

**ANNUAL REPORT
2012 - 2013**

ARCHIT ORGANOSYS LIMITED.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Kandarp K. Amin
Smt. Archana K. Amin
Shri Bhupendra Mehta
Shri Haresh Shah
Shri Sanjay Kothari
Shri Dipesh Kotak

BANKERS

Union Bank of India
Ellisbridge Branch
Ashram Road,
Ahmedabad - 380 014

AUDITORS

G.K. Choksi & Co.
Ahmedabad

REGISTERED OFFICE

Plot No. 25/9/A
Phase-III, G.I.D.C.,
Naroda, Ahmedabad 382 330.

FACTORY ADDRESS

Plot No. 25/9/A
Phase-III, G.I.D.C.,
Naroda, Ahmedabad 382 330.

Plot No. 25/9/B
Phase-III, G.I.D.C.,
Naroda, Ahmedabad 382 330.

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Monday, 12th August, 2013 at 11.00 a.m. at the Registered Office of the Company at Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330, to transact the following business:

ORDINARY BUSINESS

- (1) To receive, consider and adopt the Audited Statement of Accounts together with the Directors' Report and also the Auditors' Report thereon for the year ended 31st March 2013.
- (2) To appoint a Director in place of Shri Sanjay Kothari who retires by rotation and being eligible, offers himself for re-appointment.
- (3) To appoint a Director in place of Shri Bhupendra Mehta who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

- (5) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provisions of the section 314 and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification and re-enactment thereof, the Directors' Relative (office or place of profit) Rules, 2003 and consent of the Company be and is hereby accorded for revision in remuneration payable and re-designation of Shri Suchit K Amin, relative of Chairman and Whole-Time Directors of the Company, as an Executive - Business Development (Pharma Division) on the following revised terms & conditions:

REMUNERATION :

Rs. 75,000/- per month plus other amenities and facilities applicable to other senior executives of the Company with an authority to Board of Directors to change his terms of appointment including designation. Annual increment up to Rs. 20,000/- per month subject to limit under section 314 of the Companies Act, 1956. The Board is authorized to give one or more increment depending upon his performance, responsibility, working of the company etc. and first annual increment shall fall due on 01-04- 2014.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, and things as may be deemed expedient and necessary to give effect this resolution.

- (6) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provision of section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, the approval of the Company be and is hereby accorded for commencing and undertaking all or any of the business and activities embodied in Sub Clause (7) of 'Other Object Clause (C)' of the Memorandum of Association of the Company which is re-produced hereunder-

"To carry on business as producers, importers, exporters, buyers, sellers, manufactures, stockists, agents and brokers of coal, coke, charcoal, petroleum-coke, copper, iron, ore, bauxite, kyanite, fire clay, china-clay, salt, sodium chlorides, calcium phosphate, nickle, beyrilum, uranium, zinc, lead, asbestos, tin alumina, mercury, silicon, sulphur, graphite, brass, aluminum, silicas and bentonite, quartz, dextrine, magnetite, dolomite, ferro-alloys, corundum, manganese, mica, gypsum, garnet, emerald and other minerals and to act as metal founders, manufacturers, agents and dealers of metals, sheets, wires, rods, squares, plates, metal foils, pipes, tubes, ingots, billets, circles bars, beams, circle angles, structures, coils, ferrous, non-ferrous metals, utensils, decorative and art materials."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, and things as may be deemed expedient and necessary to give effect this resolution.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.** Proxies in order to be valid must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
2. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
3. Members are requested to notify the changes, if any, in their registered address.
4. The Register of Members and Share Transfer Book of the Company shall remain closed from Thursday, 8th August, 2013 to Monday, 12th August, 2013 (both days inclusive) for the purpose of Annual General Meeting.
5. Members are requested to bring their copy of Annual Report to the meeting.
6. Members desiring to seek information on Annual Accounts to be explained at the meeting are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
7. Information required to be furnished under the Listing Agreement, as required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed, are given below:

I. **Name** : Shri Sanjay Kothari
Date of Birth : 07-03-1963
Qualification : B.A., L.L.B.
Expertise : In Legal Matters
Shareholding in the Company : 2,000 shares

II. **Name** : Shri Bhupendra Mehta
Date of Birth : 31 – 07 -1957
Qualification : B.sc
Expertise : In marketing field
Shareholding in the Company : NIL

**BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.**

Place: Registered Office
Plot No. 25/9/A, Phase III,
G.I.D.C. Naroda, Ahmedabad - 382 330
Date: 18th May, 2013

(KANDARP K. AMIN)
CHAIRMAN

**EXPLANATORY STATEMENT
PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

For Item No. 5

This item relates to revision of remuneration and re-designation of Shri Suchit K Amin from sales executive of the company to Executive - Business Development (Pharma Division), who is relative of Shri Kandarp K. Amin and Smt. Archana K. Amin, Whole-time Directors of the Company.

Shri Suchit K Amin was appointed as sales executive of the company w.e.f. 1st April, 2011. Considering increased responsibilities, workflow, growth of company, experience and new role and position, the Board has decided to revise his remuneration and re-designate him as stated in the proposed resolution.

Approval of shareholders by way of Special resolution is required as per the provisions of section 314 of the Companies Act, 1956 and hence necessary resolution has been proposed for approval of members.

Your directors recommend the resolution for your approval.

Shri Kandarp K. Amin and Smt. Archana K. Amin, being relatives are deemed to be concerned or interested in the proposed resolution.

For Item No. 6

This item relates to commencing and undertaking all or any of the business and activities embodied in Sub Clause (7) of 'Other Objects Clause (C)' of the Memorandum of Association of the Company.

Your Directors, after considering the current scenario and other relevant factors, thought it advisable, advantageous and in the interest of the Company to undertake the activities as contained in other object mentioned in resolution along with existing Main Object of the company.

Provisions of section 149 (2A) of the Companies Act, 1956, require approval of the shareholders by means of a Special Resolution for commencement of any business as set out in Other Objects Clause of the Memorandum of Association of the Company.

Your directors recommend the resolution for your approval.

None of the directors of the Company is any way concerned or interested in the aforesaid proposed resolution.

**BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.**

Place: Registered Office
Plot No. 25/9/A, Phase III,
G.I.D.C. Naroda, Ahmedabad - 382 330
Date: 18th May, 2013

(KANDARP K. AMIN)
CHAIRMAN

DIRECTORS' REPORT

To,
The Members,

Your Directors present the Annual Report together with the audited Statement of Accounts for the year ended 31st March 2013.

FINANCIAL RESULTS:

The operating results of the Company for the year ended 31st March 2013 are briefly indicated below:

	(Rs. in lacs)	
	Year 2012-2013	Year 2011-2012
Profit / (loss) Before Depreciation and Taxation	99.72	117.18
Depreciation	32.63	36.87
Profit / (Loss) before Taxation	67.09	80.311
Provision for taxation - For Current Tax	35.01	16.01
Provision for taxation - For Deferred Tax	(7.29)	(2.88)
Mat credit entitlement	(11.64)	0
Profit / (Loss) after Taxation	51.01	67.18

DIVIDEND

In order to plough back resources, your directors do not recommend any payment of dividend for the financial year.

PERFORMANCE OF THE COMPANY & FUTURE PROSPECTS.

During the year under review, the Company has earned revenue from operations Rs. 3839.97 lacs (Previous year Rs. 4643.50 lacs). Further details are given in management discussions and analysis report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT.

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges Management Discussions & Analysis Report is attached as part of this Annual Report.

DEPOSITS

The Company has not accepted any deposits with in the meaning of Section 58 A of the Companies Act, 1956.

DIRECTORS

Shri Sanjay Kothari and Shri Bhupendra Mehta, Directors of the Company are retiring by rotation and being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE REPORT

Your Company has complied with the Corporate Governance practice mandated by Clause 49 of the Listing Agreement. A report on the same is given separately.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, the Directors Confirm that:

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- 2) Appropriate accounting policies have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) The accounts have been prepared on going concern basis.

INSURANCE

The Company has taken adequate insurance to cover its assets.

LISTING

The Company's Securities are listed with the Stock Exchanges at Ahmedabad and Mumbai. The Company has paid the listing fees for the year 2013-2014 to both the Stock Exchanges.

EMPLOYEES

As there are no employees drawing remuneration more than the limit prescribed under Section 217(2A) of the Companies Act, 1956, and the Companies (Particulars of Employees) Rules, 1975, as amended, from time to time, statement under section 217(2A) is not required.

AUDITORS:

The Company's Auditors **M/s. G. K. Choksi & Co.**, Chartered Accountants, will retire at the ensuing Annual General Meeting but being eligible offers themselves for re-appointment. The Members are requested to appoint auditors for the current year and fix remuneration.

AUDITORS' OBSERVATIONS:

With regard to the observation of auditors regarding:-

1. Non provision of the option loss including interest, the management is of the opinion that the said liability is of contingent nature and for the same, legal matter is pending at DRT Mumbai. In view of the same, it is not recognized as the liability and hence no provision has been made for the option loss and interest thereon.
2. The Company is yet to initiate the process of obtaining confirmation from suppliers who have registered themselves under Micro, Small and Medium Enterprises Development Act, 2006. In the absence of relevant information, the balance due to micro, small and medium enterprises and interest paid and payable under MSMED Act, 2006 could not be complied with and disclosed.
3. The Company is in process of preparing / compiling the records of Fixed Assets including the quantitative and situation of fixed assets. Once the records have been compiled, the management would verify the fixed assets physically, however the company has a regular programme of verification which is reasonable having regard to the size of the company and nature of its business

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

Particulars to be given in respect of the above activity under the Companies (Disclosure of Particulars in report of Directors) Rules, 1988 is given in the Annexure to this report.

ACKNOWLEDGEMENT:

The Board is thankful to its bankers for their continued support and assistance, which has played important role in progress of the Company.

Your Directors places on records the contribution of employees of the Company at all levels and other business associates for their commitment, dedication and respective contribution to the Company's operations during the year under review.

