



A-401, 4th FLOOR, MASTERMIND III, ROYAL PALMS ESTATE, AAREY MILK COLONY, GOREGAON (EAST), MUMBAI-400 065.
Tel. : +91 22 2871 0505 Fax : +91 22 2871 7500 Url : www.lifelinepharma.in

29TH ANNUAL AUDIT REPORT

ASSESSMENT YEAR :- 2011-2012

FINANCIAL YEAR :- 2010-2011



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NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the members of **LIFELINE DRUGS & PHARMA LIMITED** will be held on 29th September, 2011 on Thursday at 2.00 P. M. at the Registered Office of the Company at A-Wing, 401, Mastermind III, Royal Palm, Aarey Milk Colony, Goregaon (East), Mumbai - 400 065 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kiran R. Yedery who retires by rotation and being eligible offered himself for re-appointment.
3. To appoint a Director in place of Mr. Bharat K. Shah who retires by rotation and being eligible offered himself for re-appointment.
4. To appoint Auditors 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 an Ordinary Resolution:

"RESOLVED THAT Mr. Arvind Chaturvedi, who was appointed as an Additional Director of the Company by the Board of Directors and who ceases to hold office under Section 260 of the Companies Act, 1956, and in respect of whom the company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT any one of the Directors of the Company be and hereby authorised to file necessary form for the appointment of the Director with the Registrar of Companies, Mumbai and so all such acts, deeds and things as may be necessary in the matter."



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

"RESOLVED THAT Mr. Narayan A. Bhandarkar, who was appointed as an Additional Director of the Company by the Board of Directors and who ceases to hold office under Section 260 of the Companies Act, 1956, and in respect of whom the company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT any one of the Directors of the Company be and hereby authorized to file necessary form for the appointment of the Director with the Registrar of Companies, Mumbai and so all such acts, deeds and things as may be necessary in the matter."

BY ORDER OF THE BOARD OF DIRECTORS


MANAGING DIRECTOR



Place:- Mumbai
Date :- 02.09.2011

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A proxy form duly completed and stamped, must reach the Registered Office of the Company, not less than 48 hours before the time fixed for the meeting.
3. The Register of member and the Share Transfer Books of the Company will be closed from 25th September, 2011 to 30th September, 2011 (both days inclusive) for the purpose of covering of Annual General Meeting.
4. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. In any correspondences with the Company, Members are requested to quote their account / folio numbers.
6. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility by filing Form 2B.



7. All the documents referred to in the Notice and Explanatory statement are open for inspection at the Registered office of the Company between the hours of 10.00 am and 12.00 noon on all days except Saturdays, Sundays and holidays until the date of the Annual General Meeting or any adjournment thereof.
8. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

PLACE: MUMBAI

BY ORDER OF THE BOARD OF DIRECTORS

DATE: 02.09.2011


MANAGING DIRECTOR



EXPLANATORY STATEMENT

(Pursuant to the provision of section 173 (2) of the Companies Act, 1956.)

Item No.6 & 7:

Your Board of Directors had, in the Board meeting, appointed Mr. Arvind Chaturvedi and Mr. Narayan A. Bhandarkar as Additional Directors of the Company in accordance with the provision of section 260 of the Companies Act, 1956. They hold office as Directors only up to the date of ensuing Annual General Meeting.

The Company has received notice under Section 257 of the Companies Act, 1956 along with the requisite deposit, proposing their candidate for the appointment as Directors of the Company. The Board considers it desirable that the Company should continue to avail itself of their services. Proposed appointment of Directors requires the approval of members in the General Meeting. The Board recommends that the Ordinary Resolution be passed.

None of the Directors are interested in the resolution.

PLACE: MUMBAI

BY ORDER OF THE BOARD OF DIRECTORS

DATE: 02.09.2011


MANAGING DIRECTOR





Lifeline DRUGS & PHARMA LIMITED

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DIRECTOR'S REPORT

To,
The members of LIFELINE DRUGS & PHARMA LIMITED

Your Director have pleasure in presenting the Twenty Ninth Annual Report along with the audited statement of account for the year ended on 31st March, 2011.

