

RUBRA MEDICAMENTS LIMITED

19TH ANNUAL REPORT
2009 – 2010

Certified true copy
OF RUBRA MEDICAMENTS LTD
Account
M. Srinivas Prasad

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 Apartments,
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: 31-05-2010 to 02-06-2010 (both days inclusive)

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NOTICE

Notice is hereby given that the 19th Annual General Meeting of the members of M/s. **Rubra Medicaments Limited** will be held on Wednesday, 2nd June, 2010 at 10.00 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 31st March, 2010 and the audited Balance Sheet as on 31st March 2010 together with the schedules attached thereto, Auditor's Report and the Directors' Report thereon,
2. To appoint a Director in place of Mr.Sushant Mohanlal, who retires by rotation and being eligible offers himself for re-appointment.
3. 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.

For Rubra Medicaments Limited

Sd/-

Place: Hyderabad
Date : 7th May 2010

(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 Monday, 31st May, 2010 to Wednesday, 2nd June, 2010 (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.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.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 19th Annual Report on the business and operations of your Company for the financial year ended on 31st March, 2010.

FINANCIAL RESULTS

| Particulars | (Rs. in Lakhs) | |
|---|--------------------------|--------------------------|
| | Year ended 31.03.2010 | Year ended 31.03.2009 |
| Total Income | 88.94 | 102.09 |
| Profit / (Loss) before depreciation, interest and tax | -26.19 | (2.97) |
| Depreciation | 5.23 | 5.22 |
| Interest | Nil | Nil |
| Net Profit / (Loss) Before Tax for the year | -31.42 | (8.19) |
| Fringe Benefit Tax | Nil | 0.22 |
| Net Profit / (Loss) after Tax | -31.42 | (8.41) |

OPERATIONAL PERFORMANCE

During the year under review, your Company has registered turnover of Rs. 88.94 Lakhs as against Rs. 102.09 Lakhs for the previous year registering a decrease of Rs. 13.15 Lakhs. The company ended with a Net Loss of Rs. 31.42 Lakhs as against a loss of Rs. 8.41 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

This is year the Company has ended up with a loss. Board of Directors feels that the scenario may not improve as the ongoing recession has put pressure on margins of the Company. The Company is looking for alternative avenues to take up.

Pursuant to the resolution passed by the members of the Company under Section 192A and 293(1)(a) of the Companies Act, 1956 on July 02, 2009 by way of Postal Ballot, the Company has sold its Business with assets & liabilities including manufacturing facilities located at 109/3, IDA Phase II, Sector II, Lane 6, Cherlapally, R.R. Dist., Hyderabad - 500051, Andhra Pradesh to M/s. Rubra Pharmaceuticals Limited, a Company registered under the Companies Act, 1956 and having its registered office at 4-3-64/3, Raghunath Bagh, Kandaswamy Lane, Sultan Bazar, Hyderabad, Andhra Pradesh.

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 2009-2010 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 31st March, 2010, 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 31st March 2010 and of the Loss of the Company for the year ended on 31st March 2010.
- (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 31st March, 2010 on a going concern basis.

DIRECTORS

Mr. Sushant Mohanlal, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Board of Directors recommends his 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

Although the Indian market remains a developing market, there is no denying that India represents vast untapped potential for global pharmaceutical companies to reach out to. Further population growth, increased healthcare access, increasing affordability and other epidemiology factors are some of the key factors which point to continuing record of growth levels. The burgeoning population, recent regulatory changes and a slowly but gradually increasing health insurance market ensure that the initial interest shown by innovative research companies will not be swayed. Manufacturing operations are largely concentrated in excise free zones and compete with low cost of manufacture.

The pharmaceuticals industry is a knowledge driven industry and is heavily dependent on Research and Development of new products and growth. However, basic research is a time consuming and expensive process and is thus dominated by the huge local and global multinationals. Indian companies have entered into the area and the results have been encouraging.

In the global pharmaceuticals market, western markets are growing largely due to the introduction of the new molecules at the highest prices. A well-established reimbursement and the insurance system imply that the per capita drug expenditure is abnormally high in the Western countries. The Indian pharmaceuticals industry is highly fragmented, but has grown rapidly due to the friendly patent regime and the low cost manufacturing structure.

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.

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

While we cannot predict a further performance, we believe considerable opportunities will exist for sustained and profitable growth, not only in the developing countries but also in the developed western countries. Presently the Company is facing pressure on its margins and hence looking for alternate opportunities.

THREATS, RISKS AND CONCERNS

The Company faces the following:

- Scarcity of Technical Expertise.
- Controlling of process parameters is very critical.
- Dependency on formulation Companies.
- Frequent fluctuation in market demand.
- Very sensitive process of manufacturing.

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.

Human Resources

Your Company's most valuable asset, its human resource, confronted the economic shocks and rapid changes in the business environment over the past year. 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.

Your Company solutes the unflinching commitment of its dedicated team of employees.

Internal Control Systems and their adequacy

Effective governance consists of competent management; implementation of standard policies and processes; maintenance of an appropriate audit program and internal control environment and effective risk monitoring and management information systems.