**FOR AND ON BEHALF OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.**

Place: Registered Office
Plot No. 25/9/A, Phase III,
G.I.D.C. Naroda, Ahmedabad - 382 330
Date: 18th May, 2013

**(KANDARP K. AMIN)
CHAIRMAN**

ANNEXURE TO THE DIRECTORS' REPORT**PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.****(A) Conservation of energy:****a) Energy conservation measures are taken:**

The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The day to day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy. The office area is designed in such a way that during day time not much artificial lighting is necessary in the office.

b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy and other raw materials.

Company is continuously monitoring and making effort for optimum utilization of equipments which ensures to conserve energy during routine operations itself. There is no specific investment plan for energy conservation.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Impact of the measures mentioned here in above in point (a) and (b) certainly reduces the energy consumption and consequent impact on the cost of production of services.

d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure:**FORM A****FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY****A. POWER & FUEL CONSUMPTION**

	Current year	Previous year
1. Electricity		
a) Purchase Units KWH (in lacs)	6.68	6.97
Total amount (Rs. In Lacs)	43.46	41.45
Rate/Unit (Rs. per KWH)	6.50	5.95
b) Own Generation :		
Units (in lacs)	N.A.	N.A.
Total amount (Rs. in lacs)	N.A.	N.A.
Rate/Unit (Rs.)	N.A.	N.A.
2. Coal & Lignite	N.A.	N.A.
3. Furnace Oil	N.A.	N.A.
4. Other (integral generation)	N.A.	N.A.

B. Consumption per unit of production

	Standards (if any)	Current year 1	Previous year 2
Products (with details) unit	----	----	----
Electricity	----	0.90	0.83
Furnace oil	----	----	----
Coal (specify quality)	----	----	----
Other (specify)	----	----	----

(B) Technology Absorption:

The efforts made in technology absorption are mentioned below in Form-B

FORM – B**Form for disclosure of particulars with respect to absorption****RESEARCH AND DEVELOPMENT (R & D):****1. Specific areas in which (R & D) carried out by the Company.**

Company is continuously carrying out R & D activities in the areas of new product/process development, improvement in existing process.

These efforts have resulted in improvement in production process, better quality, stability and bio invisibility.

2. Benefits derived as a result of the above R & D.

Production processes have improved resulting in better productivity

3. Future plan of action.

The Company has nothing to report under this clause

4. Details of R & D Expenditure.

Expenditure charged to respective primary heads of accounts

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION.**1. Efforts, in brief, made towards technology absorption, adaptation and innovation.:**

Company has always been making best effort towards technology absorption, adaptation and innovation to improve the quality.

2. Benefits derived as a result of the above efforts e.g. product, improvements, cost reduction, product development, import substitution etc.:

It improves the quality of company's products being manufactured and reduces the cost of production.

3. Details of Technology imported (during the last 5 years).

a. Technology imported: N.A.

b. Year of import: N.A.

c. Has technology been fully absorbed? : N.A.

d. If not absorbed, areas where this has not taken place, reasons there for and future plan of action: N.A.

FOREIGN EXCHANGE EARNINGS AND OUTGO:**1. Activities relating to exports:**

The company is concentrating on continuous quality and product improvement.

The company is also planning to increase its presence in the global market and also to explore new market for its activities.

2. Total foreign exchange used and earned.

	Current year	Previous year
Earnings :	Rs. 2039.16 lacs	Rs. 1280.71 lacs
Out go :	Rs. 686.95lacs	Rs. 666.58 lacs

**FOR AND ON BEHALF OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.**

Place: Registered Office

Plot No. 25/9/A, Phase III,

G.I.D.C. Naroda, Ahmedabad - 382 330

Date: 18th May, 2013

(KANDARP K. AMIN)
CHAIRMAN

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members,
ARCHIT ORGANOSYS LIMITED.
Plot No. 25/9-A, Phase-III,
GIDC Naroda,
Ahmedabad - 382 330.

We have examined the registers, records, books and papers of ARCHIT ORGANOSYS LIMITED, as required to be maintained under the Companies Act, 1956 (the Act), and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended 31-03-2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act, and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Gujarat.
3. The Company, being a Public Limited Company and has minimum prescribed share capital and comments on the maximum number of members during the year under review are not required.
4. The Board of Directors duly met 7 times on (1) 29-05-2012 (2) 11-08-2012 (3) 26-09-2012 (4) 09-11-2012 (5) 12-12-2012 (6) 25-01-2013 and (7) 12-02-2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
The Audit Committee duly met on (1) 29-05-2012 (2) 11-08-2012 (3) 09-11-2012 and (4) 12-02-2013 in respect of which meeting proper notice was given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from Monday, 10th September, 2012 to Monday, 17th September, 2012 and necessary compliance of section 154 of the Act has been made during the year under review.
6. The Annual General Meeting for the financial year ended on 31-03-2012 was held on 17-09-2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One Extra Ordinary General Meeting was held on 28-04-2012 after giving notices to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Act during the year under review.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act, in respect of the contracts falling within the purview of section 297 of the Act, during the year under review.
11. The Company has obtained necessary approvals from the Board of Directors pursuant to section 314 of the Act wherever applicable & company is in process of obtaining approval of members at general meeting and approval of Central Government was not required to be obtained.
12. The Company has not issued any duplicate share certificate during the year under review.

13. During the year under review :
 - (i) the Company has delivered all the certificates on lodgment there of for transfer /transmission of shares in accordance with the provisions of the Act and there was no allotment of Shares or securities.
 - (ii) the Company has not deposited any amount in a in separate Bank Account as no dividend was declared.
 - (iii) the Company was not required to post warrants to any members of the Company as no dividend was declared.
 - (iv) the Company has not transferred any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no amounts outstanding;
 - (v) the Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the year under review.
15. The Company's Paid-up Share Capital being less than the prescribed limit of Rs. 5 Crores, it is not required to appoint any Managing Director / Whole – time Director / Manager and accordingly provisions of Section 269 of the Act, are not applicable. However company has appointed Shri Kandarp Amin and Smt. Archana Amin as Whole Time Directors.
16. The Company has not appointed any sole-selling agents during the year under review.
17. The Company has obtained necessary approval from Registrar of Companies, Gujarat in respect of change of the name of the Company and the Company was not required to obtain any other approvals from Central Government, Company Law Board, Regional Director during the year under review.
18. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the year under review.
20. The Company has not bought back any shares during the year under review.
21. As there were no preference shares or debentures issued, there was no redemption of preference shares or debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the year under review.
24. The amounts borrowed by the Company from financial institutions / banks, during the period under review are within the borrowing limits of the Company and that necessary resolution as per section 293(1)(d) of the Act has been passed on 30-12-2009 in duly convened Annual General meeting.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the year under review and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.
28. The Company has altered the provisions of the Memorandum with respect to name of the Company during the year under review and complied with the provisions of the Act.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.

30. The Company has not altered its Articles of Association during the year under review.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the year under review, for offences under the Act.
32. The Company has not received any money as security from its employees during the year under review.
- 33 The Company has not constituted any separate provident fund of employees or any class of employees as envisaged under section 418 of the said Act.

FOR UMESH PARIKH & ASSOCIATES
COMPANY SECRETARIES

Date: 18th May, 2013
Place: Ahmedabad

(UMESH PARIKH)
Proprietor
C. P. No.: 2413

ANNEXURE "A"

List of Registers as maintained by the Company:

1. Register of Transfer under Section 108
2. Register of Charges under Section 143
3. Register of Members under Section 150
4. Index of Members under Section 151
5. Minutes book of General Meetings, Board meetings and committee meetings u/s 193
6. Books of accounts under Section 209
7. Register of Contracts under Section 301
8. Register of General notice of directors under Section 301(3)
9. Register of Directors etc. under Section 303
10. Register of Directors' Shareholding under Section 307
11. Register of renewed and duplicate Share Certificate

ANNEXURE "B"

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities for and during the financial year ended on 31-03-2013.

Sr. No	Form No./ Return	Filed Under Section	Descriptions	Date Of Filing	Whether Filed Within Prescribed Time Yes/ No	If Delay In Filing Whether Requisite Additional Fee Paid Yes/no
1.	23	192	Special resolutions passed at EGM held on 28-04-2012 for change of name of the Company.	10-05-2012	Yes	N.A.
2.	1B	21	Change of Name of the Company.	10-05-2012	Yes	N.A.
3.	66	383A	Secretarial Compliance Certificate for the ended 31-03-2012.	12-10-2012	Yes	N.A.
4.	23AC	220	Annual Report for the financial year ended 31-03-2012.	11-01-2013	Yes	N.A.
5.	20B	159(1)	Annual Return made up to 17-09-2012.	02-03-2013	No	Yes
6.	23C	233B(2)	Application to the Central Government for appointment of cost auditor for the year 2012-2013.	04-05-2013	No	Yes

CORPORATE GOVERNANCE REPORT**(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)**

The Securities and Exchange Board of India (SEBI) has introduced a code of corporate governance for listed companies which is implemented through the listing Agreements with the Exchanges with which the Company is listed. The Company has complied with the corporate governance requirements set out in Clause 49 of the listing Agreement.

1) Company's Philosophy on Code of Corporate Governance.

The Company believes that good corporate governance leads to corporate growth and long term gain in shareholders value. The Company is committed to maintain the highest standard of corporate governance in its conducts towards shareholders, employees, customers, suppliers and other stakeholders.

Our focus on sustainable growth, productivity improvement, commitment to quality and safety in operations is unrelenting.

2) Board of Directors**Composition:**

The Board of directors consists of Six Directors, of whom Shri Kandarp K. Amin and Smt. Archana K. Amin are whole time Directors of the Company. The composition of Board of Directors is in compliant with the requirement of Clause 49 (IA) i.e. more than 50 % of Directors are non-executive Directors.

The detailed composition of the Board and other related information is given in the table below.

Board meetings:

During the year, Seven Board Meetings were held on 29-05-2012, 11-08-2012, 26-09-2012, 09-11-2012, 12-12-2012, 25-01-2013 and 12-02-2013.

