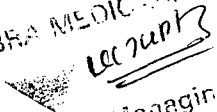


# **RUBRA MEDICAMENTS LIMITED**

**EIGHTEENTH ANNUAL REPORT  
2008 – 2009**

FOR RUBRA MEDICAMENTS LTD.  
  
Managing Director

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**109/3, I.D.A. PHASE II, SECTOR II, LANE 6, CHERLAPALLY, R.R. DIST.  
HYDERABAD - 500 051.**

## CORPORATE INFORMATION

### Board of Directors

- |                             |                    |
|-----------------------------|--------------------|
| 1. Mr. Vishnu Kumar Gupta   | Chairman           |
| 2. Mr. Narender Kumar Gupta | Managing Director  |
| 3. Ms. Nirupa Gupta         | Executive Director |
| 4. Mr. P.Suguna Sekhar      | Director           |
| 5. Mr. Ajay Vijaywargi      | Director           |
| 6. Mr. Sushant Mohanlal     | Director           |

**Company Secretary & Compliance Officer** Ms. Vanaja Kaleru

**Registered Office & Factory** 109/3, IDA Phase – II,  
Sector II, Lane 6,  
Cherlapally, R.R.Dist.,  
Hyderabad – 500 051.

**Bankers** Andhra Bank

Vijaya Bank

**Auditors** MRK Reddy & Co.  
Chartered Accountants  
2-1-745, Flat No: 101,  
Manohar Appartments,  
Vidya Nagar,  
Hyderabad – 500 044

**Registrar & Share Transfer Agents** M/s. Big Share Services Private Limited  
G-10, Left Wing, Amrutha Ville,  
Raj bhavan Road, Somajiguda,  
Hyderabad – 500 082  
Ph.No. 23374967

**Book Closure Dates: (26-09-2009 to 30-09-2009) both days inclusive**

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## NOTICE

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the members of M/s. *Rubra Medicaments Limited* will be held on Wednesday, the 30<sup>th</sup> September, 2009 at 11.00 a.m. at the Registered Office of the Company at 109/3, IDA Phase II, Sector II, Cherlapally, Hyderabad – 500 051 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended on 31<sup>st</sup> March, 2009 and the audited Balance Sheet as on 31<sup>st</sup> March 2009 together with the schedules attached thereto, Auditor's Report and the Directors' Report thereon.
2. To appoint a Director in place of Mr. P.Suguna Sekhar, who retires by rotation and being eligible offers himself for re-appointment.
- 3.
4. To appoint a Director in place of Mr. Ajay Vijaywargi, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s. MRK Reddy & Co., Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board Of Directors to fix their remuneration.

### SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions, if any of the Companies Act, 1956 and as per the Articles of Association of the Company, Mr.Sushant Mohanlal, who has been appointed as a Director to fill the casual vacancy caused by the resignation of Mr. Manikchand Gupta, and who cease to hold office at the commencement of this Meeting by virtue of Sections 256 and 262 of the Act, and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act proposing his candidature to the office of Director of the Company, be and is hereby appointed as a Director of the Company and whose office is liable to retire by rotation".

For Rubra Medicaments Limited

Sd/-

Place: Hyderabad  
Date: 31-07-2009

(Narender Kumar Gupta)  
Managing Director

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON A POLL AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Transfer Books of the Company will remain closed from Saturday, 26<sup>th</sup> September 2009 to Wednesday the 30<sup>th</sup> September 2009 (both days inclusive).
4. Members desiring any information as regards accounts are requested to write to the Company at least Seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
5. Voting is by show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution, or by those holding paid-up capital of at least Rs 50,000. A proxy shall not vote except on a poll.
6. Members/Proxies should bring the attendance slips filled in for attending the meeting.
7. Members who hold shares in demat form are requested to notify any change in their particulars like change in address, bank particulars etc., to their respective Depository Participants immediately.
8. Members are requested to notify any change in their address immediately to our Registrars and Transfer Agents.
9. **Additional Information in terms of Clause 49 of the Listing Agreement in respect of directors being proposed for re-appointment:**
  - (i) Mr. Penubrolu Suguna Sekhar holds Bachelor degree in Pharmacy and has worked with M/s Wamer Hindusthan limited, for a period of 15 years. At present he is providing consultancy in the areas of Pharmaceuticals as a freelancer to Pharma Industry. He is also a Director of M/s Sckurit B.P.C. Private Limited. He is not having any Shares of the Company.
  - (ii) Mr. Sushant Mohanlal is a graduate in Commerce from Osmania University and has 10 years experience in pharma sector. He is also a Director of M/s Combat Drugs Limited. He is not having any shares of the Company.
  - (iii) Mr. Ajay Vijaywargi holds bachelor degree in Commerce from Osmania University (Andhra Pradesh). He is having huge experience in electronic trading, distribution and dealership of leading products like Motorola, HPC and Panasonic. He is having 15 years of experience in Administrative activities. He is also a Director of M/s Amori Industries Private Limited & M/s Amori Projects Private Limited. He is not having any shares of the Company.

**Explanatory Statement**  
[Pursuant to Section 173(2) of the Companies Act, 1956]

**Item # 5: Appointment of Mr. Sushant Mohanlal as a Director of the Company**

Board of Directors in their meeting held on 18<sup>th</sup> September, 2008 have appointed Mr. Sushant Mohanlal to fill the casual vacancy caused by the resignation of Mr. Manikchand Gupta. Under Section 262 read with Section 256 of the Companies Act, 1956, Mr. Sushant Mohanlal holds office only up to the date upto which Mr. Manikchand Gupta, in whose place he was appointed, would have held office namely, up to the date of the ensuing Annual General Meeting. A notice has been received from a member, as required by section 257 of the Companies Act, 1956, proposing Mr. Sushant Mohanlal as a candidate for the office of Director. Appointment of Mr. Sushant Mohanlal as a Director requires approval of members by virtue of Section 257 of the Act. Board of Directors recommends his appointment.

Except Mr. Sushant Mohanlal, none of the Directors is concerned or interested in the above resolution.

**For Rubra Medicaments Limited**

Sd/-

Place: Hyderabad  
Date: 31-07-2009

(Narender Kumar Gupta)  
Managing Director

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 18<sup>th</sup> Annual Report on the business and operations of your Company for the financial year ended on 31<sup>st</sup> March, 2009.

### FINANCIAL RESULTS

Particulars	(Rs. in Lakhs)	
	Year ended 31.03.2009	Year ended 31.03.2008
Total Income	102.09	106.94
Profit / (Loss) before depreciation, interest and tax	(2.97)	9.63
Depreciation	5.22	4.46
Interest	Nil	Nil
Net Profit / (Loss) Before Tax for the year	(8.19)	5.17
Fringe Benefit Tax	0.22	0.24
Net Profit / (Loss) after Tax	(8.41)	4.93

### OPERATIONAL PERFORMANCE

During the year under review, your Company has registered turnover of Rs. 102.09 Lakhs as against Rs. 106.94 Lakhs for the previous year registering a decrease of Rs. 4.85 Lakhs. The company ended with a Net Loss of Rs. 8.41 Lakhs as against a profit of Rs. 4.93 Lakhs for the previous Year. This was due to decrease in the turnover coupled with raise in the cost of raw materials and the personnel.

### FUTURE PROSPECTS

The Company's revenues are mainly from manufacture and sale of pharmaceutical formulations. There was no improvement in the demand pattern of the Company's products since last few years. Further the ongoing recession in the Country and around the world has had an adverse effect and the demand of the company's product have registered sharp decline. The scenario has put pressure on Company's margins leading to a mismatch in revenues and operational costs. The operating costs primarily comprise raw materials, packing materials, staff cost, selling and marketing expenses, manufacturing overheads, research & development expenses and general overheads.

