON ACCOUNTS			
As per our report of even date attached For T.N. Unni & Co. Chartered Accountants T.N. Unni Partner Camp : Angadipuram Dt. 26 th November, 2009		For and on behalf of the Board Vinod Kumar Gupta Director Govind Das Garg Director Place : Indore Dt. : 26 th November, 2009	

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE A		
SHARE CAPITAL		
Authorised		
50000 Equity Shares of Rs.10 each	500000	100000
Issued, Subscribed & Paid Up		
50000 Equity Shares of Rs.10 each	500000	100000
	500000	100000
SCHEDULE B		
UNSECURED LOANS		
INTER CORPORATE DEPOSIT	25000	0
	25000	0
SCHEDULE C		
LOANS AND ADVANCES		
ADVANCES (Recoverable in cash or in kind or for value to be received considered good)	400000	0
	400000	0
SCHEDULE D		
CASH & BANK BALANCE		
CASH IN HAND	81332	83016
IN CURRENT A/C. WITH SCHEDULED BANK	18620	0
	99952	83016

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE E		
CURRENT LIABILITIES & PROVISIONS		
OUTSTANDING LIABILITIES	1655	1684
TOTAL	1655	1684
SCHEDULE F		
MISCELLANEOUS EXPENDITURE		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
PRELIMINARY AND POP EXPENCES	26703	18668
OPENING BALANCE	18668	
ADD : INCURRED DURING THE YEAR	8035	
TOTAL	26703	18668

SCHEDULE - G

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Significant Accounting Policies

- i) The Financial Statements are prepared at historical costs.
- ii) Recognition of Revenue and Expenditure
The Company yet not started its activities so all expenses incurred are clubbed in Preliminary and pre-operative expenses.
- iii) The Financial statements have been prepared on the basis of generally accepted principles of accounting, applicable accounting standards of the Institute of the Chartered Accountant of India and provisions of Companies Act 1956.
- iv) Material events subsequent to the Balance Sheet date up to the finalization of accounts have been taken into account to determine the account of Income & expenses.
- v) As there are no fixed assets, no provisions for depreciation has been made

Notes on Accounts

- i) In the opinion of the Board of Directors of the Company the Current Assets., Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- ii) Claims against the Company not acknowledged as debt - NIL
- iii) Contingent Liabilities not funded for - NIL
- iv) Contracts remaining to be executed on capital account not provided for - NIL
- v) a) Foreign Exchange Earnings : NIL
b) Foreign Remittance : NIL
- vi) No Deferred Tax Liability or Assets arises during the year as per provisions of AS-23 "Accounting for Taxes on Incomes".
- vii) Other additional information as required under Para 4, 4A, 4C, 4D and part II of the Companies Act, 1956 are either NIL or N.A. to the Company.
- viii) There are no outstanding dues in excess of Rs. 1.00 lacs each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.
- ix) Figures for the previous year have been re-grouped and re-arranged wherever considered necessary.
- x) Auditors Remuneration are as under: -

Audit Fees	Rs. 1,655.00
Total	<u>Rs. 1,655.00</u>

Signature to Schedule "A" to "G"

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

ABHAY DRUGS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

(Rs. In lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	0.00	0.00
adjustment for :		
Depreciation	0.00	
Interest/Dividend	0.00	0.00
Operating profit before working capital change	0.00	0.00
adjustment for :		
Trade and other receivable	-4.00	0.00
Trade and other payables	0.00	0.00
Cash Generated from Operation	-4.00	0.00
Interest Paid	0.00	0.00
Direct Taxes Paid	0.00	0.00
Cash Flow Before Extraordinary items	-4.00	0.00
Extra ordinary Items	0.00	0.00
Net cash from operating activities.....A	-4.00	0.00
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Misc. Exp. / Pre-Operative Exp.	-0.08	-0.01
Net Cash used in investing activitiesB	-0.08	-0.01
C-CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Share Capital Issued	4.00	0.00
Received from Unsecured Loans	0.25	0.00
Net Cash from Financing ActivitiesC	4.25	0.00
Net increase/decrease in Cash & Cash equivalents (A+B+C)	0.17	-0.01
Cash and Cash equivalents as at 01.04.2008 (Opening Balance)	0.83	0.84
Cash and Cash equivalents as at at 31.03.2009 (Cash & Bank Balance)	1.00	0.83
(Closing Balance)		

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

**ABHAY DRUGS LIMITED
SCHEDULE VI
PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No.

U	2	4	2	3	9	M	H	2	0	0	6	P	T	C	1	6	6	4	1	8		
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--

Balance Sheet Date

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

Date Month Year

**II. CAPITAL RAISED DURING THE YEAR
(Amount in Rs. Thousands)**

Public Issue	N	I	L		Rights Issue	N	I	L
Bonus Issue	N	I	L		Private Placement	4	0	0

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS
(Amount in Rs. Thousands)**

Total Liabilities	5	2	5		Total Assets	5	2	5
-------------------	---	---	---	--	--------------	---	---	---

Sources of Funds

Paid-up Capital	5	0	0		Reserves & Surplus	N	I	L
Secured Loans	N	I	L		Unsecured Loans	2	5	

Application of Funds

Net Fixed Assets	N	I	L		Investments	N	I	L
Net Current Assets	4	9	8		Misc. Expenditure	2	7	
Accumulated Losses	N	I	L					

**IV. PERFORMANCE OF COMPANY
(Amount in Rs. Thousands)**

Turnover	N	I	L		Total Expenditure	N	I	L		
Profit / Loss before tax	+ ✓	-	N	I	L	+ ✓	-	N	I	L
Earning per Share in Rs.	N	I	L		Dividend rate %	N	I	L		

**V. GENERIC NAMES OF PRODUCT OF THE COMPANY
(as per monetary terms)**

Item Code No.(ITC Code)	N	A		Product Description	N	A
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For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY

Particulars :-

- 1) Name of the Subsidiary Company : PARENTERAL BIOTECH LIMITED
(BECAME SUBSIDIARY ON 02.03.98)
- 2) Financial year of the Subsidiary : 31ST MARCH, 2009
ended on
- 3) Holding Company's Interest :
- 1) Number of Shares : 1,27,500 equity Shares of Rs. 10/- each
- 2) Paid up value
- Fully paid up : 2,50,000 equity Shares of Rs. 10/- each
- 3) Percent of holding : 51% *

*60 Shares are held by nominee

- 4) Net aggregate amount of profit (Losses)
of the Subsidiary so far as they concern
members of Parenteral Drugs (India)
Limited and is not dealt within the
Company's account

- a) Profit (Loss) for the : NIL
Subsidiary's
financial year
- b) Profit (Loss) for the : 267768
previous financial years
of the subsidiary since it
became the subsidiary
of Parenteral Drugs (India) Limited

- 5) Net aggregate amount of the profits
(Losses) of the Subsidiary so far or
those profits (Losses) are dealt within
Parenteral Drugs (India) Ltd's account

- a) For the previous : NIL
financial year
- b) For the previous : NIL
financial year's
since it became the
subsidiary

As per our report of even date attached

For **T.N. Unni & Co.**

Chartered Accountants

T.N. Unni

Partner

Camp : Angadipuram

Dt. 26th November, 2009

Ms. Archana Agar

Company Secretary

For and on behalf of the Board

Manoharlal Gupta

Chairman cum - Managing Director

Vinod Kumar Gupta

Managing Director

Govind Das Garg

Whole-time Director

Place : Indore

Dt. 26th November, 2009

DIRECTORS' REPORT

To

The Members of

M/s. Parenteral Biotec Limited

Dear Shareholders,

Your Directors are pleased to present the 13th Annual Report on the state of affairs of the Company and the financial accounts for the financial year ended 31st March, 2009 and the Auditors' Report thereon.

PERFORMANCE HIGHLIGHTS

During the year under review the Company did not carry out any operating activities.

DIRECTORS

Shri Manoharlal Gupta, Director of the Company is retiring at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment on the Board of the Company.

AUDITORS AND THEIR REPORT

M/s. T.N. Unni & Co., Chartered Accountants, Indore the retiring Auditors of the Company are eligible for re-appointment. The Board recommends their appointment.

AUDITORS' REPORT

Report of the Auditors and their observations on the annual accounts of the Company for the period under review are attached herewith and have been explained in the Notes to the Accounts wherever required.

DIVIDEND

The Directors regret their inability to propose any dividend for the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms that:-

- (a) The financial statements are in full conformity with the requirements of the Companies Act, 1956 and applicable accounting standards had been followed along with proper explanation relating to material departure.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review.
- (c) The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

Provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not attracted in case of any employee of the Company.

FIXED DEPOSITS

The Company did not accept any deposit during the period from the public and there is no unpaid or unclaimed deposit with the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not required to provide the details of Energy conservation. No new technology was absorbed during the period. There was no foreign exchange earnings and outgo during the period under review.

RELATIONS WITH THE EMPLOYEES

The relation with the employees were cordial during the period. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks to Banks and all Government Agencies and Departments for their continued support to the Company during the period.

For and on behalf of the Board

Vinod Kumar Gupta
Chairman

Place : Indore

Dt. : 26th November, 2009

AUDITORS' REPORT

To,

The Members of

M/s. PARENTERAL BIOTECH LIMITED

1. We have audited the attached Balance Sheet of **M/s. Parenteral Biotech Limited**, as at March 31, 2009 and the related Profit & Loss Account and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. 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 have conducted our audit in accordance with 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 mis-statement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us we set out in the Annexure 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) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 211 (3C) of the Act.
 - (e) On the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009.
 - (ii) In case of the Profit and Loss account, of no profit or no loss for the year ended on that date, as the entire expenses have been capitalized.
 - (iii) In case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For T.N. UNNI & CO
Chartered Accountants

Camp : Angadipuram
Dt. : 26th November, 2009

T.N. Unni
(Partner)

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 3 of the Auditors' Report of even date to the members of PARENTERAL BIOTECH LIMITED on the accounts for the year ended March 31, 2009.]

1. a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.
b) The Fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
c) In our opinion, and according to the information and explanations given to us, the Company has not disposed off a substantial part of fixed assets during the year.
2. The Company has no trading activities during the year.
3. a) The Company has granted unsecured loans to 1 (one) parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and at the year balance of such loans aggregates to Rs. 0.01 lacs and Rs. 0.01 lacs respectively.
b) The rate of interest and other terms and conditions of unsecured loan granted by the company, are prima facie not prejudicial to the interest of the Company.
c) Payment of the principal amount and interest are also regular during the year.
d) The Company has taken unsecured loan from 4 (Four) companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1556. The maximum amount involved during the year and at the year end balance of such loans aggregated to Rs. 316.61 lacs and Rs. 316.61 lacs respectively.
e) The rate of interest and other terms and conditions of unsecured loan taken by the company, are prima facie not prejudicial to the interest of the Company.
f) Payment of the principal amount and interest are also regular during the year.
4. In our opinion 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 and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered, have been so entered.
(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public, and the provisions of Section 58A, 58AA and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowing made by the Company. No order under the aforesaid sections has been passed by the Company Law Board on the Company.
7. The Company has an internal audit system commensurate with its size and nature of business.
8. As informed to us by the Company is not manufacturing articles or goods for which cost records have been prescribed.
9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, there are no undisputed statutory dues in the Company.