The composition of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorship and committee Memberships are given below:

Sr.No	Name of Director	Category of Directorship	No. of Board Meeting	Attendance at last AGM	No. of other director ships	No. of other Committee Members
1	Shri Kandarp Amim	Chairman and Whole Time Director	7	Yes	---	---
2	Smt. Archana Amim	Whole Time Director	7	Yes	---	---
3	Shri Bhupendra Mehta	Independent Non-executive Director	6	Yes	---	---
4	Shri Haresh Shah	Independent Non-executive Director	6	Yes	---	---
5	Shri Dipesh Kotak	Independent Non-executive Director	6	Yes	---	---
6.	Shri Sanjay Kothari	Independent Non-executive Director	5	Yes	---	---

Directorship in Private Companies, Foreign Companies and Associates are excluded.

The Company did not have any pecuniary relationship or transactions with the non-executive directors during the period under review. None of directors on the Board are members in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are directors.

The Board meets at least once a quarter and interval between two meetings was not more than four months.

The Board is presented with the extensive information on vital matters affecting the working of the Company and risk assessment and mitigation procedure. Among others, this includes:

1. Operating plans, capital budget and updates and reviews thereof,
2. Quarterly results of the company and business segments,
3. Opportunities of expansion, new projects, acquisition ,
4. Proposal for diversification, investments, disinvestments, restructuring,
5. Compliance of listing requirements,
6. Minutes of committee meetings.

3) Audit Committee

The Audit Committee consists of 3 (Three) Independent Directors – Shri Bhupendra V.Mehta, Shri Dipesh K. Kotak and Shri Hareh K. Shah.

The composition of Committee and the qualifications are in compliance with the requirements of Clause 49 of Listing Agreement. During the year, 4 (four) Committee Meetings were held on 29-05-2012, 11-08-2012, 09-11-2012 and 12-02-2013 which were attended by all committee members.

The functions of Audit Committee are as per the listing Agreement with the Stock Exchanges. Broadly the same are (i) oversee the financial reporting process (ii) recommend the appointment of auditors, (iii) decide the audit fees, discuss the nature and scope of audit and ascertain area of concern, (iv) review the annual and quarterly financial statements, (v) review the changes in accounting policies etc (vi) review the adequacy of internal audit functions and discuss with them significant findings,(vii) review the disclosure of related party transactions,(viii) Compliance with listing and other legal requirements relating to financial statements

The interval between two meeting convened was not more than four months. The audit committee adheres to the SEBI guidelines in terms of quorum of its meetings, functioning, role and powers as also those set out in Companies Act, 1956

4) Remuneration Committee

The Company's Remuneration Committee consists of three Independent Directors.

The members of the committee are Shri Hareh Shah, Shri Bhupendra Mehta and Shri Dipesh Kotak.

The scope / role of Remuneration Committee is to recommend to the board of Directors remuneration payable to working Directors of the Company, as and when they come for review. During the year, one Committee Meeting was held on.

Details of remuneration paid for the year ended 31-03-2013

Name	Position held During the period	Salary and Allowance Rs. in Lacs	Perquisites Rs. in Lacs	Total Remuneration Rs. in Lacs
Shri. Kandrap K. Amim	Chairman & Whole-time Director	12.00	NIL	12.00
Smt. Archana K. Amim	Whole-time Director	12.00	NIL	12.00

The Company has not paid sitting fees to any Directors.

5) Shareholders/ Investors Grievances cum Share Transfer Committee.

The Board of Directors of the Company has constituted Shareholders/ Investors Grievances cum Share Transfer Committee which looks in to investor / shareholders grievances.

The members of the committee are Shri Kandarp K. Amin, Shri Bhupendra Mehta and Shri Hareh Shah.

As a measure of good corporate governance and to focus on the Shareholders'grievances and towards strengthening investor relations and to expedite the transfer process in the physical segment, the committee deals with issue of duplicate share certificates, redressing of shareholders and investors complaints and Grievances like transfer of shares, non-receipts of Balance-sheet. All the meetings of the committee were attended by all members.

6) Code of Conduct

The Company's code of conduct has been complied with by all the members of the Board and select employees of the Company. The Company has in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulation, 1992. This code is applicable to all Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to the unpublished price sensitive information.

7) General Body Meetings

Annual General Meetings and Extra Ordinary General Meeting held in last three years were as under :-

Annual General Meeting	Date	Time	Venue
31-03-2012	17-09-2012	10.30 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330
31-03-2011	02-09-2011	11.30 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330
31-03-2010	30-09-2010	10.30 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330

Extra Ordinary General Meeting:

Date	Time	Venue
28-04-2012	10.30 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda,

No Special Resolution was put through postal ballot. At the forthcoming AGM, there is no item on the agenda that needs approval by postal ballot.

8) Disclosures

In preparation of financial statements, the Company has followed the applicable Accounting Standards. The significant accounting policies that are consistently applied have been set out in the Notes to the Accounts.

Related party transactions during the year have been disclosed as required under applicable Accounting Standard. Details of related party transactions were periodically placed before the Audit Committee. These transactions are not likely to have any conflict with the Company's interest.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks.

No strictures / penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matters related to the capital market during last 3 years.

The Company's code of conduct has clearly laid down procedures for reporting unethical behavior, actual or suspected fraud or violation of the ethics policies. No employee of the company was denied access to the Audit Committee.

9) Means of Communication

1. The Company has published its quarterly results in Western Times, Gujarati and English Edition.
2. The Management Discussion & Analysis forms part of the Annual Report, which is posted to all the members of the Company.

10) General Shareholder Information

Day, Date, time and venue of AGM	Monday, 12th August, 2013 at 11.00 a.m. at 25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.
Dates of Book Closure	Thursday, 8th August, 2013 to Monday, 12th August, 2013 (both days inclusive)
Listing on Stock Exchanges	The Stock Exchanges at Mumbai & Ahmedabad.
Listing Fees	Company has paid fees to both Stock Exchanges as per listing agreement.
ISIN No.	INE078101011
Stock Exchange's Script Code	Mumbai Stock Exchange : No.524640 Ahmedabad Stock Exchange : No. 53641
Registered Office	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.
Dividend Payment Date	Not Applicable
Compliance Officer	Mr. Mahesh J .Shah
Registrar and Share Transfer Agent	LINK INTIME INDIA PVT. LTD. 211, Sudarshan Complex, Navrangpura, Ahmedabad – 380 009.

Share price on stock exchanges
11) Share price on The Stock Exchange, Mumbai

The equity shares of the company were been thinly traded and details of high low are given as under:

Sr. No.	Month	High (Rs.)	Low (Rs.)
*1.	April '12	-	-
2.	May '12	9.90	9.90
3.	June '12	10.40	8.40
4.	July '12	11.56	9.03
5.	August '12	11.00	10.00
6.	September '12	10.50	10.00
7.	October '12	10.50	9.51
8.	November '12	9.45	9.00
9.	December '12	9.92	9.92
10.	January '13	10.41	9.92
11.	February '13	12.49	9.88
*12.	March '13	-	-

* shares have not been traded in respective months.

12) Financial Calendar 2013-2014 (tentative)

Annual General Meeting	First week of August, 2013
Results for quarter ending June 30, 2013	on or before 14th August, 2013
Results for quarter ending September 30, 2013	on or before 14th November, 2013
Results for quarter ending December 31, 2013	on or before 14th February, 2014
Results for year ending March 31, 2014	on or before 31st May, 2014

13) Distribution of Shareholding as on 31-03-2013

No. of Shares	No. of Shareholders	% of holders	No. of Shares	% of Shares
Up to 500	2837	81.92	9,36,812	30.72
501 - 1000	452	13.05	3,52,795	11.57
1001 - 2000	134	3.87	1,95,748	6.41
2001 - 3000	11	0.32	27,900	0.92
3001 - 4000	3	0.09	9,800	0.32
4001 - 5000	12	0.35	58,100	1.91
5001 -10000	7	0.20	46,480	1.52
10001and above	7	0.20	14,22,365	46.63
Total	3,463	100.00	30,50,000	100.00

14) Pattern of Shareholding as on 31-03-2013

Sr. No	Category	No. of Shares	(%)
1.	NRI	59,100	1.94
2.	Financial Institutions/Banks	Nil	N.A.
3.	Mutual Funds	Nil	N.A.
4.	Promoters group	13,41,590	43.9
5.	Body Corporate	1,01,420	3.33
6.	Others	15,47,890	50.74
Total		30,50,000	100.00

15) Dematerialisation of Shares, Registrar & Transfer Agent & Share Transfer System.**(i) Share Transfer System**

The process of transfer / transmission / transposition etc. of equity shares in physical form including dispatch of the share certificates is completed within a period of 15 days if the documents are in order in all respects.

(ii) Dematerialisation of shares, Registrar & Transfer system:

The equity shares of the Company are available for dematerialization through National securities depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

LINK INTIME INDIA PVT. LTD., having its office at 211, Sudarshan Complex, Navrangpura, Ahmedabad-380009 as Registrar and Share Transfer Agents being a Common Agency for Physical and Electronic modes.

16,83,400 equity shares comprising of 55.19 % of the total equity shares of the Company are in dematerialised form as on 31-03-2013.

(iii) Investors Correspondence:

All shareholders queries are sent to the Company at its Registered office at Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330 or to the Registrar & Transfer Agent as aforementioned address.

16) Secretarial Audit for Reconciliation of Capital :

As stipulated by SEBI, Practising Company Secretaries carry out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and report thereon is submitted to the Stock Exchange(s) where shares of the Company are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

17) Mandatory/ Non-Mandatory Requirements

During the financial year 2012-13, the Company

- (a) Duly complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreement.
- (b) The company did not adopt any of the non- mandatory requirements of Clause 49 of the Listing Agreement other than constituting the Remuneration Committee.

18) Location

The Company's plant is located at 25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.

19) Declaration for Compliance of Code of conduct

Code of conduct for Board members and Senior Management personnel was approved at the Board meeting in the month of January 2006.

Company has obtained confirmation for the compliance of code of conduct from all the Board members and senior Management Personnel of the Company on an annual basis. The senior Management Personnel covers all the employees in the cadre of General Manager.

This is a declaration as required by Circular No. SEBI / CFD/DIL/CG/1/2004/12/10 dated 29th October 2004 – annexure – I –Clause I (D) (II).