Board of Directors of the Company is of the opinion that, it will not be feasible to run its operations further as it will further burden the Company. Board of Directors has proposed to look for alternatives and also consider to dispose off the Business with the existing unit located at 109/3, IDA, Cherlapally, Hyderabad, Andhra Pradesh - 500051, if they get a better buyer, together with all its assets and liabilities. To enable this, the Company has obtained approval of members under Section 293(1) (a) of the Companies Act, 1956 through Postal Ballot as required under Section 192A read with Companies (Postal Ballot) Rules, 2003.

## **INDUSTRIAL RELATIONS**

The Industrial and personnel relations have been cordial during the year.

## **DIVIDEND**

The Board of Directors expresses their inability to recommend dividend for the financial year 2008-2009 due to absence of profit.

## **FIXED DEPOSITS**

The Company has not accepted any deposits during the year within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under. So the provisions of Section 58A are not applicable to the Company.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that:

- (i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March 2009 and of the Loss of the Company for the year ended on 31<sup>st</sup> March 2009.
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The directors have prepared the annual accounts for the financial year ended on 31<sup>st</sup> March, 2009 on a going concern basis.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956, and the articles of association of the company Mr. Sushant Mohanlal who has been appointed as Director in Casual vacancy caused by the resignation of Mr. Manikchand Gupta, Director of the company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Board of Directors recommends his re-appointment.

Mr. Manikchand Gupta resigned from the office of Directorship with effect from 18<sup>th</sup> September, 2009.

Mr. P. Suguna Sekhar and Mr. Ajay Vijaywargi, Directors will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offers themselves for re-appointment.

## **AUDITORS**

The Auditors M/s. MRK Reddy & Co., Chartered Accountants will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received a letter to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956.

## **PARTICULARS OF EMPLOYEES**

There are no employees whose particulars are required to be given under Section 217 (2A) of the Companies Act, 1956, read with the Companies(Particulars of Employees) Rules, 1975(As Amended).

## **INFORMATION PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.**

The details are given in **Annexure – I**

## **CORPORATE GOVERNANCE**

Pursuant to the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, a report on the Corporate Governance, which *inter alia*, includes the composition and construction of Audit Committee, is given as **Annexure-II**. Your Company will continue to adhere in letter and spirit to the good corporate governance policies.

Pursuant to the provision of Clause 49 (VII) (1) of the Listing Agreement, a certificate from the auditors of the Company on the compliance of the Clause is also enclosed.

## **CEO Declaration**

Pursuant to the provisions of Clause 49(I) (D) (ii) of the Listing Agreement, a declaration by the Chairman and Managing Director of the Company declaring that all the members of the Board and the Senior Personnel of the Company have affirmed compliance with the Code of Conduct of the Company is enclosed.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Industry Structure and Developments**

The domestic formulations market has been witnessing double digit growth in recent years with Indian companies continuing to dominate the market. Population growth, increased healthcare access, increasing affordability and other epidemiology factors are some of the key factors which point to continuing record growth levels. Manufacturing operations are largely concentrated in excise free zones and compete with low cost of manufacture.

The rapidly changing economic, trade and intellectual property scenario, nationally and internationally poses many challenges including the challenge of becoming leaders and competitors globally. This necessitates a shift in the approach of pharmaceutical industry to move away from manufacturing only known drugs through innovative process routes to discovering and commercializing new molecules. The accumulated knowledge of traditional



medicinal system and large bio- diversity of our country offer a great advantage to drug industry. However, at present, most of the Indian drug firms, due to their small size compared to international operators, are not in a position to invest in a viable new drug development program - drug development being a risky, resource intensive & time consuming process. At the same time several Indian academic institutions and national laboratories have established impressive infrastructure and developed excellent expertise in selected areas of drug development. Thus, this is a strong case for industry- institution interaction.

The Company's revenues are mainly from manufacture and sale of pharmaceutical formulations. The operating costs primarily comprise raw materials, packing materials, staff cost, selling and marketing expenses, manufacturing overheads, research & development expenses and general overheads.

### **Opportunities and Outlook**

The Indian pharmaceutical industry is going through major structural changes as seen above. These changes pose many challenges and opportunities to companies operating in this environment.

### **THREATS, RISKS AND CONCERNS**

The Company faces high attrition levels, particularly in sales force, R&D technical staff and production technical staff. This disrupts the smooth working of the Company, inter-alia, leading to disruption and delays in projects, loss of customers and sales, and increase in the cost of recruitment and training. The Company pro-actively manages this phenomenon through various measures including aggressive and timely recruitments, industry compatible remuneration / incentive system and strengthening of the human resources function.

New product development and launch involves substantial expenditure, which may not be recovered due to several factors including development uncertainties, increased competition, regulatory delays lower than anticipated price realizations, delay in market launch and marketing failure.

#### ***Price control:***

The domestic market is subject to price control under DPCO, 1995. Presently the Company's products are under price control, due to which the profit margins are significantly affected.

Regulatory changes may bring about de-branding of drugs in domestic market. Generic competition, could lead to fall in sales in branded products accompanied by price erosion. Increased coverage of healthcare spend through Insurance can lead to structural changes in the Industry. However the Company does not anticipate changes in these areas in the immediate horizon.

### **Human Resources**

Human Resources are among the Company's most critical asset. In a business driven by intellectual capital, performance can be enhanced through selective recruitment, skill enhancement and enhanced retention. The Company enriched the quality of its human resource through a continuous training agenda which helped members in enhancing skills and keep abreast of rapid technological changes.

### **Internal Control Systems and their adequacy**

The Company has adequate internal control systems commensurate with the size of the Company and the nature of its business. These internal controls are continuously reviewed for effectiveness and are augmented by written policies and guidelines. The internal controls of the company are designed to provide reasonable assurance regarding the achievement of the following objectives:

- Effectiveness and Efficiency of operations;
- Adequacy of safeguard of assets;
- Reliability of financial controls.

The integrity and reliability of the internal controls are achieved through clear policies and procedures.

### **ACKNOWLEDGMENTS**

Your directors acknowledge the sincere efforts and hard work put in by the employees of the Company in its operations. The directors also wish to place on record their appreciation for the assistance and co-operation extended by customers, employees, shareholders, and all other business associates.

**For and on behalf of the Board of Directors  
of Rubra Medicaments Limited**

Sd/-

Place: Hyderabad  
Date: 31-07-2009

**Vishnu Kumar Gupta  
Chairman**

## **ANNEXURES TO THE DIRECTORS' REPORT:**

### **ANNEXURE-I**

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

The information required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given below:

##### **I. CONSERVATION OF ENERGY:**

###### **a) Energy conservation measures taken:**

The company has taken adequate measures to conserve energy by continuous monitoring and effective use of energy, which is a continuous process.

###### **b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:**

No additional investment is proposed.

###### **c) Impact of the measures at (a) and (b) above:**

Since it is a continuous process of monitoring and usage, the impact is not quantifiable.

###### **d) Total energy consumption and energy consumption per unit of production:**

###### **A. Power and fuel consumption**

	<b>Current year 2008-09</b>	<b>Previous year 2007-08</b>
<b>1. Electricity</b>		
(a) Purchased		
Units	-	-
Total amount (Rs.)	1,15,234-00	1,16,443-00
Rate/unit (Rs.)	-	-
(b) Own generation	Nil	Nil
(i) Through diesel generator		
➤ Units (Nos.)		
➤ Units per ltr. of diesel oil		
➤ Cost / unit		
(ii) Through steam turbine/ generator		
➤ Units (Nos.)		
➤ Units per ltr. of fuel oil/gas		
➤ Cost / unit		
<b>2. Coal</b>	<b>:</b>	<b>N.A.</b>

3. Furnace oil : N.A.

4. Others: N.A.

B. Consumption per unit of production

- Products
- Electricity
- Furnace oil N.A.
- Coal
- Others

## **II. TECHNOLOGY ABSORPTION:**

### **A. RESEARCH AND DEVELOPMENT**

1. Specific areas in which R & D carried out by the Company :

The company has not carried out any research and development activities during the year under review.