- (b) As at March 31, 2009 according to the records of the Company and the information and explanations given to us, there were no disputed dues (provided/considered contingent liability, as appropriate) on account of sales-tax, income tax, custom duty, wealth tax, service tax, excise duty and cess matters that have not been deposited on account of a dispute.
10. The Company has no accumulated losses as at March 31, 2009 nor has incurred any cash losses during the financial year ended on that date.
 11. The Company had not taken any loan from banks or financial institutions or debenture holders.
 12. In our opinion and according to the information and explanations given to us no fresh term loans have been raised during the year. Further the company has not defaulted in repayment of dues to any financial institution or banks as at the Balance Sheet date.
 13. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 14. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
 15. The Company is not dealing or trading in Shares, securities, debentures and other investments and the investment made by the Company in shares and other securities has been held in its own name in respect of which the Company has maintained adequate records.
 16. The Company has not given any guarantees for loans taken by others from banks or financial institutions.
 17. Based on the information and explanations given to us and overall examination of the books of the Company, in our opinion there are no funds raised on a short-term basis.
 18. During the year the Company has not made any preferential allotment of shares.
 19. No debentures have been issued by the Company during the year.
 20. During the year, the Company has not raised money by way of public issue.
 21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For T.N. UNNI & CO
Chartered Accountants

Camp : Angadipuram
Dt. : 26th November, 2009

T.N. Unni
(Partner)

**PARENTERAL BIOTECH LIMITED
BALANCE SHEET AS AT 31-03-09**
(Rupees)

	SCHEDULE	AS AT 31-03-09	AS AT 31-03-08
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	2500000	2500000
RESERVES & SURPLUS	B	3380850	3380850
LOAN FUNDS			
UNSECURED LOANS	C	31661100	24958767
	TOTAL	37541950	30839617
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
ASSETS IN PROCESS		14740805	12654958
LESS: DEPRECIATION		0	0
NET BLOCK		14740805	12654958
CURRENT ASSETS, LOANS AND ADVANCES			
CASH & BANK BALANCES	D	106352	1187065
LOANS & ADVANCES	E	14959203	15650825
		15065555	16837890
LESS: CURRENT LIABILITIES AND PROVISIONS	F	1882459	328069
NET CURRENT ASSETS		13183096	16509821
MISCELLANEOUS EXPENDITURE	G		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		9618049	1674838
	TOTAL	37541950	30839617
NOTES ON ACCOUNTS	H		

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-09 (Rupees)

		FOR THE YEAR SCHEDULE ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
<u>INCOME</u>			
SALES		0	0
	TOTAL	0	0
<u>EXPENDITURE</u>			
ADMINISTRATIVE EXPENSES		0	20632
	TOTAL	0	20632
PROFIT / LOSS FOR THE YEAR		0	-20632
LESS: PRELIMINARY EXP. W/OFF		0	0
NET PROFIT / LOSS		0	-20632
LESS: PROVISION FOR TAX		0	0
NET PROFIT / LOSS AFTER TAX		0	-20632

As per our report of even date attached
For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

**PARENTERAL BIOTECH LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET**

(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
SCHEDULE - A		
<u>SHARE CAPITAL</u>		
<u>Authorised</u>		
500000 Equity Shares of Rs. 10 Each	5000000	5000000
<u>Issued Subscribed and Paid-Up</u>		
250000 Equity Shares of Rs. 10 each fully paid-up	2500000	2500000
TOTAL	2500000	2500000
SCHEDULE - B		
<u>RESERVES & SURPLUS</u>		
General Reserve	2000000	2000000
Profit & Loss A/c Opening Balance	1380850	
Add Profit /Loss for the year	0	
Closing Balance of Profit & Loss a/c	1380850	1380850
TOTAL	3380850	3380850
SCHEDULE - C		
<u>UNSECURED LOANS</u>		
Loan from Directors	5000	5000
Inter Corporate Loans	31656100	24953767
TOTAL	31661100	24958767
SCHEDULE - D		
<u>CASH AND BANK BALANCES</u>		
Cash in Hand	1150	1603
In Current A/c with Scheduled Banks	105202	60462
In Fixed Deposit with Scheduled Bank	0	1125000
TOTAL	106352	1187065
SCHEDULE - E		
<u>LOANS & ADVANCES</u>		
Advances	14904215	15592320
(Recoverable in cash or in kind or for value to be received. Cosidered Good including Rs 0.50 lacs to Holding Company in previous year)		
Accrued and Prepaid	595	6574
Other Deposit	50000	50000
Tax Deducted at Source	4393	1931
TOTAL	14959203	15650825
SCHEDULE - F		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
Sundry Creditors	1658022	316926
Provision for expenses	19809	3367
TDS Payables	204628	7776
TOTAL	1882459	328069
SCHEDULE - G		
<u>MISCELLANEOUS EXPENDITURE</u>		
(To the extent not written off or adjusted)		
Preliminary expenses	32500	32500
Pre Operative Expenses	9585549	1642338
TOTAL	9618049	1674838

SCHEDULE - H
ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1) Significant Accounting Policies

- i) The Financial Statements are prepared at historical costs.
- ii) Recognition of Revenue and Expenditure
 All revenue and expenditure are recognised and accounted for on accrual basis as per accounting principles of recognition of Income
- iii) The Financial statements have been prepared on the basis of generally accepted principles of accounting, applicable accounting standards of the Institute of the Chartered Accountant of India and provisions of Companies Act 1956.
- iv) Material events subsequent to the Balance Sheet date up to the finalisation of accounts have been taken into account to determine the account of Income & expenses.
- v) The fixed assets have been Stated at cost and no Depreciation is charged on Fixed Assets.
- vi) No account for Profit and Loss is taken until the unit commences production and until that date, all expenses are capitalized.