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**

Place: Hyderabad
Date: 7th May 2010

**Sd/-
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

| | Current year 2009-10 | Previous year 2008-09 |
|---------------------------------------|---------------------------------|----------------------------------|
| 1. Electricity | | |
| Purchased | | |
| Units | - | - |
| Total amount (Rs.) | 1,16,902-00 | 1,15,234-00 |
| Rate/unit (Rs.) | - | - |
| 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 | | |
| 2. Coal | : | N.A. |

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

A report for the financial year ended 31st March 2010 on the compliance by the Company with the Corporate Governance requirements under Clause 49 of the Listing Agreement is furnished below:

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 (3) Non-executive independent directors.

- The Composition of the Board of Directors of the Company meets the stipulated requirements and the same is as follows:

| Name of the Director | Category |
|--------------------------|---|
| 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 |

Meetings and Attendance:

During the Financial Year 2009-10 the Board of Directors met Six (6) on the following dates: 23rd May, 2009, 30th June, 2009, 31st July, 2009, 31st October, 2009, 30th January, 2010 and 23rd March, 2010.

| Attendance of Directors at Board Meetings and at the last Annual General Meeting (AGM) held on 30 th September, 2009 | | |
|---|--------------------------------|-------------------------------|
| Name of the Director | No. of Board Meetings attended | Whether attended the last AGM |
| Mr. Vishnu Kumar Gupta | 6 | Yes |
| Mr. Narendra Kumar Gupta | 6 | Yes |
| Mrs. Nirupa Gupta | 6 | Yes |
| Mr. P. Suguna Sekhar | 6 | Yes |
| Mr. Sushant Mohanlal | 6 | Yes |
| Mr. Ajay Vijaywargi | 4 | Yes |

* resigned w.e.f. 18th September, 2009

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 include those specified under Clause 49 of the Listing Agreement as well as under section 292A of the Companies Act, 1956 such as:

- To review the quarterly and annual financial statements before submission to the Board.

- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors/Internal Auditors
- To review the Company's financial reporting process and its financial statements.
- To review accounting and financial policies and practices.
- To review internal control and internal audit systems.
- To review risk management policies and practices.

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 2009-10 the Audit Committee met 4 (Four) times on the following dates and all the committee members have attended the meeting: 30th June 2008, 31st July 2009, 31st October 2009 & 31st January 2010.
- 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 the executive directors

(in Rs.)

| Particulars | 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 2009-2010

During the year 2009-2010 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. |
|-----------------------|-------------|-------------|---|--|
| 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 |
| 2008-09 | 30-09-2009 | 11.00 a.m. | 109/3,IDA, Phase II, Sector | Nil |

| | | | | |
|--|--|--|---|--|
| | | | II, Lane 6 , Cherlapally, R R Dist, Hyderabad – 500 051 | |
|--|--|--|---|--|

- 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.

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

At present there is no proposal for passing any Special Resolution 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 | 383100 | 7.00 |
| Nirupa Gupta | 54700 | 1.00 |
| P. Sugana Sekhar | Nil | Nil |
| Ajay Vijaywargi | Nil | Nil |
| Sushant Mohanlal | Nil | Nil |
| TOTAL | 437800 | 8.00 |

Disclosures

- No transaction of material nature has been entered into by the Company with its Directors or Management and their relatives, etc., that may have a potential conflict with the interests of the Company
- Transactions with related parties are disclosed in Note No.5 to the Notes to Accounts in the Annual Report. 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 Nineteenth Annual General Meeting

Date : Wednesday, 2nd June, 2010
Time : 10.00 a.m.
Venue : 109/3, IDA, Phase – II, Sector II,
Lane 6, Cherlapally,
Hyderabad-500 051.

9.2 Financial Calendar for 2010-2011 (tentative):

Results for the quarter ending

| | |
|--------------------|---------------------------------|
| June 30, 2010 | : Second week of August, 2010 |
| September 30, 2010 | : Second week of November, 2010 |
| December 31, 2010 | : Second week of February, 2011 |
| March 31, 2011 | : Last week of May, 2011 |

Annual General Meeting : September, 2011.

9.3 Date of Book Closures (Both Days inclusive)

Monday, 31st May, 2010 to Wednesday, 02nd June, 2010 (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.

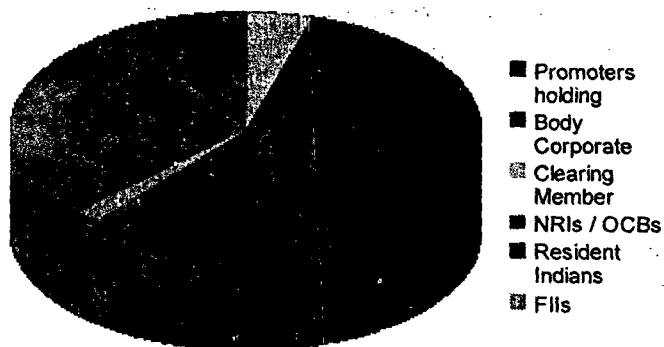
9.5 Shareholding pattern as on 31st March, 2010