2. Benefits derived as a result of the above R & D: Not Applicable

3. Future Plan of action: Nil

4. Expenditure on R&D: Nil

B. Technology absorption, adaptation and Innovation: Nil

## **III. FOREIGN EXCHANGE EARNINGS & OUTGO :** Nil

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Corporate Governance

Corporate Governance is the system by which an organization is directed and controlled. Corporate Governance Structure specifies the relationship, distribution of rights and responsibilities among different participants in the organization such as the Board, Managers, Shareholders and Stakeholders and spells out the rules and procedures for making decisions on corporate affairs. By doing so, it also provides the structure through which the Company's objectives are set and the means of attaining these objectives and monitoring performance.

Rubra Medicaments Limited, right from its inception has been committed to the highest standards of Corporate Governance practices. The company believes that a strong corporate governance policy is indispensable to healthy business growth and resilient and vibrant capital markets, besides being an important instrument of investor protection.

- The Company believes that 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 employees.
- Timely and accurate disclosure of all material operational and financial information to the stakeholders.

Good corporate Governance provides an appropriate framework for the Board and the Management fulfills the objectives that are in the interest of the Company and the shareholders. Rubra Medicaments Limited complies with the Corporate Governance code enshrined in Clause 49 of the Listing Agreement.

### 2. Board of Directors

#### **Composition:**

- The Company has Non-Executive Chairman who is a Non-independent Director. The Board of Directors comprises of Six (6) Directors including Four (4) Non-executive independent directors.
- The Composition of the Board of Directors of the Company meets the stipulated requirements and the same is as follows:

<b>Name of the Director</b>	<b>Category</b>
Mr. Vishnu Kumar Gupta	Chairman & Non-Executive Director – Non independent
Mr. Narender Kumar Gupta	Managing Director – Non independent
Mrs. Nirupa Gupta	Executive Director – Non independent
Mr. P. Suguna Sekhar	Non-Executive - Independent Director

Mr. Ajay Vijaywargi*	Non-Executive - Independent Director
Mr. Sushant Mohanlal**	Non-Executive – Independent Director

\* Appointed with effect from 4<sup>th</sup> September, 2008.

\*\* Appointed with effect from 18<sup>th</sup> September, 2008.

**Note:** Mr. Manikchand Gupta Resigned from Directorship on 18<sup>th</sup> September, 2008 and Mr. Sushant Mohanlal (Independent Director) was appointed as Director due to casual vacancy.

#### **Meetings and Attendance:**

During the Financial Year 2008-09 the Board of Directors met Eight (8) times on the following dates: 30<sup>th</sup> April, 2008, 28<sup>th</sup> June 2008, 31<sup>st</sup> July 2008, 4<sup>th</sup> September 2008, 18<sup>th</sup> September 2008, 30<sup>th</sup> October 2008, 30<sup>th</sup> November 2008 & 31<sup>st</sup> January 2009.

<b>Attendance of Directors at Board Meetings and at the last Annual General Meeting (AGM) held on 30<sup>th</sup> September, 2008</b>		
<b>Name of the Director</b>	<b>No. of Board Meetings attended</b>	<b>Whether attended the last AGM</b>
Mr. Vishnu Kumar Gupta	7	Yes
Mr. Narendra Kumar Gupta	7	Yes
Mrs. Nirupa Gupta	6	Yes
Mr. Manikchand Gupta	3	Yes
Mr. P. Suguna Sekhar	7	Yes
Mr. Sushant Mohanlal	3	Yes
Mr. Ajay Vijaywargi	4	Yes

Profile of the Director(s) being appointed/re-appointed at the ensuing A.G.M. is given under notes to Notice of Annual General Meeting.

#### **Board's Procedure:**

Board members are given appropriate documents and information in advance of each Board and Committee meeting to enable the Board to discharge its responsibilities effectively.

### **3. Audit Committee**

#### **a) Terms of reference:**

The Broad terms of reference of the Audit Committee are as follows:

- Reviewing the quarterly and annual financial statements before submission to the Board.
- Review of the Company's financial reporting process and its financial statements.
- Review of accounting and financial policies and practices.
- Review of internal control and internal audit systems.
- Review of risk management policies and practices.
- Review with the management, external and internal auditors, the adequacy of internal control systems.

#### **b) Composition:**

The Audit committee of the Company has the following composition:

Sl. No.	Name	Status
1.	Mr. P. Suguna Sekhar	Chairman
2.	Mr. Vishnu Kumar Gupta	Member
3.	Mr. Ajay Vijaywargi	Member

**c) No. of Meetings held**

- During the Financial Year 2008-09 the Audit Committee met 5 (Five) times on the following dates and all the committee members have attended the meeting: 30<sup>th</sup> April, 2008, 28<sup>th</sup> June 2008, 31<sup>st</sup> July 2008, 30<sup>th</sup> November 2008 & 31<sup>st</sup> January 2009.
- The Chairman of the Audit Committee attended the last AGM and answered the queries raised by the shareholders.

**4. Remuneration Committee**

**a) Brief description of terms of reference**

This committee was constituted primarily to evaluate compensation and benefits for Executive Directors.

**b) Composition:**

The Remuneration Committee of the Company has the following composition:

Sl. No	Name	Status
1.	Mr. P. Sugunasekhar	Chairman
2.	Mr. Ajay Vijaywargi	Member
3.	Mr. Sushant Mohanlal	Member

**c) Details of remuneration to all the directors**

Particulars	(in Rs.)	
	Mr.Narendra Kumar Gupta, Managing Director	Mrs. Nirupa Gupta, Executive Director
Salary	3,00,000	2,40,000
Perquisites	---	---
Total	3,00,000	2,40,000

The Non-Executive Directors are not paid any remuneration other than sitting fees for the meetings attended by them.

**5. Shareholders / Investors Grievances Committee**

**a) Terms of reference**

The Committee was constituted to specifically look into the redressal of shareholders and investor complaints like transfer of shares, non-receipt of balance sheet etc.

**b) Composition and name of members**

Your Company has constituted a Shareholders Grievances Committee consisting of:

Sl. No	Name	Status
1.	Mr. Vishnu Kumar Gupta	Chairman
2.	Mrs. Nirupa Gupta	Member
3.	Mr. Sushant Mohanlal	Member

**c) Name and Designation of Compliance Officer**

Ms. Vanaja Kaleru, Company Secretary has been appointed as the Compliance Officer of the Company.

**d) No. of Shareholders Complaints received during the year 2008-2009**

During the year 2008-2009 no complaints were received from the investors.

**e) No. of complaints not solved to the satisfaction of shareholders**

There was no complaint that was not solved to the satisfaction of shareholders.

**f) No. of pending share transfers**

All transfers which were received for transfer during the year were transferred and no transfer was pending.

**6. General Body Meetings**

The following are the details of the last 3 Annual General Meetings:

Financial Year	Date	Time	Venue	Nature of special resolutions, if any passed.
2005-2006	29-09-2006	11.00 a.m.	109/3,IDA,Phase II,Sector II,Lane 6 , Cherlapally, R R Dist, Hyderabad – 500 051	Nil
2006-2007	29-09-2007	11.00 a.m.	109/3,IDA,Phase II,Sector II,Lane 6 , Cherlapally, R R Dist, Hyderabad – 500 051	Nil
2007-2008	30-09-2008	11.00 a.m.	109/3,IDA,Phase II,Sector II,Lane 6 , Cherlapally, R R Dist, Hyderabad – 500 051	Nil

**a) Special Resolution passed through postal ballot system during the year and the person who conducted the postal ballot exercise:**

No special resolution was required to be put through postal ballot system last year.



But one Ordinary Resolution is passed by the Company through Postal Ballot Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 for sale of an Undertaking by the Company. The result of the Postal Ballot was declared on 2nd July, 2009.

The postal Ballot exercise was conducted by Mrs. Rashida Adenwala, Company Secretary in Practice and Partner M/s. R & A Associates, Company Secretaries, Hyderabad.