FINANCIAL PERFORMANCE:

The Financial results of the company are summarized as under:-

<u>Particulars</u>	<u>31.03.2011</u>	<u>31.03.2010</u>
Total Revenue	15,26,09,500	62,61,90,500
Total Expenditure	15,26,43,887	62,21,91,748
Profit Before Interest, Depreciation and Taxation (PBIDT)	(34,387)	39,98,752
Interest	--Nil--	--Nil--
Depreciation	--Nil--	--Nil--
Profit Before Tax	(34,387)	39,98,752
Provision for Income Tax	--Nil--	13,40,000
Profit after Tax	(34,387)	26,58,752
Balance Carried forward to Balance Sheet	(34,387)	19,77,964
Equity Share Capital	24,00,000	24,00,000
Reserves	1,10,02,995	1,10,30,534
Shareholders Fund	1,34,02,995	1,34,30,534
EPS	(0.14)	11.08

DIVIDEND:

Due to insufficient availability of Profits, Directors do not recommend any dividend for the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed;

- (i) That in the preparation of the accounts for the period ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and profit of the Company for the year under review;



- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the period ended on 31st March, 2011 on a 'going concern' basis.

AUDITORS:

LKM & Co., Chartered Accountants, Statutory Auditor of the Company retires and being eligible for reappointment. The company has obtained certificate from Auditors to the effect that their reappointment, if made would be within the prescribed limit under section 224 (1) of the Companies Act. The members are requested to appoint auditors and fix their remuneration.

ADDITIONAL INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS UNDER THE BOARD OF DIRECTORS) RULES, 1988.

A] CONSERVATION OF ENERGY:

The activities of the company do not involve any consumption of the energy hence particulars relating to conservation of energy are not given.

B] TECHNOLOGY ABSORPTION:

The activities of the company do not involve any technology absorption of expenditure on research and development.

C] FOREIGN EXCHANGE EARNING AND OUTGO:

The activities of the company do not involve any Foreign Exchange earning and outgo.

FOR AND ON BEHALF OF BOARD



M. L.
CHAIRMAN

Place: - Mumbai
Dated: -02/09/2011



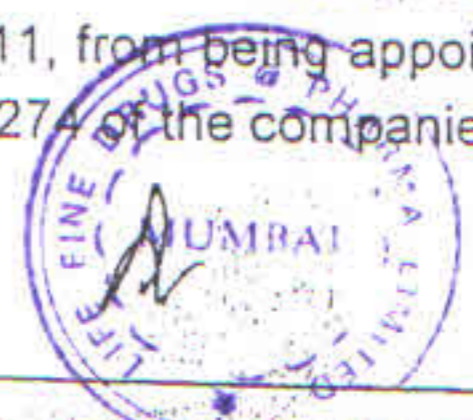


AUDITORS' REPORT

**To the Members of
LIFELINE DRUG & PHARMA LIMITED**

1. We have audited the attached Balance Sheet of **Lifeline Drug & Pharma Limited** as at 31st March 2011, the Profit & Loss Account and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003 as amended by the Companies (Auditors Report) (Amendment) order, 2004 (the Order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (the Act), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) 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.
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (iii) The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, the Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, we report that none of the directors is disqualified as on 31st March 2011, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the companies Act, 1956.

B



- (vi) In our opinion and to the best of our information and according to the explanation given to us as required by the Companies Act, 1956, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India and also :
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (b) In the case of the Profit and Loss Account, of the Loss for the year ended on that date;
 - (c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For LKM & CO.
Chartered Accountants
FRN : 126823W



Laxmikant Malpani
(Proprietor)
M.No.106989

Place: Mumbai
Dated: 02-09-2011



ANNEXURE TO THE AUDITOR'S REPORT *

(* Referred to in paragraph 2 of our Report of even date on the accounts of LIFELINE DRUG & PHARMA LIMITED for the year ended 31st March, 2011.)