**FOR AND ON BEHALF OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED**

Place: Ahmedabad
Date: 18th May, 2013

Kandarp K. Amin
Chairman & Whole-time Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

The Company is primarily engaged in the business of manufacturing and sale of various chemical products.

The Company has capacity to withstand in the market and face the stiff competition prevailing in the chemical business market.

Opportunities and Outlook

The Company is optimistic about its growth prospectus in the future. The Company has been concentrating on building brand image in the market.

The Company is facing stiff competition from various chemicals companies in domestic market. However, Company is well positioned to leverage the opportunities to manage the challenges that have arisen in domestic market.

Outlook

The Company expects to increase its market share in the existing market by increasing its product range through new product launches, especially in pharma industry, expanding its geographical coverage in more regions and undertaking large job contracts. We are cautiously optimistic of our prospects believe that the year will go a long way in stabilizing our growth path. The Company also concentrates on adding new products to its existing product range. The Company also puts more efforts in R & D activities, reduction in process cycles, and improvement in existing process etc. The company is also diversifying in to pharma line, by importing bulk drugs and marketing in local market, apart from that the company is also looking to acquire a new unit of pharma formulation which will help the company to diversify its wings in the ever growing pharmaceutical industry. This would also help the Company to perform better in coming years.

Risk and Concerns

Company is facing competition from various small-scale manufacturers in certain products. Manufacturing cost and administrative costs are also increasing day by day. But Company is equipped to meet the challenges by better marketing tactics, and effective management of cost and expenses.

The Company is also required to follow and maintain the norms laid down by Gujarat Pollution Control Board (GPCB) for discharge of its effluents. The Company is adhering to the norms laid down by GPCB and has spent a large amount of funds on changing the old machinery and erecting new machines which adhere to the new stringent laws of GPCB.

Internal Control Systems and their adequacy

The Company has an adequate system of Internal Control relating to purchase of stores, raw materials, plant & machineries, equipments & various components and for the sale of goods commensurate with the size and nature of business of the Company.

The system of Internal Control of the Company is adequate keeping in mind the size and complexity of your Company's business. Systems are regularly reviewed to ensure effectiveness.

Financial Performance

Financial Performance with respect to Operational Performance is discussed in the main part of the Report. Operational expenditures have also increased because of the increased financial commitments.

Material Developments in Human Resources Industrial Relations

The Chemical industry is knowledge driven, considering this aspect we continue to build our team with high quality talent. The Company is putting thrust on providing training both in-house and outside. The key personnel are technically qualified and fully trained to run chemical plants. Company has develop in house quality products of SMCA powder in to crystal form for the first time in Indian market. This product is developed by Mr. Archit Amin, who has studied in U.S.A. This will fetch goods business in export markets with better profitability.

The Company maintains cordial & harmonious relation with its employees.

AUDITORS' CERTIFICATE

To,
The Members,
ARCHIT ORGANOSYS LIMITED.

We have examined the compliance of conditions of Corporate Governance by **ARCHIT ORGANOSYS LIMITED** for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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 the 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, the Company has partly complied with the corporate Governance and it is in process of complying the corporate governance and gradually will implement the same.

We state that no investor grievance(s) is/are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance cum Share Transfer Committee.

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

Place : Ahmedabad
Date: 18th May, 2013

For G. K. Choksi & Co.
Chartered Accountants

(SANDIP PARIKH)
Partner
Membership No.40727

CERTIFICATION BY CHAIRMAN AND CHIEF- FINANCIAL OFFICER

To,
The Board of Directors
ARCHIT ORGANOSYS LIMITED.
Plot No 25/9-A, Phase-III, GIDC Naroda,
Ahmedabad – 382 330

1. We have reviewed the Balance Sheet, Profit and Loss account and all its Schedules and Notes on Accounts, as well as Cash Flow Statements as at 31st March, 2013 and certify that to the best of our knowledge and belief :
 - (i) These Statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
 - (ii) These Statements read together present a true and fair view of the Company's Affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. No transactions have been entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
4. We do further certify that there had been :
 - (i) no significant changes in internal control during the year;
 - (ii) no significant changes in accounting policies during the year; and
 - (iii) no instances of significant fraud, of which we are aware during the period.

Place : Ahmedabad

Dated : 18th May, 2013

Chairman

Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To
The Members,
ARCHIT ORGANOSYS LIMITED
Ahmedabad.

Report on the Financial Statements

We have audited the accompanying financial statements of ARCHIT ORGANOSYS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

- (i) *The company had entered into derivative contract for sale of foreign currency with HDFC Bank Ltd. in financial year 2008-2009 which has resulted into loss to the tune of ₹ 1,97,52,367/- against which the sum of ₹ 55,06,598/- has already been paid to HDFC Bank Ltd. and charged to Statement of Profit and Loss in the aforesaid financial year. Consequent to adjustment of fixed deposits amounting to ₹ 23,64,200/- against the balance loss of ₹ 1,42,45,769/- the liability on account of aforesaid loss stands reduced to ₹ 1,47,07,069/- including interest which has not been provided for by the company. Such non provision of liability has resulted into non compliance of Accounting Standard 29 issued by Institute of Chartered Accountants of India and also resulted into understatement of current liabilities.*
- (ii) *The company has not yet compiled the requisite information, related to suppliers who have registered themselves under the Micro, Small And Medium Enterprises Development Act, 2006. In the absence of relevant information the requisite disclosures are not made in the financial statements.*

Had the observations made by us in Para (i) above been considered, the loss for the year would have been ₹ 96,05,866/- as against reported profit of ₹ 51,01,203/-, current liabilities would have been ₹ 11,29,29,697/- as against reported current liabilities of ₹ 9,82,22,628/-.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the matter described in the basis for Qualified Opinion paragraph*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - (d) *Except for the matter described in the basis for Qualified Opinion paragraph*, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March, 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Forming an Opinion and Reporting on Financial Statements

For G. K. Choksi & Co.

Chartered Accountants

Firm Registration No. 101895W

Place : Ahmedabad

Date: 18th May, 2013

(SANDIP PARIKH)

Partner

Membership No.40727

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our Report of even date to the members of ARCHIT ORGANOSYS LIMITED)

- 1 (a) *The Company has not compiled fixed assets records to show full particulars, including quantitative details and situation of fixed assets.*
- (b) *We were informed that the fixed assets were not physically verified by the Management at the end of the year however the company has a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its business. Since the fixed assets records are still under compilation no comparison with the book records have yet been made. In the absence of such comparison opinion as to discrepancies if any can not be given.*
- (c) *The Company has not disposed of any substantial part of its fixed assets during the year as would affect its going concern status.*
- 2 (a) *In our opinion, physical verification of inventory (excluding inventory lying with third parties) has been conducted by the management at reasonable intervals.*
- (b) *In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management needs to be strengthened in relation to the size of the Company and the nature of its business.*
- (c) *On the basis of our examination of records of inventory, in our opinion, the Company is maintaining proper records of inventory. No material discrepancy was noticed on physical verification of the inventory.*
- 3 (a) *The Company has not granted any loans, secured or unsecured to any companies, firms or other parties covered in the register maintained u/s.301 of the Companies Act, 1956. Accordingly clause 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the order are not applicable.*
- (b) i) *The Company has taken interest free unsecured loans from five parties and interest bearing unsecured loan from one party covered in the register maintained u/s.301 of the Companies Act, 1956. The balance outstanding on account of these loans as at the end of the year was ₹ 2,42,70,000/- and the maximum balance outstanding during the year were ₹ 2,67,20,000/-*
- (ii) *The terms and conditions of the above loans are prima facie not prejudicial to the interest of the Company.*
- (iii) *As per the information and explanations given to us, principal amount and interest thereon has been repaid whenever they fall due for payment.*
- 4 *In our opinion and according to information and explanation given to us; the internal control system needs to be strengthened so as to commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets.. However there is adequate internal control system and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal controls.*
- 5 (a) *According to information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.*
- (b) *In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.*
- 6 *In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or other relevant provisions of the Act.*

- 7 In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business;
- 8 "We have broadly reviewed the cost records maintained by the Company pursuant to the Companies(Cost Accounting Records)Rules,2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act,1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 9 (a) In our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues and the company had no arrears of such outstanding dues as at 31st March, 2013 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the Company does not have any disputed outstanding statutory dues as at 31st March, 2013 except stated hereunder.
- 10 The company does not have accumulated losses at year end. However, had the effect of qualification reported *in the basis for Qualified Opinion paragraph* of Independent Auditor's report been taken in to consideration, there would have been cash loss to the tune of ₹ 47,35,007/- for the year under review. Similarly, there would have been cash loss to the tune of ₹ 53,53,143/- in the immediately preceding year.
- 11 According to the records of the company examined by us and on the basis of information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or bank.
- 12 As per the information and explanations given to us, the Company has not granted any loan or advance on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The provisions of any special statute applicable to Chit fund, Nidhi or Mutual Benefit Funds/Societies are not applicable to the company.
- 14 According to the information and explanation given to us, the company does not deal or trade in shares, securities, debentures and other investments.
- 15 In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
- 16 In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which it was obtained.
- 17 In our opinion and according to the information and explanations given to us, the Company has not used any funds, raised on short term basis, for long term investment.
- 18 The company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19 The Company has not issued any debentures during the year under review.
20. The company has not raised any money by public issues during the year under review.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under review.