**b) Whether any special resolution proposed to be conducted through postal ballot:**

No special resolution is proposed to be conducted through postal ballot system. However, where there is need to pass a resolution through postal, Ballot the Company shall conduct the same.

**7. Disclosures**

The Shareholding of the Directors of the Company are as follows.

Name of the Director	Number of Shares held	% of Shares on Paid up Capital of the Company
Vishnu Kumar Gupta	Nil	Nil
Narender Kumar Gupta	835600	15.28
Nirupa Gupta	710700	13.00
P. Sugana Sekhar	Nil	Nil
Ajay Vijaywargi	Nil	Nil
Sushant Mohanlal	Nil	Nil
<b>TOTAL</b>	<b>1546300</b>	<b>28.28</b>

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

- The Company had disclosed the Related Party transactions with the key Management Personnel in Notes to Accounts. None of the transactions with the any of the related parties were in conflict with the interests of the company.

There has been no non-compliance by the Company of the regulations imposed by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last 3 years.

**8. Means of Communication**

- (a) The Board of Directors of the company approves and takes on record the unaudited financial results in the proforma prescribed by the Stock Exchanges, where the shares of the Company are listed, within one month of the close of the quarter and the same is submitted to all the Stock Exchanges.

(b) The quarterly un-audited/audited financial results of the company were generally published in two news papers.

(c) The Management Discussion and Analysis Report forms part of the Annual Report.

## **9. General Shareholder Information**

### **9.1 Eighteenth Annual General Meeting**

Date : Wednesday, 30<sup>th</sup> September, 2009  
Time : 11.00 a.m.  
Venue : 109/3, IDA, Phase -- II, Sector II,  
Lane 6, Cherlapally,  
Hyderabad-500 051.

### **9.2 Financial Calendar for 2009-2010 (tentative):**

Results for the quarter ending

- o June 30, 2009 : 31<sup>st</sup> July, 2009
- o September 30, 2009 : Last week of October, 2009
- o December 31, 2009 : Last week of January, 2010
- o March 31, 2010 : Last week of April, 2010

Annual General Meeting : September, 2010.

### **9.3 Date of Book Closures (Both Days inclusive)**

Saturday, the 26<sup>th</sup> September 2009 to Wednesday, the 30<sup>th</sup> September 2009 (both days inclusive).

### **9.4 Listing on Stock Exchanges**

The Equity Shares of the Company are listed on:

- Bombay Stock Exchange Limited.
- The Ahmedabad Stock Exchange.

9.5 Shareholding pattern as on 31<sup>st</sup> March, 2009

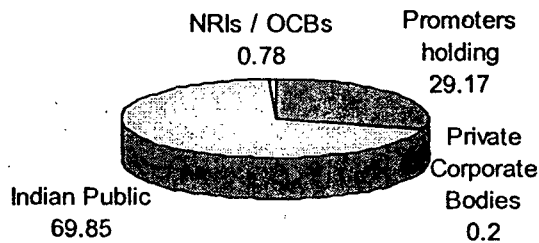
Statement showing Shareholding Pattern for the Quarter ended 31<sup>st</sup> March, 2009

Name of the Company: RUBRA MEDICAMENTS LIMITED								
Scrip Code: 531099			Quarter Ended: 31 <sup>st</sup> March, 2009					
Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
(I)	(II)	(III)	(IV)	(V)	As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares (VIII)	As a percentage (IX) = (VIII) / (IV) * 100
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	5	1594900	1582400	29.17	29.17	00	00
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	00	00
(c)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	00	00
(d)	Financial Institutions/ Banks	Nil	Nil	Nil	Nil	Nil	00	00
(e)	Any Others						00	00
	Mutual Funds	Nil	Nil	Nil	Nil	Nil	00	00
	Trusts	Nil	Nil	Nil	Nil	Nil	00	00
	Sub Total(A)(1)	5	1594900	1582400	29.17	29.17	00	00
2	Foreign							
A	Individuals (Non-Residents Individuals/ Foreign Individuals)	Nil	Nil	Nil	Nil	Nil	00	00
B	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	00	00
C	Institutions	Nil	Nil	Nil	Nil	Nil	00	00
D	Any Others (Overseas Corporate Bodies)	Nil	Nil	Nil	Nil	Nil	00	00
	Sub Total(A)(2)	0	0	0	0.00	0.00	00	00
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	5	1594900	1582400	29.17	29.17	00	00
(B)	Public shareholding						00	00

<b>1</b>	<b>Institutions</b>						00	00
(a)	Mutual Funds/ UTI	00	00	00	00	00	00	00
(b)	Financial Institutions / Banks	00	00	00	00	00	00	00
(c)	Central Government/ State Government(s)	00	00	00	00	00	00	00
(d)	Venture Capital Funds	00	00	00	00	00	00	00
(e)	Insurance Companies	00	00	00	00	00	00	00
(f)	Foreign Institutional Investors	00	00	00	00	00	00	00
(g)	Foreign Venture Capital Investors	00	00	00	00	00	00	00
(h)	Any Other						00	00
	Foreign Bodies	00	00	00	00	00	00	00
	<b>Sub-Total (B)(1)</b>	00	00	00	00	00	00	00
<b>B 2</b>	<b>Non-institutions</b>						00	00
(a)	Bodies Corporate	6	11100	0	0.20	0.20	00	00
(b)	Individuals						00	00
<b>I</b>	Individuals – i. Individual shareholders holding nominal share capital up to Rs 1 lakh	585	689200	15700	12.60	12.60	00	00
<b>II</b>	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	13	3130300	0	57.24	57.24	00	00
(c)	Any Other (specify)						00	00
(c-i)	Non-Resident Individuals	25	42800	0	0.78	0.78	00	00
	<b>Sub-Total (B)(2)</b>	629	3873400	15700	70.83	70.83	00	00
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	629	3873400	15700	70.83	70.83	00	00
	<b>TOTAL (A)+(B)</b>	634	5468300	1598100	100	100	00	00
<b>(C)</b>	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	00	00
	<b>GRAND TOTAL (A)+(B)+(C)</b>	634	5468300	1598100	100	100	00	00

Category	% of Share Holding
Promoters holding	29.17
Private Corporate Bodies	0.20
Indian Public	69.85
NRIs / OCBs	0.78

### Shareholding Pattern as on 31st March, 2009



■ Promoters holding ■ Private Corporate Bodies □ Indian Public □ NRIs / OCBs

**9.6 Stock Code :** BSE 531099

**9.7 Distribution of Share holding:**

No. of Shares	No. of Share holders	% of share holders	No. of shares	% of Share holding
1-5000	610	96.21	6,91,200	12.64
501-10000	5	0.79	41,000	0.75
10001-20000	9	1.42	1,39,800	2.56
20001-30000	2	0.32	50,000	0.91
30001-40000	0	0.00	0	0.00
40001-50000	0	0.00	0	0.00
50001-100000	0	0.00	0	0.00
100001 and above	8	1.26	45,46,300	83.14
<b>Total</b>	<b>634</b>	<b>100</b>	<b>54,68,300</b>	<b>100</b>

**9.7 Market price data:** Not Available as the scrip is not trading any stock exchanges

**9.8 Share Transfer System**

The Company's Share transfers are taken care by M/s. Big Share Services Private Limited, Registrars and Share Transfer Agents appointed by the Company. Transfers which are received in physical form are processed and the share certificates are returned within a period of 30 days from the date of receipt, subject to documents being valid and complete in all respects.

**9.9 Dematerialization of Shares**

- The Company's shares are available for holding / transfer in depository system of both Central Depository Services (India) Limited and National Securities

Depository Limited. The members have the option of holding the shares in physical or dematerialized form. The processing activities with respect to the requests received for dematerialization are generally completed within 15 days from the date of receipt of request.

- The ISIN allotted for the equity shares of the Company – INE396H01019.
- As on 31<sup>st</sup> March 2009 a total No. of 1598100 Equity shares of the Company stand dematerialised.

