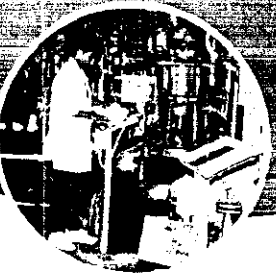


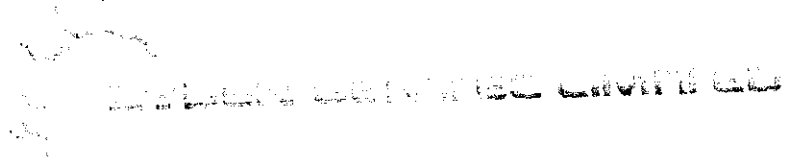


ZYDEN GENTEC LIMITED

Annual Report 2009-10



Chemistry
for a better
Life



BOARD OF DIRECTORS

Vinod S Gupta
Promoter & Non- Executive Chairman

Chandra Mohan Sharma
Non-Executive & Independent Director

Niranjan Kumar Agarwal
Non-Executive & Independent Director

Rajesh Sharma
Non-Executive & Independent Director

S. N. Sharma
Non-Executive & Independent Director
(Appointed as an Additional Director w.e.f. 28th July, 2010)

V.V. Kameswara Rao
Executive & Independent Director
(Appointed as an Additional Director w.e.f. 28th July, 2010)

COMPANY SECRETARY & COMPLIANCE OFFICER

Divya Jain
Company Secretary

AUDITORS

P Murali & Co.
Chartered Accountants,
6 / 3 / 655 / 2 / 3, Somajiguda, Hyderabad - 500 082

Anand Jain & Company
Chartered Accountants,
C-11/24, Kaveri Path, Shopping Centre, Mansarovar, Jaipur - 302 020

ADVISORS

Dr. R. Marayya, M.Sc., Ph.D
13-6-438/A/83, Sri Satyanayanagar, Hyderabad-500028

V M & Associates
Company Secretaries, 403, Royal World, S. C. Road, Jaipur - 302 001

ZYDEN GENTEC LIMITED

REGISTERED OFFICE

143/1, Deep Shree Building,
Kotri - Gumanpura Road, Kota - 324 007
Tel. No.: 0744-3291705, Fax: 0744-2392196
E-mail: zyden@dataone.in,
Web: www.zydengentec.com

ADMINISTRATIVE OFFICE

1-1-40 / 1, Vasavi Towers, Flat No. 301, 3rd Floor,
S. D. Road, Secunderabad - 500 003
Tel. No.: 040-27845404 ,30522887, Fax: 040-27848483
E-mail: zyden@dataone.in,
Web: www.zydengentec.com

BANKERS

Punjab National Bank
State Bank of Hyderabad
HDFC Bank Ltd.
SIDBI

REGISTRAR & SHARE TRANSFER AGENT

Aarthi Consultants Private Limited
1-2-285, Domalguda, Hyderabad - 500 029
Tel. No.: 040-27638111, Fax: 040-27632184
E-mail: info@arthiconsultants.com

MANUFACTURING FACILITY

UNIT -I

Sy. No. 168, IDA Bollaram, Jinaram Mandal,
Medak District, Hyderabad (AP)
Tel & Fax: 08458-279815

UNIT -II

Plot No.13, Industrial Area, Bhimpura, Kota (Raj)
Tel : 0744-2112267
E-mail: plant@zydengentec.com

(Members are requested to bring their copy of the Annual Report at the Annual General Meeting)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of "ZYDEN GENTEC LIMITED" will be held on Monday, the 20th day of September, 2010 at Plot No. 13, Industrial Area, Bhimpura, Kota, Rajasthan - 325 003 at 12.30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2010, Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Chandra Mohan Sharma, who retires by rotation, and not seeking re-election, be not re-appointed.
3. To appoint a Director in place of Mr. Niranjana Kumar Agarwal, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint M/s Anand Jain & Company, Chartered Accountants, Jaipur and M/s P Murali & Co., Chartered Accountants, Hyderabad as Joint Statutory Auditors 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. S. N. Sharma, who was appointed as an Additional Director, pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from one of its Member proposing his candidature for the office of Director under the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