Statement showing Shareholding Pattern for the Quarter ended 31ST March, 2010

| Name of the Company: RUBRA MEDICAMENTS LIMITED | | | | | | | | |
|--|---|--|------------------------|--|--|----------------------------|--|---|
| Scrip Code: 531099 | | Quarter Ended: 31 ST March,2010 | | | | | | |
| 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 | |
| | | | | | As a percentage of (A+B) | As a percentage of (A+B+C) | Number of Shares (VIII) | As a percentage (IX)= (VIII) / (IV)*100 |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX) |
| (A) | Shareholding of Promoter and Promoter Group | | | | | | | |
| 1 | Indian | | | | | | | |
| (a) | Individuals/ Hindu Undivided Family | 5 | 488900 | 488900 | 8.94 | 8.94 | 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 | 488900 | 488900 | 8.94 | 8.94 | 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 | 488900 | 488900 | 8.94 | 8.94 | 00 | 00 |
| (B) | Public shareholding | | | | | | 00 | 00 |
| 1 | Institutions | | | | | | 00 | 00 |
| (a) | Mutual Funds/ UTI | 00 | 00 | 00 | 00 | 00 | 00 | 00 |

| | | | | | | | | |
|------------|---|------------|----------------|----------------|--------------|--------------|-----------|-----------|
| (b) | Financial Institutions / Banks | 5 | 250000 | 00 | 4.57 | 4.57 | 00 | 00 |
| (c) | Central Government/ State Government(s) | 00 | 00 | 00 | 00 | 00 | 00 | 00 |
| (d) | Venture Capital Funds | 5 | 99600 | 99600 | 1.82 | 1.82 | 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 |
| | Sub-Total (B)(1) | 10 | 349600 | 99600 | 6.39 | 6.39 | 00 | 00 |
| B 2 | Non-institutions | | | | | | 00 | 00 |
| (a) | Bodies Corporate | 43 | 1556064 | 1544964 | 28.45 | 28.45 | 00 | 00 |
| (b) | Individuals | | | | | | 00 | 00 |
| I | Individuals – i. Individual shareholders holding nominal share capital up to Rs 1 lakh | 616 | 686636 | 108836 | 12.56 | 12.56 | 00 | 00 |
| II | ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | 30 | 2349500 | 614700 | 42.96 | 42.96 | 00 | 00 |
| (c) | Any Other (specify) | | | | | | 00 | 00 |
| (c-i) | Non-Resident Individuals | 24 | 37600 | 0 | 0.69 | 0.69 | 00 | 00 |
| | Sub-Total (B)(2) | 713 | 4629800 | 2268500 | 84.66 | 84.66 | 00 | 00 |
| (B) | Total Public Shareholding (B)= (B)(1)+(B)(2) | 723 | 4979400 | 2368100 | 91.06 | 91.06 | 00 | 00 |
| | TOTAL (A)+(B) | 728 | 5468300 | 2857000 | 100 | 100 | 00 | 00 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | 0 | 0 | 0 | 0.00 | 0.00 | 00 | 00 |
| | GRAND TOTAL (A)+(B)+(C) | 728 | 5468300 | 2857000 | 100 | 100 | 00 | 00 |

| Category | % of Share Holding |
|-----------------------|--------------------|
| Resident Indian | 55.52 |
| Financial Institution | 4.57 |
| Promoters | 8.94 |
| Body Corporate | 28.46 |
| NRI/OCB | 0.69 |
| Clearing Member | 1.82 |
| | |



9.6 Stock Code : BSE 531099

9.7 Distribution of Share holding:

| No. of Shares | No. of Share holders | % of share holders | Total Holding in Rupees | % of Share holding |
|------------------|----------------------|--------------------|-------------------------|--------------------|
| 1-5000 | 338 | 46.42 | 1100000 | 2.01 |
| 501-10000 | 139 | 19.09 | 1204000 | 2.20 |
| 10001-20000 | 54 | 7.41 | 908000 | 1.66 |
| 20001-30000 | 107 | 14.7 | 2706000 | 4.95 |
| 30001-40000 | 7 | 0.96 | 258000 | 0.47 |
| 40001-50000 | 16 | 2.19 | 758000 | 1.38 |
| 50001-100000 | 14 | 1.92 | 1058000 | 1.93 |
| 100001 and above | 53 | 7.28 | 46691000 | 85.38 |
| Total | 728 | 100 | 54,68,300 | 100 |

9.7 Market price data high and low during each month in the last financial year:

As there has been no trading in Ahmedabad Stock Exchange the relevant data is not available.

As there has been no trading from April 2009 to August 2009 in BSE the relevant data is not available.

The Company's shares have been traded on BSE only from September 2009 to March 2010, high and low prices during each traded month is given below:

| Month | Bombay Stock Exchange Limited | |
|-----------------|-------------------------------|-----------|
| | High (Rs.) | Low (Rs.) |
| September, 2009 | 30 | 10 |
| October, 2009 | 26.20 | 20.95 |
| November, 2009 | 24.00 | 20.50 |
| December, 2009 | 31.55 | 21.05 |
| January, 2010 | 21.05 | 17.20 |
| February, 2010 | 20.40 | 16.30 |
| March, 2010 | 20.75 | 16.40 |

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.