**9.10 Outstanding GDRs / ADRs / Warrants / Convertible Debentures during the year 2008-2009**

The Company has not issued any GDRs / ADRs / Warrants / Convertible Debentures during the year 2008-2009. The Company doesnot have any outstanding convertible securities / instruments.

**9.11 Plant Location:**

109/3, IDA Phase – II,  
Sector II, Lane 6,  
Cherlapally, R.R.Dist.,  
Hyderabad – 500 051.

**9.12 Registrars & Share Transfer Agents and Address for investor correspondence**

M/s. Big Share Services Private Limited  
G-10, Left Wing, Amrutha Ville,  
Raj Bhavan Road, Somajiguda,  
Hyderabad – 500 082.  
Ph.No:23374967.  
Email: bsshyd@bigshareonline.com

### **CEO'S DECLARATION**

I, Narender Kumar Gupta, Managing Director do hereby declare that pursuant to the provisions of Clause 49((I)(D) of the Listing Agreement, all the members of the Board and Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company.

Place: Hyderabad  
Date: 30<sup>th</sup> July, 2009

Narender Kumar Gupta  
Managing Director

**Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**

I, Narender Kumar Gupta, Managing Director and CEO of Rubra Medicaments Limited, certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31 March 2009 and to the best of our knowledge and belief;
  - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - These statements present a true and fair view of the Company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct;
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or purpose to take and rectify the identified deficiencies; and
4. That we have informed the auditors and the Audit Committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) There are no instances of significant fraud of which we have become aware.

Hyderabad  
31-07-2009

Narender Kumar Gupta  
Managing Director



## **COMPLIANCE CERTIFICATE**

**TO THE MEMBERS OF  
RUBRA MEDICAMENTS LIMITED**

We have examined the compliance of conditions of Corporate Governance by Rubra Medicaments Limited, for the year ended on 31<sup>st</sup> March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

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

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

**For MRK Reddy & Co.,**  
Chartered Accountants

Place: Hyderabad  
Date: 31-07-2009

**M.R.K.Reddy**  
Proprietor  
Membership No.: 27546

**M R K REDDY & Co.**  
**Chartered Accountants**

2-1-745, Flat No: 101, Manohar Apartments, Vidyanagar, Hyderabad – 500 044

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**AUDITOR'S REPORT**

To,  
The Members of  
**M/s. RUBRA MEDICAMENTS LIMITED.**

We have audited the attached Balance sheet of M/s. **RUBRA MEDICAMENTS LIMITED** as at 31<sup>st</sup> March 2009 and the Profit & Loss Account and the Cash Flow statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 free from material misstatement. An audit also 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.

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, we enclose in the annexure a statement on matters specified in the paragraph 4 and 5 of the said order.

Further to our comments in the annexure referred to in the paragraph I 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 account as required by law have been kept by the Company so far as appears from our examination of such books;
- c) The Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
- 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 sub-section 3(C) of Section 211 of the Companies Act, 1956;

- e) On the basis of written representations received from the directors, as on 31- March, 2009 and taken on record by the Board on Directors, we report that, none of the directors is disqualified as on 31.03.2009 from being appointed as a Director in terms of clause (g) of the sub-section (1) of section 274 of the companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanation given to us the said accounts read in conjunction with the schedules annexed therewith, give the information required by the Companies Act 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:
- In so far as it relates to the Balance Sheet, of the State of Affairs as at **31<sup>st</sup> March, 2009**
  - In so far as it relates to Profit and Loss Account, of the Loss for the period ended on that date and
  - In the case of the Cash Flow statement of the cash flows for the year ended on that date.

**For M R K REDDY & Co**  
**Chartered Accountants**

**Place: HYDERABAD**

**Date : 30-6-2009**

Sd/-

**(M. RAMAKRISHNA REDDY )**  
**Proprietor.**

## ANNEXURE

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

1. In respect of its fixed assets
  - a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, the fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such physical verification.
  - c. In our opinion, the company has not disposed of substantial part of fixed assets during the year and the going concern status of the company is not affected.
2. In respect of inventories:
  - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size and nature of its business.
  - c. The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification as compared to the book records
3. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained U/s 301 of the Companies Act, 1956:
  - a. The company has not granted or taken any loans secured / unsecured during the year.
  - b. As the Company has not granted or taken any loans, the provisions of Paragraph 4 iii (b, c & d) are not applicable.
4. In our opinion and according to the information and explanations given to us there is an adequate internal control procedures commensurate with the size of the company and the nature of business with regard to the purchase of inventory, raw materials, machinery, equipment and other assets and for the sale of goods. During the course of our audit we have not observed any major weaknesses in internal controls

5. In respect of transactions covered u/s 301 of company Act 1956,
  - a. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of the contract or arrangements, that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956.
  - b. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.5,00,000/-(Rupees Five Lacs only) or more in respect of any party.
6. Based on our audit procedures and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence complying with the provisions of section 58A and section 58AA of the Companies Act, 1956 and rules framed there under is not applicable.
7. The company does not have Internal Audit System.
8. As explained to us the Cost Records have not been prescribed by the Central Government u/s 209 (1) d of the Companies Act, 1956.
9. In respect of the statutory dues:
  - a. According to the Company, apart from certain instances of delays, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees Sate Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
  - b. According to the information and explanations given to us, no undisputed mounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, and Cess were in arrears, as at 31<sup>st</sup> March, 2009 for a period more than six months from the date they became payable
10. The company has not incurred cash loss in the financial year covered by our audit and also in the immediately preceding financial year. there are accumulated losses in the balance sheet as on 31<sup>st</sup> March, 2009 .
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.

13. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the provisions of any special statute applicable to chit fund are not applicable to this company and the company is not a nidhi/mutual benefit fund/society and hence compliance with the requirements of the order in this regard are not applicable to this company.
14. In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Therefore, clause 4(xiv) of the Companies (Auditor's Report) order 2003 is not applicable to the company.
15. According to the information and explanations give to us the company has not given any guarantee for loans taken by others from banks & financial institutions. Therefore, clause 4(xv) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
16. The company obtained a Vehicle Loan of Rs.5.00 lacs during the year and same was applied for the purpose it was taken.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized short-term sources towards acquisition of fixed assets.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations furnished to us and based on the records verified by us, during the period covered by our audit report the company has not issued any debentures and hence creation of securities for the same is not applicable.
20. According to the information and explanations furnished to us and based on the records verified by us, the company has not raised any money through public issues during the period covered under audit and hence disclosure by the management on the end usage of money raised by the public issues and verifications of the same is not applicable.
21. Based upon the audit procedures perform and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

**For M R K REDDY & Co**  
**Chartered Accountants**

Place: HYDERABAD

Date: 30-6-2009

Sd/-

**(M. RAMAKRISHNA REDDY)**  
**Proprietor.**

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## BALANCE SHEET AS AT 31.03.2009

PARTICULARS	SHEDULE	AMOUNTS AS AT	
		31.03.2009	31.03.2008
<b><u>I. SOURCES OF FUNDS:</u></b>			
<b>1. SHARE HOLDER'S FUNDS</b>			
a.Share Capital	1	54683000.00	54683000.00
b.Reserves & Surplus	2	355740.00	355740.00
<b>2. LOAN FUNDS</b>			
a.Secured Loans	3	2845679.76	3245699.04
b.Unsecured Loans	4	310064.00	510064.00
DIFFERED TAX LIABILITY		584519.00	602622.00
		<u>58779002.76</u>	<u>59397125.04</u>
<b><u>II. APPLICATION OF FUNDS:</u></b>			
<b>1. FIXED ASSETS</b>	5		
a.Gross Block		49043210.78	48928759.78
b.Less:Depreciation		4680883.21	4158413.97
<b>NET BLOCK</b>		<u>44362327.57</u>	<u>44770345.81</u>
<b>2. CURRENT ASSETS, LOANS &amp; ADVANCES</b>	6	3615007.17	5158267.59
<b>3. Less:CURRENT LIABILITIES &amp; PROVISIONS</b>	7	3016601.82	3526623.37
<b>NET CURRENT ASSETS</b>		<u>598405.35</u>	<u>1631644.22</u>
<b>4. MISC.EXPENDITURE</b>	8	168819.00	168819.00
( to the extent not written off of adjusted )			
<b>5. PROFIT &amp; LOSS A/c</b>		13649450.84	12826316.01
<b>TOTAL</b>		<u>58779002.76</u>	<u>59397125.04</u>
Note on Account & Accounting Policies	13	-	-