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

"RESOLVED THAT Mr. V. V. Kameswara Rao, who was appointed as an Additional Director of the Company with effect from 28th July, 2010, and who holds office upto the date of the ensuing Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing

from one of its member proposing his candidature for the office of Director under the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof) and all other statutory provisions, approvals, as may be applicable, the consent of the Company be and is hereby accorded to the appointment of Mr. V V Kameswara Rao, as a Whole-time Director of the Company for a period of 5 (Five) years with effect from 28th July, 2010 and subject to other terms & conditions and stipulations, including remuneration as set out in Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the said terms of appointment of Mr. V V Kameswara Rao, Whole-time Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

8. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution:

Issue of preferential warrants - 30,00,000 warrants to Dimple P Shah 20,00,000 warrants to Piyush M Shah,

20,00,000 warrants to Ultimate Money Makers India Pvt Ltd ; 25,00,000 warrants to Sharda Advisory Services Pvt Ltd. and 5,00,000 warrants to Ajay Bohra.

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing agreement entered into with the stock exchanges where the shares of the Company are listed, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI ICDR Regulations") and subject to all such approvals, permissions, consents and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions, of such authorities including the Central Government / Reserve Bank of India and Securities and Exchange Board of India or any other relevant authority, wherever necessary in that behalf which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee constituted/to be constituted by the Board for exercising all or any of the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot upto 1,00,00,000 convertible warrants (hereinafter referred to as "warrant") to persons as detailed in the Explanatory Statement (the "warrant holders"), on preferential allotment basis, on such terms and conditions and in such manner as may be deemed appropriate by the Board, each warrant entitling the holder thereof to apply for and be allotted 1 (one) Equity Share of Re. 1/- each at premium, which shall be converted within a period of 18 months from the date of allotment of the warrants, in one or more tranches, in accordance with the SEBI (ICDR) Regulations, 2009 and other relevant guidelines as may be applicable, at a price :

- a. The Average of the weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange during the six months preceding the relevant date;

Or

- b. The Average of the weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange during the two weeks preceding the relevant date, whichever is higher.

RESOLVED FURTHER THAT the equity shares issued on

conversion of warrants and warrants to be so created, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the "Relevant Date" as per the SEBI (ICDR) Regulations, 2009 on preferential issue, for the purpose of determination of issue price of the Equity Shares arising upon conversion of the warrants in part or full is 21.08.2010 being the date 30 days prior to the date of this Annual General Meeting.

RESOLVED FURTHER THAT the Equity Shares resulting from the conversion of warrants, proposed to be issued and allotted as above, shall rank pari passu in all respects with the existing Equity Shares of the Company, including dividend.

RESOLVED FURTHER THAT for the purpose of giving effect to aforesaid resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable or expedient for such purpose and to resolve and settle all questions, difficulties or doubts that may arise in regard to the offer, issue, allotment and utilization of the proceeds of the issue of the above mentioned warrants / equity shares resulting from the conversion of such warrants and further to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit and to finalize and execute all documents, papers, agreements, deeds and writings as may be necessary and desirable as it may deem fit.

RESOLVED FURTHER THAT the Company do apply for listing of the new Equity Shares resulting from the conversion of warrants, proposed to be issued and allotted as above, with the Bombay Stock Exchange.

RESOLVED FURTHER THAT the Company do apply to the National Securities Depository Limited and / or Central Depository Services (India) Limited for admission of the above said equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any other Director(s) or any other officer (s) or employee (s) of the Company or any advisor, consultant as it may consider appropriate in order to give effect to the aforesaid resolution."

By Order of the Board
Sd/-
Divya Jain
Company Secretary

Date: 28th July, 2010
Place: Kota

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the Meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.