9.8 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 31st March 2010 a total No. of 28,57,000 Equity shares of the Company stand dematerialised.

9.9 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 2009-2010. The Company does not have any outstanding convertible securities / instruments.

9.10 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.

Sd/-

Place: Hyderabad
Date: 7th May, 2010

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 2010 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.

Place: Hyderabad
Date: 7th May 2010

Sd/-
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 31st March, 2010 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.

Place: Hyderabad
Date: 7th May, 2010

For MRK Reddy & Co.,
Chartered Accountants
Sd/-
M.R.K.Reddy
Proprietor
Membership No.: 27546

RUBRA MEDICAMENTS LIMITED

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

BALANCE SHEET AS AT 31.03.2010

| PARTICULARS | SCHEDULE | AS ON 31.03.2010 | AS ON 31.03.2009 |
|---|----------|---------------------|---------------------|
| <u>I. SOURCES OF FUNDS:</u> | | | |
| 1. SHARE HOLDER'S FUNDS | | | |
| a.Share Capital | 1 | 54683000.00 | 54683000.00 |
| b.Reserves & Surplus | 2 | 355740.00 | 355740.00 |
| 2. LOAN FUNDS | | | |
| a.Secured Loans | 3 | 0.00 | 2845679.76 |
| b.Unsecured Loans | 4 | 54020.65 | 310064.00 |
| DIFFERED TAX LIABILITY | | 746257.00 | 584519.00 |
| | | <u>55839017.65</u> | <u>58779002.76</u> |
| <u>II. APPLICATION OF FUNDS:</u> | | | |
| 1. FIXED ASSETS | 5 | | |
| a.Gross Block | | 0.00 | 16043210.78 |
| b.Less:Depreciation | | 0.00 | 4680883.21 |
| NET BLOCK | | <u>0.00</u> | <u>11362327.57</u> |
| 2. CURRENT ASSETS, LOANS & ADVANCES | 6 | 38857553.41 | 36615007.17 |
| 3. Less:CURRENT LIABILITIES & PROVISIONS | 7 | <u>141206.11</u> | <u>3016601.82</u> |
| NET CURRENT ASSETS | | <u>38716347.30</u> | <u>33598405.35</u> |
| 4. MISC.EXPENDITURE | 8 | 168819.00 | 168819.00 |
| (to the extent not written off of adjusted) | | | |
| 5. PROFIT & LOSS A/c | | 16953851.36 | 13649450.84 |
| TOTAL | | <u>55839017.65</u> | <u>58779002.76</u> |
| Note on Account & Accounting Policies | 13 | - | - |

Per report of event date
For MRK REDDY & CO.,
Chartered Accountants

Sd/-

(M.Ramakrishna Reddy)
Proprietor

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

Sd/-

MANAGING DIRECTOR DIRECTOR

PLACE : HYDERABAD

DATE : 7th May 2010

RUBRA MEDICAMENTS LIMITED

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

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDING AS ON 31.03.2010

| PARTICULARS | SCHEDULE | AS ON 31.03.2010 | AS ON 31.03.2009 |
|-----------------------------------|----------|-----------------------------|-----------------------------|
| <u>A.INCOME</u> | | | |
| Sales | 9 | 8894788.33 | 10209159.59 |
| | | <u>8894788.33</u> | <u>10209159.59</u> |
| <u>B.EXPENDITURE</u> | | | |
| Cost of Goods Sold | 10 | 4128714.53 | 3931140.46 |
| Salaries & Benefits to Staff | 11 | 2892793.00 | 2525038.00 |
| Sales & Admn Expenses | 12 | 4492519.42 | 4049648.72 |
| Depreciation | | 523423.89 | 522469.24 |
| | | <u>12037450.84</u> | <u>11028296.42</u> |
| Profit / (Loss) Before Tax | | <u>(3142662.51)</u> | <u>(819136.83)</u> |
| Less: Provision for Tax | | 0.00 | 0.00 |
| Less: Fringe Benefit Tax | | 0.00 | 22101.00 |
| Profit / (Loss) After Tax | | (3142662.51) | (841237.83) |
| Deffered Tax | | (161738.00) | 18103.00 |
| Balance Brought Forward last year | | (13649450.84) | (12826316.01) |
| | | <u>(16953851.36)</u> | <u>(13649450.84)</u> |

Per report of event date
For MRK REDDY & CO.,
Chartered Accountants

Sd/-

(M.Ramakrishna Reddy)
Proprietor

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

Sd/-

MANAGING DIRECTOR DIRECTOR

PLACE : HYDERABAD

DATE : 7th May 2010

RUBRA MEDICAMENTS LIMITED

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

SCHEDULE FORMING PART OF BALANCE SHEET -

| SCHEDULE - 1 SHARE CAPITAL | | AS ON | AS ON |
|---------------------------------------|--|--------------------|--------------------|
| PARTICULARS | | 31.03.2010 | 31.03.2009 |
| 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 | | <u>54683000.00</u> | <u>54683000.00</u> |