For and Behalf of the Board  
**M/S.RUBRA MEDICAMENTS LTD.**

Sd/-

**MANAGING DIRECTOR      DIRECTOR**

PLACE : HYDERABAD

DATE : 30-6-2009

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDING 31.03.2009

PARTICULARS	SCHEDULE	AMOUNTS AS AT 31.03.2009	31.03.2008
<b><u>A.INCOME</u></b>			
Sales	9	10209159.59	10694268.49
		<b><u>10209159.59</u></b>	<b><u>10694268.49</u></b>
<b><u>B.EXPENDITURE</u></b>			
Cost of Goods Sold	10	3931140.46	3789503.87
Salaries & Benefits to Staff	11	2525038.00	2334428.00
Sales & Admn Expenses	12	4049648.72	3606889.14
Depreciation		522469.24	446416.88
		<b><u>11028296.42</u></b>	<b><u>10177237.89</u></b>
<b>Profit / (Loss) Before Tax</b>		<b>(819136.83)</b>	<b>517030.60</b>
Less: Provision for Tax		0.00	0.00
Less: Fringe Benefit Tax		22101.00	23851.00
<b>Profit / (Loss) After Tax</b>		<b>(841237.83)</b>	<b>493179.60</b>
Differred Tax		18103.00	37961.00
Balance Brought Forward last year		<b><u>(12826316.01)</u></b>	<b><u>(13357456.61)</u></b>
		<b><u>(13649450.84)</u></b>	<b><u>(12826316.01)</u></b>

For and Behalf of the Board

**M/S.RUBRA MEDICAMENTS LTD.**

Sd/-

**MANAGING DIRECTOR**

**DIRECTOR**

PLACE : HYDERABAD

DATE : 30-6-2009



# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## SCHEDULE FORMING PART OF BALANCE SHEET

### SCHEDULE - 1

### SHARE CAPITAL

PARTICULARS	AMOUNTS AS AT	
	31.03.2009	31.03.2008
Authorised Capital 6500000 Equity shares of Rs.10/- each	65000000.00	65000000.00
Issued subscribed and paid-up 5468300 Equity Shares of Rs.10/- each	54683000.00	54683000.00
Total	54683000.00	54683000.00

### SCHEDULE-2

### RESERVES AND SURPLUSES

State Subsidy	355740.00	355740.00
Total	355740.00	355740.00

### SCHEDULE-3

### SECURED LOANS

Vijaya Bank - 4059 ( O D )	2559372.04	2778087.29
HDFC Vehicle Loan	286307.72	467611.75
Total:	2845679.76	3245699.04

### SCHEDULE-4

### UNSECURED LOANS

Tirumala Textiles and Processors Ltd	0.00	200000.00
From Directors ( N.K.Gupta )	310064.00	310064.00
Total:	310064.00	510064.00

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

PROV.DEPRECIATION SCHEDULE (FIXED ASSETS) AS PER COMPANIES ACT.

## SCHEDULE-5

Name of Asset	Rate	Gross Block			Depreciation Block			Net Block	
		Op. Bal 01-04-2008	Addition / ( Deletions )	Total	upto 31-03-2008	For the period	Total	As at 31-03.2009	As at 31-03-2008
Buildings	3.34	3595509.93	20194.00	3615703.93	872567.66	120107.03	992674.69	2623029.24	2722942.27
Machinery	4.75	4032929.64	94257.00	4127186.64	2557025.73	195462.16	2752487.89	1374698.75	1475903.91
Electrical Fittings	4.75	476705.96		476705.96	102064.53	22643.53	124708.06	351997.90	374641.43
Electronic Type Writer	4.75	17092.00		17092.00	11201.39	811.87	12013.26	5078.74	5890.61
Furniture	6.33	840834.54		840834.54	266707.25	53224.83	319932.08	520902.46	574127.29
Air-Conditioner	4.75	470627.00		470627.00	86665.87	22354.78	109020.65	361606.35	383961.13
Land		418981.00		418981.00				418981.00	418981.00
D.G Set	4.75	58250.00		58250.00	52998.28	2766.88	55765.16	2484.85	5251.73
Lab Equipment	4.75	211520.72		211520.72	73279.87	10047.23	83327.10	128193.62	138240.85
Fax Machine	4.75	34500.00		34500.00	18008.68	1638.75	19647.43	14852.57	16491.32
Computer	4.75	237896.20		237896.20	85918.38	11300.07	97218.45	140677.75	151977.82
Office Equipment	4.75	32676.00		32676.00	18550.33	1552.11	20102.44	12573.56	14125.67
Car ( Honda City )	9.50	848000.00		848000.00	13426.00	80560.00	93986.00	754014.00	834574.00
		11275522.99	114451.00	11389973.99	4158413.97	522469.24	4680883.21	6709090.78	7117109.03
Capital Work in Progress		37653236.79	0.00	37653236.79	0.00	0.00	0.00	37653236.79	37653236.79
		<b>48928759.78</b>	<b>114451.00</b>	<b>49043210.78</b>	<b>4158413.97</b>	<b>522469.24</b>	<b>4680883.21</b>	<b>44362327.57</b>	<b>44770345.82</b>

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## SCHEDULE FORMING PART OF BALANCE SHEET

### SCHEDULE-6

### CURRENT ASSETS LOANS & ADVANCES

PARTICULARS	AMOUNTS AS AT	
	31.03.2009	31.03.2008
1.Inventories (As certified by the Management)	1479661.00	2095146.00
2. Sundry Debtors		
More than Six Months		
Others	1822618.32	2728552.06
3. Advances & Deposits	74227.00	65778.40
4. Cash & Bank Balances	238500.85	268791.13
	<u>3615007.17</u>	<u>5158267.59</u>

### SCHEDULE(6-A)

### INVENTORIES

Cl.Stock of Finished goods	1283157.00	1829252.00
Cl.Stock of Raw Material	98000.00	122694.00
Cl.Stock of Packing Material	98504.00	143200.00
	<u>1479661.00</u>	<u>2095146.00</u>

### SCHEDULE(6-B)

### ADVANCES & DEPOSITS

Telephone Deposit	7000.00	7000.00
Electricity Deposit	36070.00	36070.00
Sales Tax Deposit	1000.00	1000.00
EMD ESI, New Delhi, BMC	10000.00	10000.00
Staff Advances	10000.00	10267.00
Purchase Advances	10157.00	1441.40
	<u>74227.00</u>	<u>65778.40</u>

### SCHEDULE-(6-C)

### CASH & BANK BALANCES

Cash in Hand	157530.92	127215.20
Andhra Bank - 122	80969.93	141575.93
	<u>238500.85</u>	<u>268791.13</u>

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## SCHEDULE FORMING PART OF BALANCE SHEET

SCHEDULE-7 PARTICULARS	CURRENT LIABILITIES AND PROVISIONS AMOUNTS AS AT	
	31.03.2009	31.03.2008
<b>CURRENT LIABILITIES:</b>		
1. Sundry Creditors	545090.28	865809.33
DEPOSIT ( Vishnu Agencies )	1000000.00	1000000.00
Sales Advances	79735.39	52455.39
<b>PROVISIONS:</b>		
1. Provisions	1391776.15	1608358.65
	<u>3016601.82</u>	<u>3526623.37</u>