Place : Ahmedabad
Date: 18th May, 2013

For G. K. Choksi & Co.
Chartered Accountants
Firm Registration No. 101895W

(SANDIP PARIKH)
Partner
Membership No.40727

Balance Sheet as at 31st March 2013

[Amount in ₹]

Particulars	Notes	As at 31st March 2013	As at 31st March 2012
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	3 03 47 850	3 03 46 850
Reserves and Surplus	3	1 10 02 847	59 01 644
		4 13 50 697	3 62 48 494
Non-Current liabilities			
Long term borrowings	4	1 80 00 000	2 07 26 683
Deferred tax liabilities (Net)	5	50 02 369	57 31 323
Other Long term liabilities	6	0	6 15 000
Long term provisions	7	9 66 737	10 63 162
		2 39 69 106	2 81 36 168
Current liabilities			
Short term borrowings	8	5 29 47 536	8 44 78 205
Trade payables	9	4 31 49 661	6 13 63 048
Other current liabilities	10	20 58 667	75 87 577
Short term provisions	11	66 764	2 86 067
		9 82 22 628	15 37 14 897
Total		16 35 42 431	21 80 99 559
ASSETS			
Non-Current assets			
Fixed assets			
Tangible assets	12	4 94 29 500	5 40 62 240
Intangible assets	13	8 166	15 666
		4 94 37 666	5 40 77 906
Long term - loans and Advances	14	4 57 654	4 02 646
Current Assets			
Inventories	15	1 29 52 262	1 59 43 811
Trade receivables	16	8 82 59 589	11 68 61 169
Cash & cash equivalents	17	36 42 209	2 44 01 374
Short term - Loans & advances	18	86 49 437	61 60 973
Other current assets	19	1 43 614	2 51 680
		11 36 47 111	16 36 19 007
Total :		16 35 42 431	21 80 99 559

Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

FOR G. K. CHOKSI & CO.**FOR AND ON BEHALF OF THE BOARD**

[Firm Registration No. 101895W]

Chartered Accountants

SANDIP A. PARIKH

Partner

Mem. No. 40727

KANDARP K. AMIN

Chairman & Whole time Director

ARCHANA K. AMIN

Director

Place : Ahmedabad

Date : 18th May, 2013

Place : Ahmedabad

Date : 18th May, 2013

Statement of Profit and Loss for the year ended 31st March 2013

[Amount in ₹]

Particulars	Notes	2012-2013	2011-2012
INCOME			
Revenue from operations	20	39 10 16 356	47 38 84 619
Less : Excise duty		<u>70 19 322</u>	<u>95 33 690</u>
		38 39 97 034	46 43 50 929
Other Income	21	<u>93 39 707</u>	<u>1 35 48 000</u>
Total Revenue		39 33 36 741	47 78 98 929
EXPENSES			
Cost of materials consumed	22	14 35 70 749	15 71 42 793
Purchase of Stock-in-Trade	23	12 84 87 236	22 77 40 990
Changes in inventories	24	(1 62 124)	28 60 809
Employee benefits expenses	25	1 24 08 152	1 05 30 546
Finance costs	26	95 03 970	1 04 49 610
Depreciation and amortization expenses		32 63 036	36 87 327
Manufacturing and other expenses	27	<u>8 95 56 696</u>	<u>5 74 56 055</u>
Total Expenses		38 66 27 715	46 98 68 130
Profit /(Loss) before Tax		67 09 026	80 30 799
Tax Expenses			
Current Tax		35 00 766	16 01 000
(Includes Tax for earlier years ₹ 766 (P.Y. ₹ 1000/-))			
MAT Credit Entitlement		(11 63 989)	0
Deferred Tax		<u>(7 28 954)</u>	<u>(2 88 363)</u>
		16 07 823	13 12 637
Profit/(Loss) for the year		51 01 203	67 18 162
Earnings per equity share:			
Basic and diluted	28	₹ 1.67	₹ 2.20

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

SANDIP A. PARIKH

Partner

Mem. No. 40727

KANDARP K. AMIN

Chairman & Whole time Director

ARCHANA K. AMIN

Director

Place : Ahmedabad

Date : 18th May, 2013

Place : Ahmedabad

Date : 18th May, 2013

Cash Flow Statement for the year ended 31st March, 2013

[Amount in ₹]

Particulars	2012-2013	2011-2012
A. Cash flow from operating activities:		
Profit/(Loss) for the year before taxation and exceptional items	67 09 026	80 30 799
Adjustments for		
Income Tax Expenses	(766)	(1 000)
Depreciation and Amortization	32 63 036	36 87 327
Loss on asset discarded	0	27 630
Profit /(Loss) on sale of Fixed Assets	27 79 928	(52 53 610)
Interest Income	(7 63 810)	(17 83 807)
Interest Expenses	95 03 970	1 65 03 597
Operating profit before working capital changes	2 14 91 384	2 12 10 936
Adjustments for :		
Trade Receivable	2 86 01 580	(1 93 22 374)
Short Term Loans and Advances	(25 43 473)	67 13 079
Inventories	29 91 549	9 69 933
Trade payables	(1 82 13 387)	(71 38 596)
Other Current Liabilities	(52 92 632)	(33 77 028)
Cash generated from operations	2 70 35 021	(9 44 050)
Direct taxes Refund/(paid)	(25 95 729)	(65 768)
Net cash from operating activities	[A] 2 44 39 292	(10 09 818)
B. Cash flow from investing activities		
Purchase of fixed assets	(22 62 722)	(51 56 366)
Sale of Fixed Assets	8 60 000	1 06 37 500
Interest received	8 71 876	17 55 938
Net cash used in investing activities	[B] (5 30 846)	72 37 072
C. Cash flow from financing activities		
Procurement/(Repayment) of long/ short term borrowings	(3 42 57 352)	2 60 99 082
Calls in Arrears Received	1 000	0
Interest paid	(95 03 970)	(1 65 03 597)
Net cash flow from financial activities	[C] (4 37 60 322)	95 95 485
Net Increase/(Decrease) in cash and cash equivalents	[A+B+C] (1 98 51 876)	1 58 22 739
Cash and cash equivalents opening	2 34 94 085	76 71 346
Cash and cash equivalents closing	36 42 209	2 34 94 085

Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement is prepared in accordance with the format prescribed by Securities and Exchange Board of India & as Accounting Standard 3 as Prescribed by the Institute of Chartered Accountants of India
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows
- Figures of the previous year have been regrouped wherever necessary, to conform to current years presentation

FOR G. K. CHOKSI & CO.

FOR AND ON BEHALF OF THE BOARD

Firm Registration No. 101895W
Chartered Accountants

SANDIP A. PARIKH

Partner

Place : Ahmedabad

Date : 18th May, 2013

KANDARP K. AMIN

Chairman & Whole time Director

Place: Ahmedabad

Date : 18th May, 2013

ARCHNA K. AMIN

Director

Notes forming part of accounts**1. Significant Accounting Policies****(a) Basis of preparation of financial statements**

These financial statements have been prepared on the accrual basis of accounting, under the historical cost convention, in accordance with the Companies Act, 1956, the applicable accounting standards notified by The Companies Accounting Standard Rules, 2006 and the Guidance note issued by the Institute of Chartered Accountants of India.

(b) Use of estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/ determined.

(c) Fixed Assets

Fixed Assets are stated at their original cost net of cenvat including incidental expenses related to acquisition and installation, less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

At the balance sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

After recognition of impairment loss, the depreciation charge for the assets is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

(d) Borrowing Costs

Borrowing Costs that are directly attributable to acquisition of qualifying assets are capitalized for the period until the asset is ready for intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) Depreciation

- (i) Depreciation on Fixed Assets is provided on Straight Line Method at rates and in the manner specified in Schedule XIV of the Companies Act, 1956
- (ii) Depreciation on additions/deletion is provided on pro rata basis.
- (iii) Lease hold land is amortised over the period of lease.
- (iv) Intangible assets being Computer and Laboratory Software are amortized over a period of its useful life i.e. three years estimated by the Management.

(f) Inventories

- (i) Stock in trade comprising of raw materials (including goods in transit) and finished goods are valued at the lower of cost or net realizable value after making such provisions as required on account of damage, unserviceable and obsolete stocks. Value of raw material does not include excise duty, countervailing duty paid to the extent of which CENVAT credit is available. Excise duty on goods manufactured by the company and remaining in inventory is *included as a part of valuation of finished goods.*
 - (ii) Work-in-process is valued at cost to the extent of stage of completion.
 - (iii) Stores, spares, consumable and packing materials are charged to profit and loss account as and when they are procured and stock of such items as at the end of the year is accounted at cost.
-

(g) Revenue Recognition

- (i) Revenue in respect of domestic sale of products is recognised when the risks and rewards of ownership are passed on to the customers, which is upon dispatch of products. Sales are stated at contractual realizable values, net of excise duty, sales tax and trade discount.
- (ii) Export Sales are recognised on the date of dispatch of products from the factory and shown on C.I.F. basis.
- (iii) Revenue from services is recognised upon rendition of the services.
- (iv) Export Incentives are accounted for on accrual basis.

(h) Foreign Currency Transactions

- (i) Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transactions.
- (ii) In respect of monetary items denominated in foreign currencies, exchange differences arising out of settlement or on conversion at the closing rate are recognized in the Profit and Loss Account.

The difference in translation and realised gains and losses on foreign exchange transactions, other than those relating to imported fixed assets are recognised in the Profit and Loss Account. Further in respect of transaction covered by forward exchange contract, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Profit and Loss account over the period of the contract

(i) Retirement Benefits

- (i) Contributions to provident fund are made at predetermined rates to Government Authority and charged to profit and loss account.
- (ii) Gratuity liabilities is accounted for on the basis of actuarial valuation.

(j) Excise/Custom Duty

Excise duty has been accounted based on both payments made in respect of goods cleared from factory premises and provision made for manufactured goods lying unsold at year-end in factory premises.

(k) Taxation

- (i) Current year tax is provided based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.
- (ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- (iii) MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet and written down or written up to reflect the amount that is reasonably certain to be realized.

(l) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Notes forming part of accounts

2 Share Capital

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
(a) Authorised		
33,00,000 (P.Y.33,00,000) Equity Shares of ₹ 10/- each	3 30 00 000	3 30 00 000
(b) Issued, Subscribed and fully Paidup		
30,50,000 (P.Y.30,50,000) Equity Shares of ₹ 10/- each Fully Paid up	3 05 00 000	3 05 00 000
Less: Calls In Arrears	1 52 150	1 53 150
	3 03 47 850	3 03 46 850

Note :

During the period of five financial years immediately preceeding the Balance Sheet date, the company has not:

- (i) allotted any fully paid-up equity shares by way of bonus shares;
- (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
- (iii) brought back any equity shares

(c) Reconciliation of number of shares

Particulars	Number of Equity Shares	
	2012-2013	2011-2012
At the beginning of the year	30 50 000	30 50 000
Add		
Shares issued for Cash or Right Issue or Bonus	0	0
Exercise of Share Option under ESOS / ESOP	0	0
Shares issued in Business Combination	0	0
	30 50 000	30 50 000
Less		
Shares bought back / Redemption etc.	0	0
As the end of the year	30 50 000	30 50 000

(d) Rights, Preferences and Restrictions

The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association.