SCHEDULE-2 RESERVES AND SURPLUS

| | | | |
|---------------|--|------------------|------------------|
| State Subsidy | | 355740.00 | 355740.00 |
| | | | |
| Total | | <u>355740.00</u> | <u>355740.00</u> |

SCHEDULE-3 SECURED LOANS

| | | | |
|----------------------------|--|-------------|-------------------|
| Vijaya Bank - 4059 (O D) | | 0.00 | 2559372.04 |
| HDFC Vehicle Loan | | 0.00 | 286307.72 |
| Total: | | <u>0.00</u> | <u>2845679.76</u> |

SCHEDULE-4 UNSECURED LOANS

| | | | |
|------------------------------|--|-----------------|------------------|
| From Directors (N.K.Gupta) | | 54020.65 | 310064.00 |
| Total: | | <u>54020.65</u> | <u>310064.00</u> |

RUBRA MEDICAMENTS LIMITED

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

SCHEDULE FORMING PART OF BALANCE SHEET

DEPRECIATION SCHEDULE - 5 (FIXED ASSETS) AS PER COMPANIES ACT.

| Name of Asset | Rate | Gross Block | | | Depreciation Block | | | | Net Block | |
|--------------------------|------|-----------------------|---------------------------|--------|--------------------|-------------------|------------|--------|---------------------|---------------------|
| | | Op. Bal 01-04-2009 | Addition / (Deletions) | Total | upto 31-03-2009 | For the period | Deletion | Total | As at 31-03.2010 | As at 31-03.2009 |
| Buildings | 3.34 | 3615703.93 | (3615703.94) | (0.00) | 992674.69 | 120764.51 | 1113439.20 | 0.00 | (0.01) | 2623029.24 |
| Machinery | 4.75 | 4127186.64 | (4127186.64) | 0.00 | 2752487.89 | 196041.37 | 2948529.26 | (0.00) | 0.00 | 1374698.75 |
| Electrical Fittings | 4.75 | 476705.96 | (476705.96) | 0.00 | 124708.06 | 22643.53 | 147351.59 | 0.00 | (0.00) | 351997.90 |
| Electronic Type Writer | 4.75 | 17092.00 | (17092.00) | 0.00 | 12013.26 | 811.87 | 12825.13 | 0.00 | 0.00 | 5078.74 |
| Furniture | 6.33 | 840834.54 | (840834.54) | 0.00 | 319932.08 | 53224.83 | 373156.91 | (0.00) | 0.00 | 520902.46 |
| Air-Conditioner | 4.75 | 470627.00 | (470627.00) | 0.00 | 109020.65 | 22354.78 | 131375.43 | 0.00 | (0.00) | 361606.35 |
| Land | | 418981.00 | (418981.00) | 0.00 | | | | | 0.00 | 418981.00 |
| D.G Set | 4.75 | 58250.00 | (58250.00) | 0.00 | 55765.16 | 2484.84 | 58250.00 | 0.00 | 0.00 | 2484.85 |
| Lab Equipment | 4.75 | 211520.72 | (211520.72) | 0.00 | 83327.10 | 10047.23 | 93374.33 | 0.00 | (0.00) | 128193.62 |
| Fax Machine | 4.75 | 34500.00 | (34500.00) | 0.00 | 19647.43 | 1638.75 | 21286.18 | 0.00 | 0.00 | 14852.57 |
| Computer | 4.75 | 237896.20 | (237896.20) | 0.01 | 97218.45 | 11300.07 | 108518.52 | (0.00) | 0.01 | 140677.75 |
| Office Equipment | 4.75 | 32676.00 | (32676.00) | 0.00 | 20102.44 | 1552.11 | 21654.55 | 0.00 | 0.00 | 12573.56 |
| Car (Honda City) | 9.50 | 848000.00 | (848000.00) | 0.00 | 93986.00 | 80560.00 | 174546.00 | 0.00 | 0.00 | 754014.00 |
| | | 11389973.99 | (11389973.99) | 0.00 | 4680883.21 | 523423.89 | 5204307.10 | 0.00 | (0.00) | 6709090.79 |
| Capital Work in Progress | | 4653236.79 | (4653236.79) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4653236.79 |
| | | 16043210.78 | (16043210.78) | 0.00 | 4680883.21 | 523423.89 | | 0.00 | (0.00) | 11362327.58 |

RUBRA MEDICAMENTS LIMITED

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

SCHEDULE FORMING PART OF BALANCE SHEET

SCHEDULE-6 CURRENT ASSETS LOANS & ADVANCES

| PARTICULARS | AS ON 31.03.2010 | AS ON 31.03.2009 |
|---|---------------------|---------------------|
| 1.Inventories (As certified by the Management) | 0.00 | 1479661.00 |
| 2. Sundry Debtors More than Six Months | | |
| Others | 1588123.40 | 1822618.32 |
| 3. Advances & Deposits | 54070.00 | 74227.00 |
| 4. Cash & Bank Balances | 4215360.01 | 238500.85 |
| 5. Receivables | 33000000.00 | 33000000.00 |
| | <u>38857553.41</u> | <u>36615007.17</u> |