6. The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 15th September, 2010 to Saturday, 18th September, 2010 (both days inclusive).
7. M/s. Aarhi Consultants Private Limited is the Registrar and Share Transfer Agent (RTA) for physical shares and is also the depository interface of the company with both CDSL and NSDL.
8. Shareholders holding shares in the certificate form are requested to notify/send the followings to M/s. Aarhi Consultants Private Limited to facilitate better servicing:

12. Queries on accounts and operations may please be sent to the Company 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
13. Members are requested to bring their personal copy of Annual Report to the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying

Notice:

Item No. 5

Mr. S. N. Sharma was appointed as an Additional Director of the Company in the Board Meeting held on 28th July, 2010. As per the provisions of Section 260 of the Act read with Article 78 of the Articles of Association of the Company, the director shall hold office only upto the date of the forthcoming Annual General Meeting of the Company, and are eligible for appointment as a Director.

The Company has received a Notice in writing from a Member along with a deposit of Rs. 500/- proposing the candidature of Mr. S. N. Sharma for the office of Director of the Company, under the provisions of Section 257 of the Companies Act, 1956 (the Act).

It will be in interest of the Company that Mr. S. N. Sharma is appointed as Director, who if appointed, shall be liable to retire by rotation, in accordance with the provisions of Articles of Association of the Company.

A brief Resume of Mr. S. N. Sharma, nature of expertise in specific functional areas and names of Companies in which he holds Directorships and memberships /Chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreement signed by the Company with the Stock Exchange in India, are provided in annexure to the notice of the Annual General Meeting.

Save and except Mr. S. N. Sharma, as appointee none of the other Directors of the Company, are in any way, concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution for approval.

Item No. 6 & 7

The Board of Directors of the Company (the 'Board'), at its meeting held on 28th July, 2010 has appointed Mr. V. V. Kameswara Rao as an additional director w.e.f 28th July, 2010 pursuant to section 260 of the Companies Act, 1956 read with Article 78 of the Articles of Association of the Company. In terms of the provisions of Section 260 of the Act, Mr. V. V. Kameswara Rao would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a Notice in writing from a Member along with a deposit of Rs. 500/- proposing the candidature of Mr. V. V. Kameswara Rao for the office of Director of the Company, under the provisions of Section 257 of the Companies Act, 1956 (the Act).

Further, the board has also appointed subject to the approval of the members, Mr. V. V. Kameswara Rao, as Whole - time Director of the Company for a period of 5 (five) years with effect from 28th July, 2010, on the remuneration recommended by the Remuneration Committee of the Board at its Meeting held on 28th July, 2010.

The present proposal is to seek the Members' approval for the appointment of and remuneration payable to Mr. V V Kameswara Rao as Whole Time Director, in terms of the applicable provisions of the Companies Act, 1956.

The information required to be furnished to the Shareholders in terms of revised Schedule XIII are being furnished here in below:

- A **General Information:** Zyden Gentec Limited was incorporated as a Private Limited Company on 26th April, 1994 under the Companies Act, 1956 with the Registrar of Companies, Rajasthan at Jaipur with the name "Overseas Capital Private Limited". Later on, the Company was converted into a Public Limited Company and thereafter changed its name to Zyden Gentec Limited w.e.f. 16th July, 2004. The main objects of the Company is manufacturing of active pharma ingredients. No foreign collaborator of any type is presently involved in the project.
- B **Information about the Appointee:** Mr. V V Kameswara Rao, is associated with the Company since April 2008, having total experience of 30 years in pharma sector.
- C **Period of the proposed tenure:** 28.07.2010 to 29.07.2015
- D **Nature of Duties:** Mr. V V Kameswara Rao, Whole Time Director, will be responsible for overall factory administration, fixing and reviewing the production targets, implementing the projects, reviewing and planning manpower utilization, procurement of raw materials, addressing to all statutory audits/inspections/requirements and giving technical clarifications to customer queries.
- E **Comparative Remuneration in the Industry:** No such data is available with the Company but the Board is of the view that the Remuneration paid /proposed to be paid by the Company is totally in line with the excellent performance made by the Company under his stewardship.
- F **Pecuniary Relationship with the Company and Other Managerial Person in the Company:** N.A.
- G **Financial Performance:** N.A.
- H **Export Performance:** N.A.