SCHEDULE(7-A)	PROVISIONS	
Salaries	142088.00	169565.00
Remuneration	1204193.15	1378760.65
Electricity	0.00	11139.00
Audit Fee	20000.00	20000.00
CST Payable	0.00	0.00
VAT Payable	0.00	0.00
TDS Payable	3394.00	3429.00
ESI Payable	0.00	1614.00
Fringe Benefit Tax	22101.00	23851.00
Total:	<u>1391776.15</u>	<u>1608358.65</u>

SCHEDULE-8	MISCELLANEOUS EXPENDITURE	
Preliminary Expenses	7971.00	7971.00
Commitment Charges	26320.00	26320.00
Export Registration fee	50528.00	50528.00
Export Development Expenses	84000.00	84000.00
Total:	<u>168819.00</u>	<u>168819.00</u>

SCHEDULE-9	SALES	
Sales	10209159.59	10694268.49
Total:-	<u>10209159.59</u>	<u>10694268.49</u>

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## SCHEDULE FORMING PART OF BALANCE SHEET

### SCHEDULE-10

### COST OF GOODS SOLD FOR THE YEAR

PARTICULARS	AMOUNTS AS AT	
	31.03.2009	31.03.2008
Raw Material consumed	1965775.64	2677694.23
Manufacturing & Dir Exp	1419269.82	1606111.64
Add:Op.Stock of finished goods	1829252.00	1334950.00
Less: Cl.Stock of finished goods	1283157.00	1829252.00
Total:	<u>3931140.46</u>	<u>3789503.87</u>

### SCHEDULE 10-A

### RAW MATERIAL CONSUMED

Opening Stock	122694.00	84000.00
Raw Material Purchased	1941081.64	2716388.23
Less: Cl.Stock	98000.00	122694.00
Raw Material Consumed	<u>1965775.64</u>	<u>2677694.23</u>

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## SCHEDULE FORMING PART OF BALANCE SHEET

SCHEDULE(10-B) PARTICULARS	MANUFACTURING EXPENSES	
	AMOUNTS AS AT	
	31.03.2009	31.03.2008
Opening Stock of Pac.Material	143200.00	81050.00
Add: Purchases	956090.30	1098492.82
	1099290.30	1179542.82
Less:- Closing Stock	98504.00	143200.00
	1000786.30	1036342.82
Analytical Expenses	68669.00	97062.00
Drug License fee	0.00	90926.00
Electricity Charges	115234.00	116443.00
Factory Maintainence	46901.00	51742.00
Freight	20709.00	22782.82
Job Work	50686.00	48768.00
Power & Fuel ( Generator )	0.00	1892.00
Repairs & Maintainence	63989.00	54699.00
Stores & Spares	20695.52	32030.00
Transportation Expenses	31600.00	53424.00
Total:	1419269.82	1606111.64

## SCHEDULE -11

## SALARIES AND BENEFITS TO STAFF

Salaries & Wages	2509983.00	2308045.00
E.S.I	15055.00	26383.00
Total:	2525038.00	2334428.00

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## SCHEDULE FORMING PART OF BALANCE SHEET

### SCHEDULE-12

### SALES AND ADMINISTRATION EXPS.

#### PARTICULARS

#### AMOUNTS AS AT

31.03.2009

31.03.2008

Advertisement Charges	0.00	12059.00
AGM Expenses	15400.00	15900.00
Art work	11061.00	29179.00
Auditors fee	20000.00	20000.00
Bank Charges	45438.48	52113.12
Business Development	21190.00	0.00
Chemicals Purchase	2121.60	5395.30
Consultancy ( Central Excise )	13500.00	17000.00
Custodial Fee ( CDSL )	12361.00	11236.00
Custodial Fee ( NSDL )	12361.00	11236.00
Directors Remuneration	540000.00	540000.00
Discount on Sales	99.39	515.61
E.S.I. Consultancy fees	4400.00	3900.00
Field Staff Exps.	759444.00	1171955.00
Insurance ( Stock )	36321.00	48205.00
Interest ( Bank OD )	372697.00	379925.00
Interest on Vehicle Loan	34695.97	3611.75
Internet charges	999.00	0.00
Interest on Creditors	0.00	40905.00
Legal Charges	4000.00	39500.00
Licence Fee	0.00	950.00
Membership Fee	0.00	3300.00
Office Maintenance	29447.00	116944.80
Office Rent	108500.00	92000.00
Books & Periodicals	945.00	0.00
Bad Debts	647401.28	0.00
Pest Control	8800.00	14700.00
Pooja Expenses	18472.00	6756.00
Postage & Telegrams	45834.00	39582.00
Printing & Stationery	44354.00	60755.00
Professional Charges	186398.00	74430.00
Professional Tax	0.00	15000.00
Rates & Taxes	24258.00	14279.00
ROC Filing Fees	4510.00	2550.00
Sales Tax Paid	195634.00	181088.00
Share Transfer Expenses	45474.00	32177.00
Staff Amenity Exps.	20550.00	20585.00
Stock Exchange Fee ( Ahmedabad )	21000.00	0.00
Stock Exchange Fee ( Hyderabad )	0.00	0.00
Stock Exchange Fee ( Mumbai )	555150.00	151500.00
Telephone Charges	64510.00	80192.74
Trade Mark Registration Charges	0.00	4500.00
Travelling & Conveyance	7500.00	123220.00
Vehicle Maintenance	114822.00	100203.00
Loss on Sale of Cars	0.00	205890.82
<b>TOTAL</b>	<b>4049648.72</b>	<b>3606889.14</b>

# **RUBRA MEDICAMENTS LTD.**

109/3,IDA Phase II, Cherlapally, Hyd-51.

## **SIGNIFICANT OF ACCOUNTING POLICIES:**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

1. Balance Sheet and Profit and Loss Account are prepared in conformity with accounting standards under sub-section (3C) of Section 211 of the Companies Act, 1956.
2. The accounts have been drawn up on historical cost convention in accordance with generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the Company.
3. The Company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

### **B. FIXED ASSETS:**

1. Fixed assets revalued are disclosed at values arrived by the approved valuer.
2. Fixed assets for which values is not changed are disclosed at historical cost of acquisition.

### **C. DEPRECIATION;**

1. Depreciation is charged at the rates and the manner specified in Schedule XIV of the Companies Act, 1956 under the Straight Line Method in respect of tangible assets.
2. No Depreciation is provided on intangible assets, since in the opinion of the management no diminishing in their value is estimated.

### **D. INVESTMENTS:**

Company has no investments

### **E. INVENTORIES:**

Inventories are verified and certified by the management.

Quantitative information in respect of Opening Stock, Closing Stock.

	<b>OPENING STOCK</b>	<b>CLOSING STOCK</b>
	<b>Rs.</b>	<b>Rs.</b>
Finished Goods	1829252.00	1283157.00
Raw Material	122694.00	98000.00
Packing Material	143200.00	98504.00



**F. TERMINAL BENEFITS TO EMPLOYEES:**

No provision for gratuity and leave encashment has been made. The company intends to account for the same on cash basis.

**G. PRIOR PERIOD / PRE-PAID EXPENSES:**

Expenditure less than Rs. 10000/- are not classified into Prior period Expenditure or Prepaid Expenses in view of the fact that they are not material in nature.

**NOTES ON ACCOUNTS:**

1. Current liabilities do not include any amounts outstanding to small scale industrial units.
2. Balances of Sundry Debtors, Creditors, Loans and Advances which were not confirmed, are as per books of accounts only.
3. Previous year figures are regrouped or reclassified wherever necessary to confirm to the presentation of the current year.

**4. RELATED PARTY DISCLOSURES:**

Parties with whom the company had transactions

Key Management Personnel:

Mr. Narender Kumar Gupta

Mrs. Nirupa Gupta

	<u>31-03-2009</u>	<u>31-03-2008</u>
	Rs.	Rs.
Remuneration to Key Management Personnel	540000	540000

**5. DEFERRED TAXES ON INCOME:**

Deferred taxes are disclosed at net values.