SCHEDULE(6-A) INVENTORIES

| | | |
|------------------------------|-------------|-------------------|
| Cl.Stock of Finished goods | 0.00 | 1283157.00 |
| Cl.Stock of Raw Material | 0.00 | 98000.00 |
| Cl.Stock of Packing Material | 0.00 | 98504.00 |
| | <u>0.00</u> | <u>1479661.00</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 | 0.00 | 10000.00 |
| Purchase Advances | 0.00 | 10157.00 |
| | <u>54070.00</u> | <u>74227.00</u> |

SCHEDULE-(6-C) CASH & BANK BALANCES

| | | |
|--------------------|-------------------|------------------|
| Cash in Hand | 36205.49 | 157530.92 |
| Andhra Bank - 122 | 3965955.78 | 80969.93 |
| Vijaya Bank - 4059 | 213198.74 | 0.00 |
| | <u>4215360.01</u> | <u>238500.85</u> |

RUBRA MEDICAMENTS LIMITED

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

SCHEDULE FORMING PART OF BALANCE SHEET

SCHEDULE-7 CURRENT LIABILITIES AND PROVISIONS

| PARTICULARS | AS ON 31.03.2010 | AS ON 31.03.2009 |
|-----------------------------|---------------------|---------------------|
| CURRENT LIABILITIES: | | |
| 1. Sundry Creditors | 0.00 | 545090.28 |
| DEPOSIT (Vishnu Agencies) | 0.00 | 1000000.00 |
| Sales Advances | 18744.11 | 79735.39 |
| PROVISIONS: | | |
| 1. Provisions | 122462.00 | 1391776.15 |
| | <u>141206.11</u> | <u>3016601.82</u> |

SCHEDULE(7-A) PROVISIONS

| | | |
|----------------------|------------------|-------------------|
| Salaries | 102462.00 | 142088.00 |
| Remuneration | 0.00 | 1204193.15 |
| Audit Fee | 20000.00 | 20000.00 |
| VAT Payable | 0.00 | 0.00 |
| TDS Payable | 0.00 | 3394.00 |
| Fringe Benefit Tax | 0.00 | 22101.00 |
| Income Tax Provision | 0.00 | 0.00 |
| Total: | <u>122462.00</u> | <u>1391776.15</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> |

RUBRA MEDICAMENTS LIMITED

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

SCHEDULE FORMING PART OF PROFIT & LOSS ACCOUNT

| SCHEDULE-9 | SALES | AS ON | AS ON |
|-------------|-------|-------------------|--------------------|
| PARTICULARS | | 31.03.2010 | 31.03.2009 |
| Sales | | 8894788.33 | 10209159.59 |
| Total:- | | <u>8894788.33</u> | <u>10209159.59</u> |

SCHEDULE-10 COST OF GOODS SOLD FOR THE YEAR

| | | |
|-----------------------------------|-------------------|-------------------|
| Raw Material consumed | 1853541.01 | 1965775.64 |
| Manufacturing & Dir Exp | 992016.52 | 1419269.82 |
| Add: Op. Stock of finished goods | 1283157.00 | 1829252.00 |
| Less: Cl. Stock of finished goods | | 1283157.00 |
| Total: | <u>4128714.53</u> | <u>3931140.46</u> |

SCHEDULE 10-A RAW MATERIAL CONSUMED

| | | |
|------------------------|-------------------|-------------------|
| Opening Stock | 98000.00 | 122694.00 |
| Raw Material Purchased | 1755541.01 | 1941081.64 |
| Less: Cl. Stock | | 98000.00 |
| Raw Material Consumed | <u>1853541.01</u> | <u>1965775.64</u> |

SCHEDULE(10-B) MANUFACTURING EXPENSES

| | | |
|--------------------------------|------------------|-------------------|
| Opening Stock of Pac. Material | 98504.00 | 143200.00 |
| Add: Purchases | 472186.52 | 956090.30 |
| | 570690.52 | 1099290.30 |
| Less:- Closing Stock | | 98504.00 |
| | 570690.52 | 1000786.30 |
| Analytical Expenses | 78449.00 | 68669.00 |
| Electricity Charges | 116902.00 | 115234.00 |
| Factory Maintenance | 45540.00 | 46901.00 |
| Freight | 16725.00 | 20709.00 |
| Job Work | 43910.00 | 50686.00 |
| Repairs & Maintenance | 75680.00 | 63989.00 |
| Stores & Spares | 7165.00 | 20695.52 |
| Transportation Expenses | 36955.00 | 31600.00 |
| Total: | <u>992016.52</u> | <u>1419269.82</u> |

RUBRA MEDICAMENTS LIMITED

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

SCHEDULE FORMING PART OF PROFIT & LOSS ACCOUNT

SCHEDULE -11 SALARIES AND BENEFITS TO STAFF

| PARTICULARS | AS ON 31.03.2010 | AS ON 31.03.2009 |
|------------------|---------------------|---------------------|
| Salaries & Wages | 2876830.00 | 2509983.00 |
| E.S.I | 15963.00 | 15055.00 |
| Total: | <u>2892793.00</u> | <u>2525038.00</u> |