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details except situation of fixed assets on the basis of information available.
 - b) As explained to us, the fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such physical verification.
 - c) The Company has disposed off fixed assets during the year which may not affect the going concern assumption. (Refer Note No.5)

2. In respect of Inventories:-
 - a) The management has physically verified the inventory during the year. In our opinion and according to explanation given to us, the frequency of verification is reasonable.
 - b) The procedure followed by the management for verification of inventory is reasonable and adequate in relation to the size of the Company and its nature of business.
 - c) In our opinion and according to explanation given to us the Company has maintained adequate records of its inventory and no material discrepancies were noticed in physical verification.

3. In respect of the loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a) The Company has not granted loan to any party in previous year.
 - b) The Company has not taken unsecured loans from any third parties in the year 2010-11.

4. In our, opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and with regard to the sale of services. During the course of our audit, no major weakness has been noticed in the internal control in respect of these areas.

5.
 - a) According to the information and explanations given to us, transactions that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, Company has not entered into any transaction pursuance of contract or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rupees Five Lacs) or more in respect of any party.

A



6. The Company has not accepted any deposit from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
7. In our opinion the Company has adequate internal audit system commensurate with its size and nature of its business.
8. The Company is not required to maintain cost records as per provisions of section 209(1)(d) of the Companies Act, 1956.
9. (a) As per information and explanations given to us, provisions of Provident Fund Act, Investor Education and Protection Fund Act and Employee's State Insurance are not applicable to the Company. The Company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, wealth tax, and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed statutory dues were in arrears, as at 31st March, 2011 except Sales Tax of Rs. 5,45,223/- due in regular course of business which is due for more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no dispute in the matter of sales tax, income tax, wealth tax; customs duty, excise duty and cess exist as at 31st March 2011.
10. The Company does not have accumulated loss at the end of financial year and at the end of preceding Financial Year and have incurred cash losses of Rs. 34,387/- in the financial year covered by our audit.
11. Based on our audit procedure and on the information and explanations given by the management, we are opinion that the Company is not in default in repayment of dues to financial institution or banks.
12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
13. In our opinion, the Company is no a chit fund or a nidhi / mutual benefit fund society.
14. The Company has not dealt or traded in shares, securities, debentures or other investments during the year.
15. According to the information and explanations and given to us, the Company has not given any guarantee for loan taken by others from bank or financial institutions.
16. The Company has not raised any term loans during the year and hence, this clause is not applicable.



17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that no fund raised on short-term basis has been used for long term investment.
18. The Company has not issued any preferential allotment of shares during the year.
19. The Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For LKM & CO.
Chartered Accountants
FRN : 126823W

L. K. Malpani

Laxmikant Malpani
(Proprietor)
M.No.106989

Place: Mumbai
Dated: 02-09-2011



LIFELINE DRUGS & PHARMA LIMITED

Balance Sheet at 31st March, 2011

	Schedule	As At 31st March, 2011 Rs	As At 31st March, 2010 Rs
Sources of Funds			
Shareholders' Funds			
Share Capital	"A"	24,00,000	24,00,000
Reserves & Surplus	"B"	1,09,96,147	1,10,30,534
Unsecured Loan	"C"	-	1,00,57,655
Total		1,33,96,147	2,34,88,189
Application of Funds			
Fixed Assets			
	"D"	-	1,45,31,134
Current Assets, Loans & Advances			
Inventories	"E"	43,960	1,00,31,960
Sundry Debtors	"F"	1,44,37,650	1,11,27,424
Cash & Bank Balances	"G"	5,76,419	5,15,207
Loans & Advances	"H"	4,26,700	7,39,400
		1,54,84,729	2,24,13,991
Less: Current Liabilities & Provisions			
Current Liabilities	"I"	5,74,419	1,19,42,773
Provisions	"J"	15,14,163	15,14,163
		20,88,582	1,34,56,936
Net Current Assets		1,33,96,147	89,57,055
Total		1,33,96,147	2,34,88,189
Significant Accounting Policies and Notes on Accounts	"P"	-	-

As per our attached report of even date.

For LKM & Co.,

Chartered Accountants,

FRN No. 126823W

L. K. Malpani

L. K. Malpani

(Proprietor)

M No. 106989

Place : Mumbai

Date : 02.09.2011

For and on behalf of Board
LIFELINE DRUGS & PHARMA LTD.