Equity Shares : The Company has only class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding

(e) Details of Shareholdings

Shareholders holding more than 5% shares

Particulars	Number of Equity Shares		Percentage (%)	
	As at		As at	
	31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012
Kandarp K. Amin	6 89 907	6 80 907	22.62	22.32
Archana K. Amin	5 88 218	5 82 493	19.29	19.10

- (f) The Company has calls in arrears / unpaid calls amounting to ₹ 1,52,150/- in respect of 78000 equity shares, however it does not have any outstanding calls in due from directors and officers of the company. The company has not forfeited any shares at balance sheet date.

3 Reserves and surplus

Particulars	[Amount in ₹]	
	As at	As at
	31st March, 2013	31st March, 2012
General Resvers	1 50 000	1 50 000
Surplus / (Deficit) in Statement of Profit and Loss		
Balance as per previous financial statements	57 51 644	(9 66 518)
Add : Profit for the year	51 01 203	67 18 162
Balance available for appropriation	1 08 52 847	57 51 644
Less : Appropriations	0	0
Net Surplus / (Deficit)	1 08 52 847	57 51 644
	1 10 02 847	59 01 644

4 Long term borrowings

Particulars	[Amount in ₹]			
	Non-current portion		Current maturities	
	2012-2013	2011-2012	2012-2013	2011-2012
Secured				
Term Loan				
Union Bank of India	0	19 69 444	0	20 40 000
Union Bank of India	0	0	0	8 87 092
	0	19 69 444	0	29 27 092
Vehicle Loan				
Ahmedabad Mercantile Co-	0	4 58 163	0	2 06 400
Kotak Mahindra Pvt. Ltd.	0	2 99 076	0	6 75 053
	0	7 57 239	0	8 81 453
Unsecured				
From Directors	1 80 00 000	1 80 00 000	0	0
	1 80 00 000	2 07 26 683	0	38 08 545
Less:				
Amount disclosed under the head "Other Current Liabilities"	0	0	0	38 08 545
	1 80 00 000	2 07 26 683	0	0

Nature of Security

- 1 The Term Loans amounting to ₹ NIL (P.Y. ₹ 48,96,536/-) were secured by mortgage of Land and Building at plot no. 25/9/A and 25/9/B, hypothecation of plant and machinery at plot no. 25/9/A and 25/9/B and FDR. Further it is secured by personal guarantee of Directors.
- 2 The Vehicle loans amounting to ₹ NIL (P.Y. ₹ 16,38,692/-) were secured by Vehicles

Unsecured Loan

It is repayable on or after September, 2014, rate of interest 13.5% (P.Y. NIL)

5 Deferred tax liabilities (Net)

The Company estimates deferred tax/(charge) using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year.

Particulars	[Amount in ₹]	
	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liabilities		
Difference of book depreciation and tax depreciation	53 29 139	61 06 659
Deferred Tax Assets		
Disallowance u/s. 43(b) under income tax act, 1961	3 26 770	3 53 182
Disallowance u/s. 40(a) (ia) under income tax act, 1961	0	22 154
	<u>3 26 770</u>	<u>3 75 336</u>
Net Deferred Tax Liability / (Asset)	<u>50 02 369</u>	<u>57 31 323</u>

6 Other Long term liabilities

Particulars	[Amount in ₹]	
	As at 31st March, 2013	As at 31st March, 2012
Trade paayble for capital goods		
Related party (Refer Note No. 33)	0	0
Others	0	6 15 000
	<u>0</u>	<u>6 15 000</u>

The company is yet to initiate the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). In the absence of relevant information relating to the suppliers registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, the balance due to Micro, Small and Medium Enterprises at year end and interest paid or payable under MSMED Act, 2006 during the year couldnot be compiled and disclosed

7 Long term provisions

Particulars	[Amount in ₹]	
	As at 31st March, 2013	As at 31st March, 2012
For Employee Benefits Gratuity	9 66 737	10 63 162
	<u>9 66 737</u>	<u>10 63 162</u>

8 Short term borrowings

Particulars	[Amount in ₹]	
	As at 31st March, 2013	As at 31st March, 2012
Loans repayable on demand		
Secured		
Working Capital Loan From Banks	4 66 77 536	7 84 18 205
Unsecured		
From Directors	62 70 000	60 60 000
	<u>5 29 47 536</u>	<u>8 44 78 205</u>

Nature of Security**Secured**

- The Working Capital Loans amounting to ₹ 4,66,77,536/- (P.Y. ₹ 7,84,18,205/-) are secured by Hypothecation of Book Debts, Bills, stock not older than 180 Days. Further it is secured by Factory Land and Building at plot no. 25/9/A and 25/9/B and FDR. Further it is secured by personal guarantee of Directors.

9 Trade payables

Particulars	[Amount in ₹]	
	As at 31st March, 2013	As at 31st March, 2012
For Goods and Services		
Related party (Refer Note No. 33)	24 849	3 58 391
Others	4 31 24 812	6 10 04 657
	<u>4 31 49 661</u>	<u>6 13 63 048</u>

Note :

The company is yet to initiate the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). In the absence of relevant information relating to the suppliers registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, the balance due to Micro, Small and Medium Enterprises at year end and interest paid or payable under MSMED Act, 2006 during the year could not be compiled and disclosed

10 Other current liabilities

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Current Maturities of Long Term Debt	0	38 08 545
Interest accrued and due on short term borrowings	0	81 012
Other Payables		
Statutory dues	14 24 645	7 16 578
Union bank of India (Book Overdraft)	0	9 07 289
Others	6 34 022	20 74 153
	<u>20 58 667</u>	<u>36 98 020</u>
	<u>20 58 667</u>	<u>75 87 577</u>

11 Short term provisions

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Employee Benefits		
Gratuity	40 414	0
Others		
For Taxation (Net of advance tax)	26 350	2 86 067
Total :	<u>66 764</u>	<u>2 86 067</u>

Notes 12 and 13 on page 38

14 Long term loans and advances

(Unsecured, considered good unless otherwise stated)

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Capital Advances	0	1 00 000
Security Deposits	4 57 654	3 02 646
Total :	<u>4 57 654</u>	<u>4 02 646</u>
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

12. Tangible Assets

Description of Assets	Gross Block at Cost			Depreciation			Net Book Value			
	As at April 01, 2012	Additions during the year	Deletions/ Adjustment during the year	As at March 31, 2013	Up to March 31, 2012	For the year	Deletions/ Adjustment during the year	Up to March 31, 2013	As at March 31, 2013	As at March 31, 2012
Land :										
Freehold Land	60 89 590	-	-	60 89 590	-	-	-	-	60 89 590	60 89 590
Leasehold Land	38 84 035	-	-	38 84 035	5 46 618	39 233	-	5 85 851	32 98 184	33 37 417
	99 73 625	-	-	99 73 625	5 46 618	39 233	-	5 85 851	93 87 774	94 27 007
Factory Buildings	1 53 65 391	-	-	1 53 65 391	34 31 600	5 13 204	-	39 44 804	1 14 20 587	1 19 33 791
Plant and Machinery	4 04 00 802	17 83 360	86 13 539	3 35 70 623	1 36 44 953	19 68 228	51 60 437	1 04 52 744	2 31 17 879	2 67 55 849
Furniture and Fixtur	9 89 370	-	-	9 89 370	2 33 183	62 627	-	2 95 810	6 93 560	7 56 187
Vehicles	60 98 286	58 662	-	61 56 948	14 56 122	5 84 635	-	20 40 757	41 16 191	46 42 164
Office Equipments	6 15 427	3 11 200	2 93 846	6 32 781	2 16 345	39 671	1 48 646	1 07 370	5 25 411	3 99 082
Computers	5 26 676	1 09 500	3 71 694	2 64 482	3 78 516	47 938	3 30 070	96 384	1 68 098	1 48 160
Total :	7 39 69 577	22 62 722	92 79 079	6 69 63 220	1 99 07 337	32 55 536	56 39 153	1 75 23 720	4 94 29 500	5 40 62 240
Previous Year	8 30 95 964	51 46 366	1 42 72 753	7 39 69 577	2 50 88 790	36 79 779	88 61 232	1 99 07 337	5 40 62 240	

13 Intangible Assets

Description of Assets	Gross Block at Cost			Depreciation			Net Book Value			
	As at April 01, 2012	Additions during the year	Deletions/ Adjustment during the year	As at March 31, 2013	Up to March 31, 2012	For the year	Deletions/ Adjustment during the year	Up to March 31, 2013	As at March 31, 2013	As at March 31, 2012
Accounting Software	1 38 896	0	92 996	45 900	12 32 30	7 500	92 996	3 77 34	8 166	15 666
Total :	1 38 896	0	92 996	45 900	12 32 30	7 500	92 996	3 77 34	8 166	15 666
Previous Year	12 88 96	10 000	0	13 88 96	11 56 82	7 548	0	12 32 30	15 666	

15 Inventories

(As taken, valued and certified by the Management)

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Raw Materials	34 71 909	65 77 051
Stock in Progress	32 23 928	34 86 639
Finished Goods	39 44 178	15 89 936
Stock-in-Trade	19 34 379	38 63 786
Packing Materials	2 34 963	3 09 216
Consumable Stores	1 42 905	1 17 183
	1 29 52 262	1 59 43 811

Inventory items have been valued considering the significant accounting policy no (f) disclosed in Note no. 1 to these financial statement.