SCHEDULE-12 SALES AND ADMINISTRATION EXPS.

| | | |
|----------------------------------|-------------------|-------------------|
| AGM Expenses | 22180.00 | 15400.00 |
| Art work | 0.00 | 11061.00 |
| Advertisement Exps. | 28151.00 | 0.00 |
| Auditors fee | 20000.00 | 20000.00 |
| Bank Charges | 24650.50 | 45438.48 |
| Business Developoment | 6975.00 | 21190.00 |
| Chemicals Purchase | 7188.95 | 2121.60 |
| Consultancy (Central Excise) | 5000.00 | 13500.00 |
| Custodial Fee (CDSL) | 16545.00 | 12361.00 |
| Custodial Fee (NSDL) | 16545.00 | 12361.00 |
| Directors Remuneration | 540000.00 | 540000.00 |
| Discount on Sales | 0.00 | 99.39 |
| E.S.I. Consultancy fees | 4550.00 | 4400.00 |
| Field Staff Exps. | 1018709.00 | 759444.00 |
| Insurance (Stock) | 0.00 | 36321.00 |
| Interest (Bank OD) | 117919.00 | 372697.00 |
| Interest on Vehicle Loan | 21432.28 | 34695.97 |
| Internet charges | 0.00 | 999.00 |
| Legal Charges | 12500.00 | 4000.00 |
| Office Maintenance | 68787.00 | 29447.00 |
| Office Rent | 69000.00 | 108500.00 |
| Books & Periodicals | 3586.00 | 945.00 |
| Bad Debts | 0.00 | 647401.28 |
| Pest Control | 12100.00 | 8800.00 |
| Pooja Expenses | 12070.00 | 18472.00 |
| Postage & Telegrams | 38201.00 | 45834.00 |
| Printing & Stationery | 43869.00 | 44354.00 |
| Professional Charges | 697.00 | 186398.00 |
| Rates & Taxes | 42794.00 | 24258.00 |
| ROC Filing Fees | 4000.00 | 4510.00 |
| Sales Tax Paid | 219469.00 | 195634.00 |
| Share Transfer Expenses | 38261.00 | 45474.00 |
| Staff Aminity Exps. | 12687.00 | 20550.00 |
| Stock Exchange Fee (Ahmedabad) | 0.00 | 21000.00 |
| Stock Exchange Fee (Mumbai) | 18169.00 | 555150.00 |
| Telephone Charges | 60205.00 | 64510.00 |
| Travelling & Conveyance | 5450.00 | 7500.00 |
| Vehicle Maintenance | 89926.00 | 114822.00 |
| Loss on sale of Assets | 1890902.69 | 0.00 |
| Total: | <u>4492519.42</u> | <u>4049648.72</u> |

RUBRA MEDICAMENTS LIMITED

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.

| | OPENING STOCK | CLOSING STOCK |
|------------------|---------------|---------------|
| | Rs. | Rs. |
| Finished Goods | 1283157.00 | 0.00 |
| Raw Material | 98000.00 | 0.00 |
| Packing Material | 98504.00 | 0.00 |

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. From the current year, the company has recognized Rs. 3.76 crores as advance receivable from capital work in progress, by differentiating advances given to vendors for capital work in progress as advance receivable, company is in advanced stage of negotiations with the vendors for returning the amount as company does not intend to complete the capital work in progress, Accordingly, an amount of Rs.3.30 crores has been classified as advance receivable.

5. RELATED PARTY DISCLOSURES:

Parties with whom the company had transactions

Key Management Personnel:

Mr. Narender Kumar Gupta

Mrs. Nirupa Gupta

| | <u>31-03-2010</u> | <u>31-03-2009</u> |
|--|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Remuneration to Key Management Personnel | 540000 | 540000 |

6. DEFERRED TAXES ON INCOME:

Deferred taxes are disclosed at net values.

Deferred tax liability:

On timing differences of

| | | |
|--------------|-----------------|--------------|
| Depreciation | (161738) | 18103 |
| | <u>(161738)</u> | <u>18103</u> |

Deffered Tax Asset:
On timing differences of
Deffered Revenue Expenditure

Deffered Taxes on Income (Net)

(161738)

18103

7. EARNING PER SHARE:

(Basic and Diluted)

Net Profit / (Loss)

(3142662.51)

(819136.83)

Equity shares -(Fully Paid)

5468300.00

5468300.00

Earnings per share (Par Value Rs. 10/-)

(0.57)

(0.15)