2) Notes on Accounts

- i) In the opinion of the Board of Directors of the Company the Current Assets. Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- ii) Claims against the Company not acknowledged as debt - NIL
- iii) Contingent Liabilities not funded for - NIL
- iv) Contracts remaining to be executed on capital account not provided for - NIL
- v) a) Foreign Exchange Earnings : NIL
 b) Foreign Remittance : NIL
- vi) No Income Tax liability arises during the year.
- vii) No Deferred Tax Liability or Assets arises during the year as per provisions of AS-23 "Accounting for Taxes on Incomes".
- viii) Other additional information as required under Para 4, 4A, 4C, 4D and part II of the Companies Act, 1956 are either NIL or N.A. to the Company.
- ix) There are no outstanding dues in excess of Rs. 1.00 lacs each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.
- x) Figures for the previous year have been re-grouped and re-arranged wherever considered necessary.
- xi) Auditors Remuneration are as under: -

Audit Fees	Rs. 3,309.00
Total	Rs. 3,309.00

Signature to Schedule "A" to "H"

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

PARENTERAL BIOTECH LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

(Rs. In lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	0.00	0.00
adjustment for :		
Depreciation	0.00	0.00
Interest/Dividend	0.00	0.00
Operating profit before working capital change	0.00	0.00
adjustment for :		
Trade and other receivable	6.92	-156.50
Trade and other payables	15.54	22.46
Cash Generated from Operation	22.46	-153.29
Interest Paid	0.00	0.00
Direct Taxes Paid	0.00	0.00
Cash Flow Before Extraordinary items	22.46	-153.29
Extra ordinary Items	0.00	0.00
Net cash from operating activities.....A	22.46	-153.29
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	-20.86	-126.55
Misc. Exp. / Pre-Operative Exp.	-79.43	-16.42
Net Cash used in investing activitiesB	-100.29	-142.97
C-CASH FLOW FROM FINANCING ACTIVITIES :		
Received from Unsecured Loans	67.02	249.54
Net Cash from Financing ActivitiesC	67.02	249.54
Net increase/decrease in Cash & Cash equivalents (A+B+C)	-10.81	-46.72
Cash and Cash equivalents as at 01.04.2008 (Opening Balance)	11.87	58.59
Cash and Cash equivalents as at at 31.03.2009 (Cash & Bank Balance) (Closing Balance)	1.06	11.87

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
 Director
Govind Das Garg
 Director
 Place : Indore
 Dt. : 26th November, 2009

**PARENTERAL BIOTECH LIMITED
SCHEDULE VI
PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No. 9 4 9 3 0 State Code 1 1

Balance Sheet Date 3 1 0 3 2 0 0 9
Date Month Year

**II. CAPITAL RAISED DURING THE YEAR
(Amount in Rs. Thousands)**

Public Issue N I L Rights Issue N I L

Bonus Issue N I L Private Placement N I L

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS
(Amount in Rs. Thousands)**

Total Liabilities 3 7 5 4 2 Total Assets 3 7 5 4 2

Sources of Funds

Paid-up Capital 2 5 0 0 Reserves & Surplus 3 3 8 1

Secured Loans N I L Unsecured Loans 3 1 6 6 1

Application of Funds

Net Fixed Assets 1 4 7 4 1 Investments N I L

Net Current Assets 1 3 1 8 3 Misc. Expenditure 9 6 1 8

Accumulated Losses N I L

**IV. PERFORMANCE OF COMPANY
(Amount in Rs. Thousands)**

Turnover N I L Total Expenditure N I L

Profit / Loss before tax ✓ - N I L Profit / Loss after tax ✓ - N I L

Earning per Share in Rs. N I L Dividend rate % - -

**V. GENERIC NAMES OF PRODUCT OF THE COMPANY
(as per monetary terms)**

Item Code No. (ITC Code) N A Product Description N A

For **T.N. Unni & Co.**
Chartered Accountants
T.N. Unni
Partner
Camp : Angadipuram
Dt. 26th November, 2009

For and on behalf of the Board
Vinod Kumar Gupta
Director
Govind Das Garg
Director
Place : Indore
Dt. : 26th November, 2009

Report of the Auditors' on the Consolidated Financial Statements

We have examined the attached Consolidated Balance Sheet of M/s. Parenteral Drugs (India) Limited and its subsidiaries i.e. M/s Punjab Formulations Limited, M/s Goa Formulations Limited, M/s. Parenteral Biotech Limited, M/s Parenteral Impex Limited, M/s Abhay Drugs Ltd., M/s Anjaney Pharmaceuticals Ltd., M/s Parentech Healthcare Ltd., M/s Parenteral Surgicals Limited as at 31st March 2009, and the Consolidated Profit & Loss Account of the Company for the year then ended.

These consolidated financial statements are the responsibility of the management of Parenteral Drugs (India) Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respect, in accordance with an identified financial reporting framework and are free of material mis-statement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial standard presentation. We believe that our audit provides a reasonable basis for our opinion.

We have audited the financial statements of Punjab Formulations Limited (Indian Subsidiary) whose financial statements reflected total assets of Rs. 2836.46 lacs as at 31st March 2009 and total revenue of Rs. 3510.49 lacs for the year ended on that date.

We have audited the financial statements of Goa Formulations Limited (Indian Subsidiary) whose financial statements reflected total assets of Rs.2500.32 lacs as at 31st March 2009 and total revenue of Rs. 716.11 lacs for the year ended on that date.

We have audited the financial statements of Parenteral Biotech Limited (Indian Subsidiary) whose financial statements reflected total assets of Rs. 375.42 lacs as at 31st March 2009 and total revenue of Nil for the year ended on that date.

We have audited the financial statements of Parenteral Impex Limited (Indian Subsidiary) whose financial statements reflected total assets of Rs. 14.75 lacs as at 31st March 2009 and total revenue of Nil for the year ended on that date.

We have audited the financial statements of Abhay Drugs Ltd. (Indian Subsidiary) whose financial statements reflected total assets of Rs. 5.25 lacs as at 31st March 2009 and total revenue of Nil for the year ended on that date.