(Signature)
(Director)

(Signature)
(Director)



LIFELINE DRUGS & PHARMA LIMITED

Profit & Loss Account for the year ended 31st March, 2011.

	Schedule	As At 31st March, 2011 Rs	As At 31st March, 2010 Rs.
INCOME			
Sales - Net	"K"	16,25,97,500	62,24,40,000
Increase / (Decrease) in Stock	"L"	(99,88,000)	37,50,500
TOTAL		15,26,09,500	62,61,90,500
EXPENDITURE			
Purchases		15,16,92,750	62,05,04,500
Employees Remuneration & Benefits	"M"	4,65,007	2,95,481
Interest	"N"	7,451	19,047
Administrative & Office Expenses	"O"	4,78,679	13,72,720
TOTAL		15,26,43,887	62,21,91,748
Profit before Taxation		(34,387)	39,98,752
Provision for Taxation :			
-Current Taxes		-	13,40,000
-Fringe Benefit Tax		-	-
Profit after Taxation		(34,387)	26,58,752
Excess\Short Provision for Tax of earlier year		-	-
Profit Available for Appropriation		(34,387)	26,58,752
Appropriations :			
-Transfer to General Reserve		-	4,00,000
-Proposed Dividend		-	2,40,000
-Tax on Dividend		-	40,788
Balance Carried to Balance sheet		(34,387)	19,77,964
Earning Per Share (Basic) - EPS		(0.14)	11.08

Significant Accounting Policies and
Notes on Accounts

"P"

As per our attached report of even date.
For LKM & Co.,
Chartered Accountants
FRN No. 126823W

L. K. Malpani
L. K. Malpani
(Proprietor)
M No. 106989

Place : Mumbai

For and on behalf of Board
LIFELINE DRUGS & PHARMA LTD



[Signature]
(Director)



LIFELINE DRUGS & PHARMA LIMITED

Schedule Annexed to and forming part of Balance Sheet at 31st March, 2011.

	As At 31st March, 2011 Rs	As At 31st March, 2010 Rs.
SCHEDULE "A"		
SHARE CAPITAL		
Authorised		
50,00,000 (50,00,000) Equity Shares of Rs.10/- each	5,00,00,000	5,00,00,000
Total	5,00,00,000	5,00,00,000
Issued, Subscribed & Paid Up		
2,40,000 (2,40,000) Equity Shares of Rs.10/- each Fully Paid up	24,00,000	24,00,000
Total	24,00,000	24,00,000
SCHEDULE "B"		
RESERVES & SURPLUS		
General Reserve		
As per last balance sheet	22,18,624	22,18,624
Profit & Loss Account		
Opening Balance	88,11,910	68,33,946
Profits for the year	(34,387)	19,77,964
	87,77,523	88,11,910
Total	1,09,96,147	1,10,30,534
SCHEDULE "C"		
UNSECURED LOAN		
From Directors	-	1,00,57,655
	-	1,00,57,655
SCHEDULE "D"		
Fixed Assets		
Factory Land At MIDC Tarapur	-	78,72,590
Capital Work In Progress	-	66,58,544
Total	-	1,45,31,134
SCHEDULE "E"		
INVENTORIES		
(Valued at cost or market value whichever is less)		
Trading Materials	-	99,88,000
Shares & Securities	43,960	43,960
Total	43,960	1,00,31,960



Schedule Annexed to and forming part of Balance Sheet at 31st March, 2011.

	As At 31st March, 2011 Rs	As At 31st March, 2010 Rs.
SCHEDULE "F"		
SUNDRY DEBTORS		
(Unsecured & Considered good)		
- More than six months		
- Other Debts	1,44,37,650	1,11,27,424
	<u>1,44,37,650</u>	<u>1,11,27,424</u>
SCHEDULE "G"		
CASH & BANK BALANCES		
Cash on Hand	4,20,400	3,76,144
Balance with Scheduled Banks In Current Account	1,56,019	1,39,063
	<u>5,76,419</u>	<u>5,15,207</u>
SCHEDULE "H"		
LOANS & ADVANCES		
(Unsecured & Considered good)		
Advances recoverable in cash or kind or for value to be received	4,26,700	7,39,400
	<u>4,26,700</u>	<u>7,39,400</u>
SCHEDULE "I"		
CURRENT LIABILITIES		
Sundry Creditors	29,781	1,17,92,969
Other Liabilities	5,44,508	1,49,674
Unclaimed Dividend	130	130
	<u>5,74,419</u>	<u>1,19,42,773</u>
SCHEDULE "J"		
PROVISIONS		
Provision for Income Tax (Net of Advance Tax)	12,33,375	12,33,375
Proposed Dividend	2,40,000	2,40,000
Tax on Proposed Dividend	40,788	40,788
	<u>15,14,163</u>	<u>15,14,163</u>