Deferred tax liability:

On timing differences of

Depreciation	18103	37961
	<u>18103</u>	<u>37961</u>

Deffered Tax Asset:  
On timing differences of  
Deffered Revenue Expenditure

Deffered Taxes on Income (Net)

18103

37961

**6. EARNING PER SHARE:**

(Basic and Diluted)

Net Profit / (Loss)	(819136.83)	517030.60
Equity shares -( Fully Paid)	5468300.00	5468300.00
Earnings per share (Par Value Rs. 10/-)	(0.15)	0.09

**7. SEGMENT REPORT:**

There are no various segments all are classified under one category i.e. Pharmaceuticals

**8 ADDITIONAL INFORMATION REQUIRED UNDER PARA 3 & 4 OF APRT II OF SCHEDULE VI  
TO THE COMPANIES ACT, 1956.**

	<b>31-03-2009</b>	<b>31-03-2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>A. REMUNERATION TO DIRECTORS:</b>		
1. Mr. Narendra Kumar Gupta - Director		
Remuneration	300000.00	300000.00
Perquisites	0.00	0.00
	<b>300000.00</b>	<b>300000.00</b>
2. Mrs. Nirupa Gupta - Director		
Remuneration	240000.00	240000.00
Perquisites	0.00	0.00
	<b>240000.00</b>	<b>240000.00</b>
<b>B. AUDITORS REMUNERATION</b>		
Audit Fee	20000.00	20000.00
	<b>20000.00</b>	<b>20000.00</b>
<b>C. CONSUMPTION OF RAW MATERIAL:</b>		
(I) Indigenous	1965775.64	2677694.23
(II) Imported	Nil	Nil
	<b>1965775.64</b>	<b>2677694.23</b>
<b>D. FOREIGN EXCHANGE EARNING AND OUTGO:</b>		
a) Foreign Exchange Earnings	Nil	Nil
b) Foreign Exchange Outgo	Nil	Nil

Per our report of even date  
For **MRK REDDY & Co.,**  
**CHARTERED ACCOUNTANTS**

For and on behalf of the Board

**M. RAMAKRISHNA REDDY**  
**PROPRIETOR**

**DIRECTOR**

**DIRECTOR**

PLACE : HYDERABAD  
DATE : 26-08-2009

# RUBRA MEDICAMENTS LTD.

109/3,IDA Phase II, Cherlapally, Hyd-51.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2009

(Rs. In Thousands)

PARTICULARS	2008 - 2009	2007 - 2008
<b>Cash Flow From Operating Activities</b>		
Net Profit / (Loss) Before Tax	(819.00)	517.00
Adjustments for Depreciation	522.00	446.00
<b>Operating Profit / (Loss) before working capital change</b>	<b>(297.00)</b>	<b>963.00</b>
Adjustments for Inventory	615.00	(595.00)
Sundry Debtors	906.00	(427.00)
Loans Advances	(10.00)	0.00
Current Liabilities & Provisions	(529.00)	(228.00)
<b>Cash from Operations</b>	<b>685.00</b>	<b>(287.00)</b>
Interest Paid	--	--
Interest Received	--	--
Income Tax	--	--
<b>Net Cash from Operating activities</b>	<b>685.00</b>	<b>(287.00)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(115.00)	(752.00)
Secured Loans	(400.00)	791.00
<b>Cash Flow used in Investing activities</b>	<b>(515.00)</b>	<b>39.00</b>
<b>Cash Flow from Financing activities</b>		
Unsecured Loans	(200.00)	100.00
Miscellaneous Exps. Written off (issue Exps.)	0.00	0.00
<b>Cash flow from Financing activities</b>	<b>(200.00)</b>	<b>100.00</b>
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>(30.00)</b>	<b>(148.00)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>268.00</b>	<b>416.00</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>238.00</b>	<b>268.00</b>

Per our report of even date

For **MRK REDDY & Co.,**  
**CHARTERED ACCOUNTANTS**

For and on behalf of the Board  
**RUBRA MEDICAMENTS LTD.**

Sd/-

**M. RAMAKRISHNA REDDY**  
**PROPRIETOR**

**DIRECTOR**

**DIRECTOR**

PLACE : HYDERABAD

DATE : 30-6-2009

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

### I. REGISTRATION DETAILS

Registration No. : 13266 State Code : 01

Balance Sheet Date : 31-03-2009

### II: CAPITAL RAISED DURING THE YEAR

Public Issue : Nil Rights Issue : Nil  
Bonus Issue : Nil Private placements : Nil

### III. POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS

Total Liabilities : 58779002.76 Total Assets : 58779002.76

#### SOURCES OF FUNDS

Paidup Capital : 54683000.00  
Secured Loans : 2845679.76  
Reserves & Surplus : 355740.00  
Unsecured Loans : 310064.00  
Differred Tax Liability : 584519.00

**58779002.76**

#### APPLICATION OF FUNDS

Fixed Assets : 44362327.57  
Net Current Assets : 598405.35  
Investments : 0.00  
Accumulated Losses : 0.00

a) Preliminary Exps. : 168819.00

b) Profit & Loass a/c : 13649450.84

**58779002.76**

### IV. Performance of the Company

Turnover : 10209159.59 Expenditure : 11028296.42

Profit Before Tax : (819136.83) Profit After Tax : (819136.83)

### V. Generic Names of Three Principal Products: Pharmaceutical Formulations

As per our report of even date attached

for MRK REDDY & Co.,  
CHARTERED ACCOUNTANTS.

Sd/-

M. RAMAKRISHNA REDDY  
(PROPRIETOR)

PLACE : HYDERABAD

DATE : 30-6-2009

For and Behalf of the Board  
RUBRA MEDICAMENTS LIMITED

Sd/-

MANAGING DIRECTOR

DIRECTOR

**RUBRA MEDICAMENTS LIMITED**  
**18<sup>TH</sup> ANNUAL GENERAL MEETING**  
**Registered Office: 109/3, IDA, Phase – II, Cherlapally, Hyderabad**

**PROXY FORM**

Folio No.

DP ID:

Client ID:

I/We \_\_\_\_\_ of \_\_\_\_\_ being  
Member/ Members of Rubra Medicaments Limited, hereby appoint Mr./  
Ms. \_\_\_\_\_ of \_\_\_\_\_ or failing him/ her, Mr./ Ms.  
\_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to attend and  
vote for me/us on my/our behalf at the Eighteenth Annual General Meeting of the Company  
to be held on **Wednesday, the 30<sup>th</sup> September, 2009** at 11.00 a.m. at the Registered Office  
of the Company at 109/3, IDA, Phase – II, Cherlapally, Hyderabad and at any adjournment(s)  
thereof.

As witness my/our hand (s) this \_\_\_\_\_ day of \_\_\_\_\_ of 2009.

Signed by the said \_\_\_\_\_

Affix  
0.15 Paise  
Revenue  
Stamp

Note: The Proxy form duly completed must be deposited at the registered office of the  
Company not less than 48 hours before the time for holding the meeting. A proxy need not be  
a member.

**RUBRA MEDICAMENTS LIMITED**  
**18<sup>TH</sup> ANNUAL GENERAL MEETING**  
**Registered Office: 109/3, IDA, Phase – II, Cherlapally, Hyderabad.**

**ATTENDANCE SLIP**

I hereby record my presence at the Eighteenth Annual General Meeting of the Company on:

<b>Date</b>	<b>Venue</b>	<b>Time</b>
30/09/2009	109/3, IDA, Phase-II, Cherlapally, Hyderabad – 500 001.	11.00 a.m.

Name of the Shareholder/ Proxy	Folio No.	No. of shares

Member's/Proxy signature

Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission  
Slip and hand over at the entrance duly signed.

NO GIFT WILL BE DISTRIBUTED AT THE AGM.

*If delivered please return to :*

**RUBRA**

**MEDICAMENTS LIMITED**

**109/3, I.D.A. Phase II, Sector II,**

**Lane 6, Cherlapally,**

**Hyderabad - 500 051.**

**BOOK - POST**