We have audited the financial statements of Anjaney Pharmaceuticals Ltd. (Indian Subsidiary) whose financial statements reflected total assets of Rs. 5.00 lacs as at 31st March 2009 and total revenue of Nil for the year ended on that date.

We have audited the financial statements of Parentech Healthcare Ltd. (Indian Subsidiary) whose financial statements reflected total assets of Rs.45.61 lacs as at 31st March 2009 and total revenue of Rs. 15.61 lacs for the year ended on that date.

We have audited the financial statements of Parenteral Surgicals Limited (Indian Subsidiary) whose financial statements reflected total assets of Rs. 5.30 lacs as at 31st March 2009 and total revenue of Nil for the year ended on that date.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements', issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Parenteral Drugs (India) Limited and its subsidiaries included in the consolidated financial statements.

On the basis of the information and explanation given to us, and subject to the separate audit reports on individual audited financial statements of Parenteral Drugs (India) Limited and its subsidiaries, we are of the opinion that :

- (a) the Consolidated Balance Sheet given a true and fair view of the consolidated state of affairs of Parenteral Drugs (India) Limited and its subsidiaries as at 31st March 2009;
- (b) the Consolidated Profit and Loss Account gives a true and fair view of the consolidated results of operations of Parenteral Drugs (India) Limited and its subsidiaries for the year then ended.
- (c) the Consolidated Cash Flow Statement gives a true and fair view of the Consolidated Cash Flow of the group for the year then ended.

For T.N. UNNI & CO

Chartered Accountants

PARENTERAL DRUGS (INDIA) LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31-03-09 (Rupees)

	SCHEDULE	AS AT 31-03-09	AS AT 31-03-08
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	309686250	236764000
RESERVES & SURPLUS	B	2496824648	1073585443
OTHERS		1225000	1225000
LOAN FUNDS			
SECURED LOANS	C	1493857206	871306061
UNSECURED LOANS	D	386788177	171448239
	TOTAL	4688381281	2354328743
APPLICATION OF FUNDS			
FIXED ASSETS			
	E		
GROSS BLOCK		1929358505	1229584790
LESS: DEPRECIATION RESERVE		278359552	186474370
NET BLOCK		1650998953	1043110420
INVESTMENTS		3410000	3100000
GOODWILL		1321817044	0
(Excess of Cost over equity portion in Subsidiaries)			
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	F	753113330	429370520
SUNDRY DEBTORS	G	863861911	644904529
CASH & BANK BALANCES	H	106563565	223541829
LOANS & ADVANCES	I	417624129	302112603
		2141162935	1599929481
LESS: CURRENT LIABILITIES AND PROVISIONS	J	443412708	293621775
NET CURRENT ASSETS		1697750227	1306307706
MISCELLANEOUS EXPENDITURE			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
		14405057	1810617
	TOTAL	4688381281	2354328743

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp: Angadipuram
 Dt. 26th November, 2009

Ms. Archana Agar
 Company Secretary

For and on behalf of the Board
Manoharlal Gupta
 Chairman cum - Managing Director
Vinod Kumar Gupta
 Managing Director
Govind Das Garg
 Whole-time Director
 Place : Indore
 Dt. 26th November, 2009

PARENTERAL DRUGS (INDIA) LIMITED
CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-09
 (Rupees)

		FOR THE YEAR SCHEDULE ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
<u>INCOME</u>			
SALES (NET OF RETURNS)		2693738366	2129762606
INCREASE/DECREASE IN STOCK (+/-)	K	131014832	114941847
OTHER INCOME		3813083	21353182
	TOTAL	2828566281	2266057635
<u>EXPENDITURE</u>			
MATERIAL CONSUMED		1423654354	1008620798
MANUFACTURING EXPENSES	L	241622093	218018198
EXPENDITURE ON EMPLOYEES	M	108455592	84676265
ADMINISTRATIVE & GENERAL EXPENSES	N	180707973	176621514
SELLING & DISTRIBUTION EXPENSES	O	474015457	390837817
INTEREST & FINANCIAL OUTLAY		141470604	107816956
DEPRECIATION	E	70317799	44634320
	TOTAL	2640243873	2031225868
<u>PROFIT BEFORE TAXATION</u>		188322408	234831767
LESS: INCOME TAX FOR THE YEAR		21536360	25763540
LESS: FRINGE BENEFIT TAX FOR THE YEAR		3750012	3119531
LESS: PROVISION FOR DEFERRED TAX LIABILITIES		46223459	14549550
<u>PROFIT AFTER TAX</u>		116812577	191399145
ADD: BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		314705935	179165849
SURPLUS AVAILABLE FOR APPROPRIATION		431518512	370564994
<u>APPROPRIATION</u>			
TRANSFERRED TO GENERAL RESERVE		21538769	40585248
INCOME TAX PAID FOR EARLIER YEARS		0	4843495
PROPOSED DIVIDEND		25125000	17195014
TAX ON DISTRIBUTED PROFIT		4392358	2922293
SURPLUS TRANSFERRED TO BALANCE SHEET		380462385	314705935
EARNING PER SHARE		7.45	16.76
DILUTED EARNING PER SHARE		7.45	16.76

As per our report of even date attached
 For **T.N. Unni & Co.**
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

Ms. Archana Agar
 Company Secretary

For and on behalf of the Board
Manoharlal Gupta
 Chairman cum - Managing Director
Vinod Kumar Gupta
 Managing Director
Govind Das Garg
 Whole-time Director
 Place : Indore
 Dt. 26th November, 2009

PARENTERAL DRUGS (INDIA) LIMITED

CONSOLIDATED SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT
(Rupees)

	AS AT 31-03-09	AS AT 31-03-08
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SCHEDULE A

SHARE CAPITAL

26500000 Equity Shares of Rs. 10/- each	265000000	265000000
3500000 Shares, Redeemable, Non Cumulative,	35000000	35000000
Non convertible Preference Share of Rs. 10/- Each		
2962102 - 0% Optionally convertible redeemable	29621020	0
Preference Share of Rs. 10/- Each	<u> </u>	<u> </u>