Breakup of Inventories

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Raw Material		
Acetic Acid	18 01 124	19 66 602
Chlorine	6 38 454	4 56 860
Others	10 32 331	41 53 589
	34 71 909	65 77 051
Stock in Process		
Mono Chlorine Acetic Acid	32 23 928	34 86 639
Finished goods		
Mono Chlorine Acetic Acid	29 45 504	12 82 453
Sodium Mono Chloride Acetic Acid	2 86 772	1 29 572
EDTA Tetra Sodium	1 41 388	75 860
Hydro chlorine Acid	258	225
Mother Liquor of MCA	5 70 256	1 01 826
	39 44 178	15 89 936
Stock-in-Trade		
Ethyle Acetate	6 76 984	13 17 109
Acetic Acid	0	2 23 289
Others	12 57 395	23 23 388
	19 34 379	38 63 786

16 Trade Receivable

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Unsecured, Considered good		
Debts outstanding for the period exceeding six months	16 00 906	54 13 147
Others	8 66 58 683	11 14 48 022
	8 82 59 589	11 68 61 169

The amount dues by :

Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

17 Cash and Cash Equivalents

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Balances with scheduled banks		
Current / Cash Credit accounts	2 96 985	9 30 398
Fixed Deposits		
With maturity of less than 3 months	31 08 781	48 19 171
Cheques on hand	0	1 73 25 000
Cash in hand	2 21 230	1 76 084
Other Bank balances		
With maturity for more than 3 months but less than 12 month	15 213	14 009
With maturity for more than 12 month	0	11 36 712
	15 213	11 50 721
Total :	36 42 209	2 44 01 374

Note

The Fixed Deposits with a maturity of less than 3 months includes ₹ 12,32,050/- (P.Y. ₹ 9,18,600/-) deposit placed as a margin money.

18 Short-term loans and advances

(Considered good unless otherwise stated)

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Advances to Employees	3 90 332	4 24 413
Others		
Balances with /from revenue authorities	47 01 191	20 77 704
Prepaid Expenses	3 12 293	3 16 349
Security Deposits	0	50 000
Other Recoverable	32 45 621	32 92 507
	82 59 105	57 36 560
Total :	86 49 437	61 60 973

The amount dues by :

Directors		
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

19 Other Current assets

[Amount in ₹]

Particulars	As at	As at
	31st March, 2013	31st March, 2012
Interest accrued on fixed deposits	1 43 614	2 51 680
	1 43 614	2 51 680

20 Revenue from operations

[Amount in ₹]

Particulars	2012-2013	2011-2012
Sale of Products		
Manufactured Goods	24 72 08 567	22 98 58 928
Stock-in-Trade	14 26 96 935	24 40 25 691
Other Operating Revenue		
Export Incentives	11 10 854	0
	39 10 16 356	47 38 84 619

Breakup of sales of product

[Amount in ₹]

Particulars	2012-2013	2011-2012
Manufactured (net of Excise)		
Sodium monochloride	7 24 35 530	6 65 38 794
Mono Chlorine Acetic Acid	15 87 79 261	14 62 45 731
EDTA Tetra - Sodium	14 19 150	15 88 000
Hydro Chlorine Acid	16 36 575	11 95 998
Others	59 18 729	47 56 715
	24 01 89 245	22 03 25 238
Stock- in - Trade		
Ethyle Acetate	3 77 98 976	10 41 60 211
Acetic Acid	29 28 290	71 25 056
Others	10 19 69 669	13 27 40 424
	14 26 96 935	24 40 25 691

21 Other Income

[Amount in ₹]

Particulars	2012-2013	2011-2012
Interest Income		
From Banks	3 33 794	5 50 888
From Others	4 30 016	12 32 919
	7 63 810	17 83 807
Profit on disposal/retirement of fixed assets	0	52 53 610
Rentals/Compensation of Properties	0	72 500
Foreign Exchange Fluctuation	12 03 570	0
Lifting Charges of Chlorine	73 22 416	48 53 576
Other Non-Operating Income		
Balance written back		
Sundry Parties	0	4 94 184
Income Tax	0	4 05 796
	0	8 99 980
Commission	0	6 42 030
Insurance Claim	0	16 320
Miscellaneous	49 911	26 177
	49 911	6 84 527
	93 39 707	1 35 48 000

22 Cost of Material Consumed

[Amount in ₹]

Particulars	2012-2013	2011-2012
Raw Materials	13 34 12 212	14 35 51 620
Freight Charges, Inward Clearing and Commission	1 01 58 537	1 35 91 173
	<u>14 35 70 749</u>	<u>15 71 42 793</u>

Breakup of Raw Materials Consumed

[Amount in ₹]

Particulars	2012-2013	2011-2012
Acitic Acid	9 21 43 797	8 95 13 148
Chlorine	12 26 970	1 03 09 566
Others	4 00 41 445	10 69 54 367
	<u>13 34 12 212</u>	<u>20 67 77 081</u>

23 Purchase of Stock-in-Trade

[Amount in ₹]

Particulars	2012-2013	2011-2012
Purchase of stock-in-trade	12 84 87 236	22 77 40 990
	<u>12 84 87 236</u>	<u>22 77 40 990</u>

24 Changes in Inventories

[Amount in ₹]

Particulars	2012-2013	2011-2012
Closing Stock		
Finished Goods	39 44 178	15 89 936
Stock in Progress	32 23 928	34 86 639
Stock-in-Trade	19 34 379	38 63 786
	<u>91 02 485</u>	<u>89 40 361</u>
Opening Stock		
Finished Goods	15 89 936	9 18 601
Stock in Progress	34 86 639	59 46 547
Stock-in-Trade	38 63 786	49 36 022
	<u>89 40 361</u>	<u>1 18 01 170</u>
Decrease / (Increase) in Inventories	<u>(1 62 124)</u>	<u>28 60 809</u>

25 Employees Benefits Expenses

[Amount in ₹]

Particulars	2012-2013	2011-2012
Salary, Wages and Bonus	1 00 62 425	85 34 419
Contribution to Provident and other funds	7 81 979	6 84 676
Staff Welfare and Training Expense	15 63 748	13 11 451
	<u>1 24 08 152</u>	<u>1 05 30 546</u>

26 Finance Cost

[Amount in ₹]

Particulars	2012-2013	2011-2012
Interest on:		
Rupee Term loans	3 55 461	12 68 831
Other Interests	89 25 093	86 62 844
	<u>92 80 554</u>	<u>99 31 675</u>
Other Borrowing Cost		
Other ancillary Cost	2 23 416	4 37 843
	<u>2 23 416</u>	<u>4 37 843</u>
Adjustments on account of foreign exchange fluctuation	0	80 092
	<u>95 03 970</u>	<u>1 04 49 610</u>

27 Manufacturing and other Expenses

[Amount in ₹]

Particulars	2012-2013	2011-2012
Manufacturing Expenses		
Stores & Other Consumables	75 18 361	39 95 243
Power Fuel & Water Charges	97 26 612	64 84 634
Repairs and Maintenance:		
Plant, Machinery and Other Equipments	26 67 871	12 61 857
Buildings	89 24 259	22 52 858
	<u>1 15 92 130</u>	<u>35 14 715</u>
Laboratory Expenses	2 20 304	1 22 868
Job Work Charges	1 39 700	81 225
Pollution Plant Treatment	15 600	15 600
Excise duty on Finished Goods (Net)	2 58 974	89 118
	<u>2 94 71 681</u>	<u>1 43 03 403</u>
Establishment Expenses		
Professional Fees	36 06 540	14 56 710
Insurance Charges	6 28 717	11 34 656
Travelling Expenses	15 54 862	17 86 727
Rent, Rates & Taxes	20 31 962	28 91 474
Other Repairs	7 24 216	1 73 021
Auditor's Remuneration	1 50 000	1 50 000
Interest to Suppliers	17 66 112	44 50 954
Miscellaneous Expenditure	68 79 960	58 85 794
Loss on Derivative Contract	23 64 200	0
Loss on asset discarded	27 79 928	27 630
Sundry Balances Written off	1 99 454	7 44 474
Donation	1 64 500	39 750
	<u>2 28 50 451</u>	<u>1 87 41 190</u>

... Continued..

27 Manufacturing and other Expenses ... Continued..

[Amount in ₹]

Particulars	2012-2013	2011-2012
Bad Debts	8 92 885	59 19 430
Less :Provision for Doubtful Debts no longer req	0	2 31 000
	8 92 885	56 88 430
Selling and Distribution Expenses		
Clearing and Forwarding Expenses on sales	1 59 27 923	1 01 48 345
Commission	1 02 93 511	12 89 276
Packing Material Consumed	80 18 042	52 04 944
Others	21 02 203	20 80 467
	3 63 41 679	1 87 23 032
	8 95 56 696	5 74 56 055
Auditor, Remuneration is made of :		
Statury Audit Fees	1 28 000	1 28 000
Tax Audit Fees	22 000	22 000
	1 50 000	1 50 000

28 Earning per Share

[Amount in ₹]

Particulars	2012-2013	2011-2012
Net Profit/(Loss) for the year (Amount in ₹)	51 01 203	67 18 162
Number of equity shares (Weighted Average)	30 50 000	30 50 000
Nominal value of the share	10	10
Basic and diluted Earning per Share (₹)	1.67	2.20

29 Contingent Liabilities and Capital commitments

[Amount in ₹]

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
Contingent Liabilities (See Note 30 below)		
- Claims not acknowledged by as debt	1,47,07,069	2,13,40,422
- Bank Guarantee	1,00,00,000	1,00,00,000
Capital Commitments		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
- Other commitments	NIL	NIL

- 30 The company had entered in to derivatives contracts (for sale of foreign currency) with HDFC bank Limited which have already been concluded in earlier years. The company had incurred loss on such contracts against which the sum of ₹ 55,06,598/- have already been paid and charged to Statement of Profit and Loss under the head "Loss on Derivative Contract" in financial year 2008-2009. The company had also received summons / show cause notice from Mumbai Debt Recovery Tribunal in the month of May, 2009. In response to the same, based on legal advise, the company had filed its reply with appropriate authority. Pending final outcome, the management is of the opinion that the aforesaid liability is of contingent nature and therefore the company has not recognized as liability for the balance loss of ₹ 1,70,71,269/- including interest.