LIFELINE DRUGS & PHARMA LIMITED

Schedule forming part of Profit & loss Account For the year ended 31st March, 2011.

	As At 31st March, 2011 Rs.	As At 31st March, 2010 Rs.
SCHEDULE "K"		
SALES		
Sale of Goods (Intermediates)	16,25,97,500	62,24,40,000
	<u>16,25,97,500</u>	<u>62,24,40,000</u>
SCHEDULE "L"		
INCREASE/ (DECREASE) IN STOCKS		
Opening Stock	1,00,31,960	62,81,460
Closing Stock	43,960	1,00,31,960
	<u>(99,88,000)</u>	<u>37,50,500</u>
SCHEDULE "M"		
EMPLOYEES REMUNERATION & BENEFITS		
Salaries, Bonus & allowances	4,61,682	2,80,181
Staff Welfare Expenses	3,325	15,300
	<u>4,65,007</u>	<u>2,95,481</u>
SCHEDULE "N"		
INTEREST		
Interest and Bank Charges	7,451	19,047
	<u>7,451</u>	<u>19,047</u>
SCHEDULE "O"		
ADMINISTRATION & OTHER EXPENSES		
Professional Fees	77,210	2,33,948
<u>Payment to Auditors:-</u>		
Audit Fees	22,060	55,150
Taxtion Matters	5,515	16,545
Certification	2,206	38,605
Printing & Stationery	1,120	5,870
Travelling Expenses	2,980	19,875
Postage, Telegram & Telephone	1,210	18,628
Advertisement Expenses	38,376	52,416
Rates & Taxes	-	5,000
Director Remuneration	-	9,00,000
Registration & Transfer Fees	28,466	26,683
Sundry Balance W/off	2,99,536	-
	<u>4,78,679</u>	<u>13,72,720</u>





AUDITORS CERTIFICATE

We have examined the compliance of conditions of corporate Governance by **LIFELINE DRUGS & PHARMA LTD.** formerly known as Sidhi Holdings and Traders Pvt. Ltd., for the year ended 31/3/2011, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the institute of Chartered Accountants of India and was limited to Procedures and implementation thereof, adopted by the Company for ensuring the compliance of the condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

Place : Mumbai
Date : 02.09.2011



For LKM & Co.
Chartered Accountants
FRNo. 126823W

L. K. Malpani



Laxmikant Malpani
Proprietor
Membership No. 106989

SCHEDULE - "P"
NOTES ON ACCOUNTS

A: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT.

1. Basis Of Accounting

The financial statements are prepared on accrual basis following the historical cost convention in accordance with Indian Generally Accepted Accounting Principles (GAAP). GAAP comprises the mandatory Accounting Standards (as applicable to Small and Medium Sized Enterprises) referred to in Section 211 (3C) and other requirements of the Companies Act, 1956.

2. Use of Estimates

The preparation of financial statements in conformity with I-GAAP requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period.

3. Revenue Recognitions

All incomes are recognized on accrual basis. Sales are recognized up to the transfer of significant risk and reward of ownership to the customers.

4. Expenditure

Expenses are accounted on accrual basis and provision is made for all known losses and liabilities.

5. Inventories

The Inventories are valued at cost and FIFO basis and realizable value Which ever is lower.

6. Taxes on Income

Current tax is determined based on the provisions of the Income Tax Act, 1961 including treatment of Retention amount as a contingent amount taxable in the year of its accrual/receivable.