Issued Subscribed and Paid Up

Equity Share Capital		
18200123 Equity Shares of Rs. 10/- each (including 6284720 Equity Shares of Rs. 10 /- each Bonus shares issued as fully paid up out of free reserve & 1042560 Equity shares of 10 each issued as fully paid up out of revaluation reserves)	182001230	138700000
Preference Share Capital		
3500000 Shares, Redeemable, Non Cumulative, Non convertible Preference Share of Rs. 10/- Each	35000000	35000000
2962102 - 0% Optionally convertible redeemable Preference Share of Rs. 10/- Each	29621020	0
Share Application Money for Preference Share Capital	59264000	59264000
Advance against Warrants	3800000	3800000
10% Nominal value advance for 3800000 Warrants (2400000 Warrants issued to promoters) convertible into Equity Shares allotted contingent upon allottee's exercise of option to apply and payment of balance and fulfilment of essential conditions of allotment.		
TOTAL	<u>309686250</u>	<u>236764000</u>

SCHEDULE B

RESERVES & SURPLUS

General Reserve	69090589	47551820
Profit & Loss A/c	312060135	314705935
Surplus transferred from Profit & Loss account	380462385	
Less: Equity shares issued as per scheme of amalgamation	43101230	

		(Rupees)	
		AS AT	AS AT
		31-03-09	31-03-08
Less: Preference shares issued as per scheme of amalgamation	29621020		
Add: Balance of Profit and Loss account of amalgamating companies	4320000		
Capital Reserve		3100000	100000
Revaluation Reserve		12148067	12190006
Share Premium		1825382013	538304300
Opening balance	538304300		
Add: As per scheme of amalgamation	1287077713		
Amalgamation Reserve (As per scheme of amalgamation)		34422287	0
Warrant Premium		67035800	67035800
Deferred Tax Reserve		150545758	93697582
Reserve for the previous years	104322298		
Add: Liability for the current year	46223460		
Dividend Reserve Account		23040000	0
TOTAL		2496824648	1073585443

SCHEDULE C

SECURED LOANS

State Bank of India, Commercial Branch, Indore Term Loan I for Indore plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Pvt. Ltd.)	2389217	9999262
State Bank of India, Commercial Branch, Indore Term Loan II for Baddi plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Pvt. Ltd.)	40142747	52513323
State Bank of India, Commercial Branch, Indore Term Loan III for Baddi plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Pvt. Ltd.)	106073363	125981750

	(Rupees)	
	AS AT 31-03-09	AS AT 31-03-08
State Bank of India,Commercial Branch ,Indore Term Loan I V for Baddi plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Pvt. Ltd.)	282944566	140599921
State Bank of India,Commercial Branch ,Indore Corporate Loan (Secured by first pari-passu charge on fixed assets of the Company and specifically secured by pledge of 20 lacs BSE traded Shares of the Company held by Rajratan Exports Limited)	127763368	148859504
Punjab National Bank, Chandigarh Term Loan for Baddi plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Pvt. Ltd.)	23972938	27500000
Punjab National Bank, Chandigarh Term Loan for Indore plant (Secured by first pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Pvt. Ltd.)	20204018	0
Punjab National Bank, Chandigarh Loan against fixed deposit (Secured against Fixed Deposit of Rs. 1.00 Crores)	0	9594981
Punjab National Bank, Chandigarh Cash Credit (Secured by first pari-passu charge on current assets of the Company and second pari-passu charge on fixed assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Pvt. Ltd.)	185658271	0
State Bank of India,Commercial Branch ,Indore Cash Credit (Secured by first pari-passu charge on current assets of the Company and second pari-passu charge on fixed assets of the Company and guaranteed by two managing directors, one director and by third parties i.e. by HUF of three Directors, by Smt. Alpana Gupta and by Diamond Crystal Pvt. Ltd.)	466764269	356141485

		(Rupees)	
		AS AT	AS AT
		31-03-09	31-03-08
ICICI Bank Ltd		31901	115835
Car Finance	32586		
Less : Unmatured Interest	685		
(Secured by hypothecation of car)	<hr/>		
Punjab National Bank, Chandigarh		20687461	
Term Loan for Jalandhar Plant			
(Secured against hypothecation of plant & machinery along with equitable charge on land & building belonging to the company & the personal guarantee of the directors)			
Punjab National Bank, Chandigarh		96579046	
Cash Credit for Jalandhar Plant			
(Secured against hypothecation of all current assets including stocks & book debts belonging to the Company & personal guarantee of the directors)			
Cholamandalam DBS Finance Ltd.		204302	
Vehical Loan			
(Secured against hypothecation of Vehical Fiannced)			
Punjab National Bank, Chandigarh		91562805	
Term Loan for Goa Plant			
(Secured by first charge on fixed assets of the Company and second charge on current assets of the Company and personal guarantee of the Directors and Corporate Guarantee of Goa Holdings (India) Pvt. Ltd.)			
Punjab National Bank, Chandigarh		28878934	
Cash Credit for Goa Plant			
(Secured by first charge on current assets of the Company and second charge on fixed assets of the Company and personal guarantee of the Directors and Corporate guarantee of Goa Holdings (India) Pvt. Ltd.)			
	TOTAL	<u><u>1493857206</u></u>	<u><u>871306061</u></u>
SCHEDULE D			
<u>UNSECURED LOANS</u>			
From Directors & Relatives		5640513	2315161
Inter corporate deposits		273210325	25003767
Sales Tax Deffered Liability		0	10504183
(Payable after 5 Yrs. under deffered scheme)			
Security Deposit from Dealers & suppliers		<u>107937339</u>	<u>133625128</u>
	TOTAL	<u><u>386788177</u></u>	<u><u>171448239</u></u>