8. SEGMENT REPORT:

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

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

| | <u>31-03-2010</u> | <u>31-03-2009</u> |
|---|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| A. REMUNERATION TO DIRECTORS: | | |
| 1. Mr. Narendra Kumar Gupta - Director | | |
| Remuneration | 300000.00 | 300000.00 |
| Perquisites | 0.00 | 0.00 |
| | <u>300000.00</u> | <u>300000.00</u> |
| 2. Mrs. Nirupa Gupta - Director | | |
| Remuneration | 240000.00 | 240000.00 |
| Perquisites | 0.00 | 0.00 |
| | <u>240000.00</u> | <u>240000.00</u> |
| B. AUDITORS REMUNERATION | | |
| Audit Fee | 20000.00 | 20000.00 |
| | <u>20000.00</u> | <u>20000.00</u> |
| C. CONSUMPTION OF RAW MATERIAL: | | |
| (I) Indigenous | 1853541.01 | 1965775.64 |
| (II) Imported | Nil | Nil |
| | <u>1853541.01</u> | <u>1965775.64</u> |
| D. FOREIGN EXCHANGE EARNING AND OUTGO: | | |
| a) Foreign Exchange Earnings | Nil | Nil |
| b) Foreign Exchange Outgo | Nil | Nil |

Per our report of even date

For and on behalf of the Board

For **MRK REDDY & Co.,**

CHARTERED ACCOUNTANTS

Sd/-

Sd/-

M. RAMAKRISHNA REDDY
PROPRIETOR

DIRECTOR

DIRECTOR

PLACE : HYDERABAD

DATE : 7th May 2010

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No. : 13266 State Code : 01
Balance Sheet Date : 31-03-2010

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 : 55839017.65 Total Assets : 55839017.65

SOURCES OF FUNDS

Paidup Capital : 54683000.00
Secured Loans : 0.00
Reserves & Surplus : 355740.00
Unsecured Loans : 54020.65
Differred Tax Liability : 746257.00

APPLICATION OF FUNDS

Fixed Assets : 0.00
Net Current Assets : 38716347.30
Investments : 0.00
Accumulated Losses : 0.00
a) Preliminary Exps. : 168819.00
b) Profit & Loass a/c : 16953851.36

55839017.65

IV. Performance of the Company

Turnover : 8894788.33 Expenditure : 12037450.84
Profit Before Tax : (3142662.51) Profit After Tax : (3142662.51)

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)

For and Behalf of the Board
RUBRA MEDICAMENTS LIMITED

Sd/-

MANAGING DIRECTOR

DIRECTOR

RUBRA MEDICAMENTS LIMITED

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

| CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2010 | | (Rs. In Thousands) |
|--|-------------------|---------------------|
| PARTICULARS | 2009 - 2010 | 2008 - 2009 |
| Cash Flow From Operating Activities | | |
| Net Profit / (Loss) Before Tax | (3142.00) | (819.00) |
| Adjustments for | | |
| Depreciation | 523.00 | 522.00 |
| Operating Profit / (Loss) before working capital change | (2619.00) | (297.00) |
| Adjustments for | | |
| Inventory | 1480.00 | 615.00 |
| Sundry Debtors | (32765.00) | 906.00 |
| Loans Advances | 20.00 | (10.00) |
| Current Liabilities & Provisions | (2876.00) | (529.00) |
| Cash from Operations | (36760.00) | 685.00 |
| Interest Paid | - | - |
| Interest Received | - | - |
| Income Tax | - | - |
| Net Cash from Operating activities | (36760.00) | 685.00 |
| Cash Flow from Investing Activities | | |
| Purchase of Fixed Assets | 43839.00 | (115.00) |
| Secured Loans | (2846.00) | (400.00) |
| Cash Flow used in Investing activities | 40993.00 | (515.00) |
| Cash Flow from Financing activities | | |
| Unsecured Loans | (256.00) | (200.00) |
| Miscellaneous Exps. Written off (issue Exps.) | 0.00 | 0.00 |
| Cash flow from Financing activities | (256.00) | (200.00) |
| Net Increase / (Decrease) in Cash and Cash equivalents | 3977.00 | (30.00) |
| Cash and Cash equivalents at the beginning of the year | 238.00 | 268.00 |
| Cash and Cash equivalents at the end of the year | 4215.00 | 238.00 |

Per our report of even date

For **MRK REDDY & Co.,**

CHARTERED ACCOUNTANTS

Sd/-

M. RAMAKRISHNA REDDY

PROPRIETOR

PLACE : HYDERABAD

DATE 07.05.2010

For and on behalf of the Board

RUBRA MEDICAMENTS LIMITED

Sd/-

DIRECTOR

DIRECTOR

RUBRA MEDICAMENTS LIMITED
19TH 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 Nineteenth Annual General Meeting of the Company
to be held on **Wednesday, 2nd June, 2010** at 10.00 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 2010.

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
19TH ANNUAL GENERAL MEETING
Registered Office: 109/3, IDA, Phase – II, Cherlapally, Hyderabad.

ATTENDANCE SLIP

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

| | | |
|-------------|--|-------------|
| Date | Venue | Time |
| 02/06/2010 | 109/3, IDA, Phase-II, Cherlapally, Hyderabad – 500 001. | 10.00 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 undelivered please return to :

BOOK-POST

RUBRA

MEDICAMENTS LIMITED

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

Lane 6, Cherlapally, R.R. Dist.

Hyderabad - 500 051.