B: NOTES TO ACCOUNTS

1. Contingent Liability : NIL
2. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.
3. Loans & Advances, Deposits and Sundry Creditors, Sundry Debtors are subject to confirmation.
4. FOREIGN CURRENCY TRANSACTIONS : During the previous year there was no transaction in Foreign currency.
5. During the company has disposed off the Fixed Assets which contains Land and Capital Work in progress, which was adjusted against the creditors balance.



6. In accordance with the requirement of Accounting Standard 17, Segmental Reporting, the company has only one Segment during the previous year, hence it is not required to give report on the same.
7. Related Party Disclosure
As per Accounting Standard - 18, Issued by Institute of Chartered Accountant of India, the disclosures of transactions with related parties and define in the Accounting Standard are given below.

Related Parties

- a) Prominent Tours & Travels Pvt.Ltd.
b) Nikunj Kankia - Director
c) Pratick Garodia - Director

Transaction with Related Parties

Sr.No.	Nature of Transaction	Enterprises owned or significantly influenced by key management personnel their relatives		Key Management Persons & Relatives	
		Current Year	Previous Year	Current Year	Previous Year
1	Loan / Advance Taken	Nil	Nil	Nil	Nil
2	Staff Welfare	Nil	Nil	Nil	Nil
3	Travelling Expenses	Nil	Nil	Nil	Nil
4	Directors Remuneration	Nil	Nil	Nil	Nil
5	Printing & Stationery	Nil	Nil	Nil	Nil
6	Conveyance	Nil	Nil	Nil	Nil
7	Postage	Nil	Nil	Nil	Nil

8. Auditors' Remuneration includes:

Particulars	Current Year	Previous Year
Audit Fees	22,060	55,150
Taxation Matters Fees	5,515	16,545
Certification fees	2,206	38,605

9. As required by Accounting Standard 20 issued by The Institute of Chartered Accountant of India, the reporting in respect of Earning per Share (EPS) is as follows

Particulars	Current Year	Previous Year
Profit Available for equity shareholders	(34,387)	26,58,752
Weighted average no. of equity shares	2,40,000	2,40,000
Basic earning per share	(0.14)	11.08
Diluted earning per share	(0.14)	11.08
Nominal value of share	10	10

10. There are no reportable amount of dues on account of principal and interest or any such payments during the year as required by Micro, Small and Medium Enterprises Development Act,2006 in respect of Micro Enterprises and Small enterprises as defined in the Act. This is based on information made available to the company by such Enterprises.



11. During the previous year open offer has been submitted by Merchant banker to acquire 48000 equity share by Ivory Consultants Pvt. Ltd. On 30.09.2010.

12. Additional information pursuant to the provision of para 3,4C and 4D of part II of the Schedule VI to the Companies Act, 1956.

(a) Company is a trading company hence the clause regarding capacities, production, raw material consumed is not applicable.

(b) Details of Quantitative trading of Shares & Securities

Particulars	Current Year		Previous Year	
	Qty	Value	Qty	Value
Opening Stock	5000	43960	5000	43960
Purchase	-	-	-	-
Sales	-	-	-	-
Closing Stock	5000	43960	5000	43960

(c) Quantitative details of Trading Materials

Particulars	Current Year		Previous Year	
	Qty	Value	Qty	Value
Opening Stock				
5 Bromo Indol	Nil	Nil	Nil	Nil
4-8 Chloro -5,6 Dihydro-1,1H	800	99,88,000	500	62,37,500
Purchase				
5 Bromo Indol	Nil	Nil	Nil	Nil
4-8 Chloro -5,6 Dihydro-1,1H	12,150	16,92,750	49,700	62,05,40,000
Sales				
5 Bromo Indol	Nil	Nil	Nil	Nil
4-8 Chloro -5,6 Dihydro-1,1H	12,950	16,25,97,500	49,400	62,24,40,000
Closing Stock				
5 Bromo Indol	Nil	Nil	Nil	Nil
4-8 Chloro -5,6 Dihydro-1,1H	Nil	Nil	800	99,88,000

(d) Closing Stock

As At 31.03.2011

Amount

(i) Shares:

1000 Equity Shares of `10/- each fully
Paid up of Growel Timesof Ltd.

16,000

4000 Equity Shares of `10/- each fully
Paid up of Kanoria Fluers & naturals Ltd.

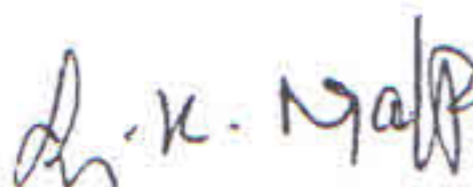
27,960


Total

43,960

For LKM & Co.,
Chartered Accountants,

For Lifeline Drugs & Pharma Ltd.