(Rupees)

**AS AT
31-03-09**

**AS AT
31-03-08**

SCHEDULE E

FIXED ASSETS AND DEPRECIATION AS ON 31.03.2009

PARTICULARS	GROSS BLOCK				DEPRECIATION						NET BLOCK		
	AS ON 01.04.2008	ASSETS OF SUBSIDIARIES AS ON 01.04.08	ADDITION	DEDUCTION	AS ON 31.03.2009	UP TO 01.04.2008	DEP RES OF SUBSIDIARIES UPTO 01.04.08	FOR THE YEAR	DEPRECIATION ON REVALUATION	WRITTEN BACK	AS ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
LAND	33869325	11447520	0	0	45316845	0	0	0	0	0	0	45316845	33869325
FACTORY BUILDING	307515969	110699261	27970407	0	446185637	40758981	5461393	13598039	27455	0	59845868	386339768	266756988
OFFICE PREMISES	1566460	0	0	0	1566460	182906	0	9780	0	0	192686	1373774	1383554
VEHICALS	10453781	2435808	700000	0	13589589	6077987	966068	1113404	0	0	8157459	5432130	4375794
OFFICE EQUIPMENTS	3076981	624164	126427	0	3827572	1126892	42585	159543	0	0	1329021	2498551	1950089
ELECTRICAL INSTALLATION	42240791	9638332	1290689	0	53369812	8106005	872863	2444158	847	0	11423873	41945939	34134786
PLANT & MACHINERY	781437339	172994457	258369942	0	1212801738	103603181	13606067	52609225	13637	0	169832111	1042969627	677834158
FURNITURE & FITTINGS	14730817	2177666	532574	0	17441057	6030486	268362	1055470	0	0	7354318	10086738	8700330
COMPUTER & SOFTWARE	22038371	1028450	1084505	0	24151325	20587938	308099	1179388	0	1851210	20224215	3927110	1450433
CAPITAL WORK IN PROCESS	12654958	0	98453512	0	111108471	0	0	0	0	0	0	111108471	12654958
TOTAL	1229584790	311245658	388528055	0	1929358505	186474377	21525437	72169008	41939	1851210	278359552	165098954	1043110420
PREVIOUS YEAR FIGURES	960471063	0	382838279	113724550	1229584790	207911278	0	44634320	41939	66113168	186474369	1043110420	752559785

SCHEDULE F

INVENTORIES (At Cost or market value whichever is less)

(As taken, valued & certified by Management)

Raw Material and Packing Material and stores	265569656	119975072
Finished Goods and SIP	487543674	309395448
TOTAL	753113330	429370520

SCHEDULE G

SUNDRY DEBTORS

Due for more than 6 months (considered good)	39609954	22426299
Other Debts (Considered good)	824251957	622478230
TOTAL	863861911	644904529

SCHEDULE H

CASH & BANK BALANCES

Cash in Hand	1363567	712775
(Includes Gold coins in previous year)		
Cheques in Hand	20018444	22938749
In Current Account with Scheduled Banks	46967163	26565305
In Fixed Deposit with Scheduled Banks	38214391	173325000
TOTAL	106563565	223541829

SCHEDULE I

LOANS AND ADVANCES

Advances	268707137	223735157
(Recoverable in cash or in kind or for value to be received considered good)		
Accrued and Prepaid	3157339	2232092
Dividend receivable	18720000	0

	(Rupees)	
	AS AT 31-03-09	AS AT 31-03-08
Tender and other Deposits	28061960	20739751
Income Tax paid	95977693	55405603
1) Tax Deducted at Source	3282712	
2) Advance Income Tax	18319772	
3) Income Tax Payments On a/c pending Assessments/Appeals	64309659	
4) Advance Fringe Benefit Tax	10065550	
Capital Subsidy Receivable	3000000	0
TOTAL	417624129	302112603

SCHEDULE J

CURRENT LIABILITIES & PROVISIONS

Sundry Creditors	224686096	135007185
Outstanding Liabilities	96954635	71282789
Dividend payable	20805000	17195014
Taxes Payable	100883893	67977633
1) Provision for Income Tax for the year	21536361	
2) Income Tax payable for previous years	49863494	
3) TDS Payable	6899833	
4) Fringe Benefit Tax Payable	10914088	
5) Dividend Tax Payable	4269994	
6) Other Taxes Payable	7400123	
Excise Duty Provision	83084	2159154
TOTAL	443412708	293621775

(Rupees)

	FOR THE YEAR ENDED ON 31-03-09	FOR THE YEAR ENDED ON 31-03-08
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SCHEDULE K

INCREASE/DECREASE IN STOCK

Stock of finished goods and SIP as at the close of the year	487543674	309395448
Less: Stock of finished goods and SIP as at the commencement of the year	356528842	194453601
TOTAL	131014832	114941847

SCHEDULE L

MANUFACTURING EXPENSES

Factory Expenses	18814053	15859894
Analytical, Testing Expenses & Processing expenses	89867064	70484431
Power, Coal and Fuel	103935360	89071682
Consumable Stores	4562931	4127166
Repairs & Maintenance to fixed assets	15528613	12150868
Excise Duty Paid	8914072	26324157
TOTAL	241622093	218018198

(Rupees)

FOR THE YEAR ENDED ON 31-03-09 **FOR THE YEAR ENDED ON 31-03-08**

SCHEDULE M

EXPENDITURE ON EMPLOYEES

Salaries (Including P.F. Bonus ,Gratuity & Earned Leave)	107128302	83633041
Staff Welfare	<u>1327290</u>	<u>1043224</u>
TOTAL	<u><u>108455592</u></u>	<u><u>84676265</u></u>