Further the company had fixed deposit amounting to ₹ 23,64,200/- including interest amounting to ₹ 2,21,821/- accrued thereon with HDFC Bank Limited. During the current financial year the Bank has adjusted the amount of fixed deposit against the aforesaid dues and therefore the company has charged the sum of ₹ 23,64,200/- to statement of profit and loss under the head "Loss on Derivative Contracts".

Consequent to such adjustments the liability in respect of balance loss on account of concluded derivative contracts gets reduced to ₹ 1,47,07,069/- including interest.

31 Employee Benefits

- (a) Defined contribution to Provident fund and Employee state insurance

The company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized ₹ 3,95,460/- (P.Y. ₹ 1,79,360/-) as expense towards contributions to these plans.

- (b) Defined Contribution Benefit Plans (Gratuity)

The following table sets out the status of the gratuity scheme non funded plan as at 31st March, 2013.

[Amount in ₹]

Particulars	2012-2013	2011-2012
Changes in the present value of obligation		
Present value of obligation (Opening)	10,63,162	5,63,513
Interest cost	90,369	47,899
Past service cost	NIL	NIL
Current service cost	1,54,655	1,35,243
Curtailment Cost / (Gain)	NIL	NIL
Settlement Cost / (Gain)	NIL	NIL
Benefits paid	NIL	NIL
Actuarial (Gain) / Loss	98,787	3,16,507
Present value of obligation (Closing)	14,06,973	10,63,162

... Continued..

(b) ... Continued..

[Amount in ₹]

Particulars	2012-2013	2011-2012
Changes in the fair value of plan assets		
Present value of plan assets (Opening)	NIL	NIL
Expected return on plan assets	26,338	NIL
Actuarial Gain / (Loss)	NIL	NIL
Employers Contributions	3,73,484	NIL
Employees Contributions	NIL	NIL
Benefits paid	NIL	NIL
Fair Value of Plan Assets (Closing)	3,99,822	NIL
Percentage of each category of plan assets to total fair value of plan assets at the year end		
Bank Deposits	NIL	NIL
Debt Instruments	NIL	NIL
Administered by Life Insurance Corporation of India	100%	NIL
Others	NIL	NIL
Reconciliation of the present value of defined benefit obligation and the fair value of assets		
Present value of funded obligation as at the year end	14,06,973	10,63,162
Fair value of plan assets as at year end	3,99,822	NIL
Funded (Asset)/ Liability recognised in the balance sheet	10,07,151	10,63,162
Present value of unfunded obligation as at the year end	NIL	NIL
Unrecognised past service cost	NIL	NIL
Unrecognised Actuarial (Gains) / Losses	NIL	NIL
Unfunded net liability recognised in the balance sheet	NIL	NIL
Amount recognized in the balance sheet		
Present value of obligation as at the year end	14,06,973	10,63,162
Fair value of plan assets as at the year end	3,99,822	NIL
(Asset) / Liability recognized in the balance sheet	10,07,151	10,63,162
Expenses recognized in the profit & loss account		
Current service cost	1,54,655	1,35,243
Past service cost	NIL	NIL
Interest cost	90,369	47,899
Expected return on plan assets	26,338	NIL
Curtailment Cost / (Credit)	NIL	NIL
Settlement Cost / (Credit)	NIL	NIL
Net Actuarial (Gain) / Loss	98,787	3,16,507
Employee's Contribution	NIL	NIL
Total expenses recognized in the profit and loss A/c.	3,17,473	4,99,649
Principal actuarial assumption (Rate of Discounting)		
Rate of discounting	8.25%	8.05%
Expected return on plan assets	9.00%	NIL
Rate of increase in salaries	6.00%	6.00%
Attrition Rate (Employees opting for early retirement)	2.00%	2.00%

The estimates of future salary increases take account of inflation, seniority, promotion and mortality assumption and other relevant factors such as demand and supply in the employment market, considered in actuarial valuation.

- 32 The Company operates within a solitary business segment i.e. dealing & manufacturing of chemicals, the disclosure requirements of Accounting Standard – 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

33 Related Party Disclosures

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

- (a) List of related parties with whom transactions have taken place during the year and relationship:

Sr. No.	Name of related party	Relationship
1 2	Krishna Orgochem Adonis Lifecare Private Limited	Enterprise over which key management personnel exercise significant influence by controlling interest
3 4	Kandarp K. Amin Archana K. Amin	Key Management Personnel
5 6 7	Archit K. Amin Suchit K Amin Shimoli A. Amin	Relative of Key Management Personnel

- (b) Transactions with related parties

[Amount in ₹]

Sr. No.	Nature of transaction	2012-2013	2011-2012
(i)	Managerial Remuneration		
	- Key Management personnel	24,00,000	21,00,000
	- Relative of Key management Personnel	14,40,000	11,40,000
(ii)	Interest Expenses		
	- Key Management Personnel	13,24,618	--
	- Enterprise over which key management personnel exercise significant influence by controlling interest	18,57,415	1,07,290
(iii)	Rendering or Receiving of services		
	- Key Management personnel	16,20,000	16,20,000
(iv)	Unsecured loan (Taken During the year)		
	- Enterprise over which key management personnel exercise significant influence by controlling interest	2,35,58,689	1,71,06,590
	- Key Management Personnel	60,88,064	1,01,75,000
	- Relative of Key management Personnel	8,50,000	--
(v)	Unsecured loan (Repaid During the year)		
	- Enterprise over which key management personnel exercise significant influence by controlling interest	2,34,89,701	1,09,80,497
	- Key Management Personnel	60,28,064	69,30,000
	- Relative of Key management Personnel	8,50,000	--

(c) Outstanding Balances as on 31st March, 2013

[Amount in ₹]

Sr. No.	Particulars	As at 31 st March, 2013	As at 31 st March, 2012
(i)	Key Management Personnel and Relatives		
	- Due by company		
	As Unsecured Loan	97,20,000	96,60,000
	As Trade Payable	24,849	3,58,391
(ii)	Enterprise over which key management personnel exercise significant influence by controlling interest		
	- Due by company as unsecured loan		
	As Unsecured Loan	1,45,50,000	1,44,00,000
	As Interest accrued but due on unsecured loan	--	81,012

34 Pursuant to Accounting Standard-29, Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March, 2013 is as follows :

Provisions

[Amount in ₹]

Particulars	Provision for Excise duty and other Expenses
Opening Balance	15,32,674
Additions	16,80,279
Payments	13,57,775
Reversals	1,74,899
Closing Balance	16,80,279

35 Balances of Trade Payables, Trade Receivable and Loans and Advances are subject to confirmations and reconciliation if any, by the respective parties.

36 Statement of Management

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- (b) Balance Sheet and Statement of Profit and Loss read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 1956 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review

37 Additional information, to the extent applicable, required under para 5(8) of part-II of Schedule VI to the Companies Act, 1956.

(A) Composition of Raw Materials Consumption:

Raw Material consumption	2012-2013		2011-2012	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Imported	6,97,31,461	52.27	6,31,58,793	44.00
Indigenous	6,36,80,751	47.73	8,03,92,827	56.00
Total :	13,34,12,212	100.00	14,35,51,620	100.00

(B) Value of Imports on CIF Basis:

[Amount in ₹]

Particulars	2012-2013	2011-2012
Raw Materials	6,57,05,567	6,44,13,238
Traded Goods	NIL	NIL

(C) Earning in Foreign Currency:

[Amount in ₹]

Particulars	2012-2013	2011-2012
F.O.B. Value of Export	20,39,15,523	12,80,70,892

(D) Expenditure in Foreign Currency (on payment basis):

[Amount in ₹]

Particulars	2012-2013	2011-2012
Traveling	12,16,317	11,73,379
Commission	7,45,259	10,71,792
Legal Fees	10,27,530	--
Total :	29,89,106	22,45,171

38 The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current year.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

SANDIP A. PARIKH
Partner
Mem. No. 40727

KANDARP K. AMIN
Chairman & Whole time Director

ARCHNA K. AMIN
Director

Place : Ahmedabad
Date : 18th May, 2013

Place : Ahmedabad
Date : 18th May, 2013

ARCHIT ORGANOSYS LIMITED.
 Registered Office: Plot No. 25/9/A, Phase III, G.I.D.C.
 Naroda, Ahmedabad - 382 330

ATTENDANCE SLIP

Member's Folio Number/ DP ID & Client ID No.	Name of the Member (IN BLOCK LETTERS)	No. of Shares Held

E-mail :

(Please complete this Attendance Slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the Annual General Meeting of the Company to be held at Registered Office of the Company at Plot No. 25/9/A, Phase III, G.I.D.C., Naroda, Ahmedabad on Monday, 12th August, 2013 at 11.00 a.m.

Name of the proxy*
 (IN BLOCK LETTERS)

(*To be filled in case the proxy attends instead of the Member)

Signature of the shareholder / Proxy

(To be signed at the time of handing over this slip)

✓

ARCHIT ORGANOSYS LIMITED.
 Registered Office: Plot No. 25/9/A, Phase III, G.I.D.C.
 Naroda, Ahmedabad - 382 330

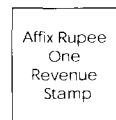
PROXY FORM

I/Weof.....in the District ofbeing a member(s) of ARCHIT ORGANOSYS LIMITED, hereby appoint Mr.Of.....in the district of.....or falling him/her Mr.ofin the district ofas my / our proxy to vote for me / us on my / our behalf at the Annual General Meeting of the company to be held at Registered Office of the Company at Plot No. 25/9/A, Phase III, G.I.D.C., Naroda, Ahmedabad on Monday, 12th August, 2013 at 11.00 a.m. and at any adjournment thereof.

As Witness my / our hand(s) thisday of2013

Folio No. / DP ID & Client ID No.

No. of Shares Held.....



Signature

Note: The proxy form (dully filled up and signed) must be deposited at the registered office of the company, not less than 48 hours before the time for holding of the aforesaid meeting and the proxy need not be a member of the company.

BOOK-POST

if undelivered, please return to
ARCHIT ORGANOSYS LIMITED
Plot No. 25/9/A
Phase-III, G.I.D.C.,
Naroda, Ahmedabad 382 330.