L K Malpani
(Proprietor)


Director


Director

Palce: - Mumbai
Date: -02.09.2011



LIFELINE DRUGS & PHARMA LIMITED

CASH FLOW STATEMENT FOR THE YEAR
ENDED 31ST MARCH, 2011

	31 March 2011.	31 March 2010.
A) <u>Cash Flow from Operational Activities</u>		
Net profit before tax & extraordinary items	(34,387)	39,98,752
<u>Adjustments for</u>		
Preliminary Expenses W/Off	-	-
Operating Profit before working capital changes	(34,387)	39,98,752
Adjustments for :		
Sundry Debtors	(33,10,226)	(12,69,244)
Inventories	99,88,000	(37,50,500)
Loans & Advances	3,12,700	(11,000)
Sundry Creditors	(1,17,63,188)	33,07,101
Other Liability	3,94,834	66,286
Cash From Operations	(44,12,267)	23,41,395
Direct Taxes Paid (FBT P.Y.)	-	(17,76,625)
Net Cash from operating activities (A)	(44,12,267)	5,64,770
B) <u>Cash Flow for Investing Activities</u>	1,45,31,134	
Purchase of Fixed Assets	-	(2,23,801)
Net cash used in the Investment Activities (B)	1,45,31,134	(2,23,801)
C) <u>Cash Flow from Financing Activities</u>		
Dividend Paid	-	(2,40,985)
Dividend Tax Paid	-	(40,788)
Unsecured Loans	(1,00,57,655)	-
Net Cash from Financing Activities (C)	(1,00,57,655)	(2,81,773)
Net(Decrease)/ Increase in Cash & Cash Equivelants A+B	61,212	59,196
Cash & Cash Equivelent At the beginning of the year	5,15,207	4,56,010
Cash & Cash Equivelent At end of the year	5,76,419	5,15,207

For LKM & Co.,
Chartered Accountants

L. K. Malpani

L. K. Malpani
(Proprietor)

M No. 106989

Place : Mumbai

Date : 02.09.2011

For and on behalf of Board
LIFELINE DRUGS & PHARMA LTD.

(Signature)
(Director)

(Signature)
(Director)



ADDITIONAL INFORMATION PURSUANT TO PART IV TO THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

D) Registration Details	
Registration No.	28972
State Code:	11
Balance Sheet Date:	31.03.2011
II) Capital Raised During The Year	
Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Private Placement	Nil
III) Position of Mobilisation and Development of Funds	
Total Liability	1,33,96,147
Total Assets	1,33,96,147
<u>Sources of Funds</u>	
Paidup Capital	24,00,000
Reserves & Surplus	1,09,96,147
Secured Loans	Nil
Unsecured Loans	Nil
<u>Application of Funds</u>	
Net Fixed Assets	Nil
Investments	Nil
Net Current Assets	1,33,96,147
Deferred Tax Assets	Nil
Miscellaneous Exps.	Nil
IV) Performance of Company	
Total Turnover	16,25,97,500
Total Expenditure	15,26,41,106
Profit(+) / Loss (-) before Tax	(34,387)
Profit(+) / Loss (-) after Tax	(34,387)
Earning Per Share (Rs)	(0.14)
Dividend %	Nil
V) Generic Names of Three Principal Products/Service of Company (As per Monetary Terms)	
Item Code(ITC Code)	0204
Products Description	Trading

As per our Report of Even Date
For L K M & Co.,
Chartered Accountants,

L K Malpani
(Proprietor)

Place: Mumbai
Date: 02.09.2011



For & Behalf of Board
Lifeline Drugs & Pharma Ltd.

Director



Director