SCHEDULE N

ADMINISTRATIVE & GENERAL EXPENSES

Rent,Rates, Taxes & Insurance	98329128	109320052
Stationery & printing	4331140	5319878
Postage, Telegram & Telephone	15483439	13235721
Legal & Professional Expenses	13020769	9819589
Directors' Remuneration	8400000	6000000
Auditors' Remuneration	149944	112360
Bank Commission & Charges	12955432	12738241
Convyance Expenses	8681723	8816151
Vehicle Running & Maintenance	5442749	3336123
Repairs & Maintenance Off. Bldg.	764166	12100
Miscellenous and general expenses	7538876	5971535
Software & computer maintenance	1820629	1482858
Office Expences	870950	0
Membership & Subscription	259095	456905
Sundry Balance Written-off	2094	0
Licence & Fees	<u>2657839</u>	<u>0</u>
TOTAL	<u><u>180707973</u></u>	<u><u>176621514</u></u>

SCHEDULE O

SELLING & DISTRIBUTION EXPENSES

Travelling Expenses	98571162	84590206
Business Promotion	9255105	5082323
Carriage Outward	216583312	176654040
Advertising, Publicity and Conference	6208993	5135560
Discount	4074013	0
Sales Commission	116655595	101647764
Sales Incentive	21230693	13998697
Miscellaneous Selling Expenses	<u>1436585</u>	<u>3729226</u>
TOTAL	<u><u>474015457</u></u>	<u><u>390837817</u></u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rs. In lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A-CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	1883.22	2305.12
adjustment for :		
Depreciation	703.18	446.34
Interest/Dividend	1414.71	1078.17
	<u>2117.89</u>	<u>1524.51</u>
Operating profit before working capital change	4001.11	3829.63
adjustment for :		
Trade and other receivable	-3344.69	-3655.18
Inventories	-3237.43	-1522.15
Trade and other Payable	5715.30	-576.67
	<u>-866.82</u>	<u>-5754.00</u>
Cash Generated from Operation	3134.29	-1924.37
Interest Paid	-1414.71	-1078.17
Direct Taxes Paid	-296.79	-269.63
	<u>-1711.50</u>	<u>-1347.80</u>
Cash Flow Before Extraordinary items	1422.79	-3272.17
Extra ordinary Items	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
Net cash from operating activities.....A	1422.79	-3272.17
B - CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	-6997.74	-3352.26
Purchase of investments	-12596.16	-10.00
Sale of investments	0.00	305.10
Dividend Received	0.00	43.20
Pre-Operative Exp./Other Adjustment	-125.94	-4.67
	<u>-17719.84</u>	<u>-3018.63</u>
Net Cash used in investing activitiesB	-19719.84	-3018.63
C - CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of share capital	13217.00	6278.15
Proceeds from long term borrowings	5019.92	2097.73
Repayment of Finance Liabilities	-858.40	-471.33
Dividend Paid	-251.25	-171.95
	<u>17127.27</u>	<u>7732.60</u>
Net Cash from Financing ActivitiesC	17127.27	7732.60
Net increase/decrease in Cash & Cash equivalents (A+B+C)	-1169.78	1441.80
Cash and Cash equivalents as at 01.04.2008 (Opening Balance)	<u>2235.42</u>	<u>793.62</u>
Cash and Cash equivalents as at at 31.03.2009 (Cash & Bank Balance)	<u>1065.64</u>	<u>2235.42</u>
(Closing Balance)		
(Previous year figure have been re-grouped wherever necessary)		

As per our report of even date attached
For T.N. Unni & Co.
 Chartered Accountants
T.N. Unni
 Partner
 Camp : Angadipuram
 Dt. 26th November, 2009

For and on behalf of the Board
Manoharlal Gupta
 Chairman cum - Managing Director
Vinod Kumar Gupta
 Managing Director
Govind Das Garg
 Whole-time Director
 Place : Indore
 Dt. 26th November, 2009

Ms. Archana Agar
 Company Secretary



ATTENDANCE SLIP
PARENTERAL DRUGS (INDIA) LIMITED

REGD. OFFICE : 340, LAXMI PLAZA, LAXMI INDUSTRIAL ESTATE,
NEW LINK ROAD, ANDHERI(W), MUMBAI - 400 058

(To be signed and handed over at the entrance of the meeting hall)

I/We hereby record my/our presence at the 25th Annual General Meeting of the members of PARENTERAL DRUGS (INDIA) LIMITED held on 28th December, 2009 at The Classique Club, Behind Infinity Mall, Link Road, Opposite Raheja, Oshiwara, Andheri (West), Mumbai-400 053 at 9.30 A.M.

NAME(S) OF THE MEMBERS (S)

REGISTERED FOLIO NO.

Name of Proxy (in block letters)

(To be filled in if the Proxy attends instead of Member)

Member's / Proxy's Signature

PROXY FORM

PARENTERAL DRUGS (INDIA) LIMITED

REGD. OFFICE : 340, LAXMI PLAZA, LAXMI INDUSTRIAL ESTATE,
NEW LINK ROAD, ANDHERI(W), MUMBAI - 400 058

I/We _____ of _____

Being a member / members of PARENTERAL DRUGS (INDIA) LIMITED hereby appoint Mr./Mrs. _____

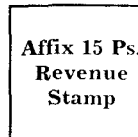
_____ of _____ or

failing him/her _____ of _____

_____ as my/our proxy to vote for me/us on my/our behalf at the Twenty Fifth Annual General Meeting of the Company to be held on 28th December, 2009 and/or at any adjournment thereof.

Signed by the said.....on this _____ day of _____ 2009.

Regd. Folio No.....



Note :

1. The Proxy need not be a member of the Company.
2. The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Annual General Meeting.

BOOK-POST

To,

If Undelivered please return to:

PARENTERAL DRUGS (INDIA) LIMITED

Shree Ganesh Chambers, Navlakha Crossing,
A.B. Road, Indore - 452 001 (M.P.) India.