ZYDEN GENTEC LIMITED

I. **Remuneration:** During the year 2009-10, Mr. V V Kameswara Rao, was paid Rs. 4.80 Lacs p.a. Mr. V V Kameswara Rao shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limits laid down in Sections 198, 309 and Schedule XIII annexed to the Companies Act, 1956:

- I. Basic Salary: Rs. 50,000/- p. m.
- II. Commission: No commission payable.
- III. Perquisites: In addition to above the following Perquisites not exceeding the overall ceiling prescribed under schedule XIII, annexed to the Companies Act, 1956 will be provided to the Whole-time Director:

CATEGORY (A)

a. Housing:

Free furnished residential accommodation with gas, electricity, water, furnishing and maintenance charges. If the Company does not provide residential accommodation, he will be paid such house allowance as the Board may decide from time to time and expenses on gas, electricity, water, furnishing and maintenance charges will be borne by the Company.

b. Medical Expenses Reimbursement:

Reimbursement of expenses actually incurred for self and family and / or allowance will be paid as decided by the Board from time to time.

c. Club Fees:

As per rules of the Company.

d. Leave Travel Concession:

For self and family including dependents, once in a year, as decided by the Board from time to time, as per the rules of the Company.

e. Personal Accident Insurance:

As per the rules of the Company.

f. Servant allowance:

As per the rules of the Company.

CATEGORY (B)

In addition to the perquisites, Mr. V V Kameswara Rao shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law:

- i. Contribution to Provident Fund / Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
- ii. Gratuity payable shall not exceed half a month's Basic Salary for each completed year of service.
- iii. Leave and Leave Encashment as per the rules of the Company.

CATEGORY (C)

a. Conveyance:

Free use of the Company's car with driver. Personal use of car shall be billed by the Company.

b. Telephone:

Free telephone facility at residence. Personal long distance calls shall be billed by the Company.

c. Reimbursement of Expenses:

Apart from the remuneration as aforesaid, Mr. V V Kameswara Rao, Whole-time Director shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.

d. Sitting Fee etc.:

No sitting fee shall be paid to Mr. V V Kameswara Rao, Whole-time Director for attending the Meetings of Board of Directors or any committee thereof.

- e.** Where in any financial year, the company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Mr. V V Kameswara Rao, Whole-time Director subject to the applicable provisions of Schedule XIII to the said Act.

The terms & conditions, as above, may be altered / varied from time to time by the Board of Directors as it may, in its absolute discretion, deem fit within the maximum amount payable to the appointee in accordance with Schedule XIII annexed to the Companies Act, 1956 as may be amended from time to time or any other relevant Statutory enactment(s) thereof in this regard.

III. Other Terms & Conditions:

- i. Mr. V V Kameswara Rao will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
- ii. Either party giving the other party one-month's prior notice in writing to that effect may terminate the agreement.
- iii. If at any time Mr. V V Kameswara Rao, ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Whole-time Director.
- iv. The said appointment of Mr. V V Kameswara Rao, on the terms & conditions as set out above including his remuneration as referred above is subject to approval of the General Body Meeting."

It will be in interest of the Company that Mr. V. V. Kameswara Rao is appointed as Whole time Director, who if appointed, shall be liable to retire by rotation, in accordance with the provisions of Articles of Association of the Company.

A brief Resume of Mr. V. V. Kameswara Rao, nature of expertise in specific functional areas and names of Companies in which he holds Directorships and memberships /Chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreement signed by the Company with the Stock Exchange in India; are provided in the annexure to the notice of the Annual General Meeting.

Save and except Mr. V V Kameswara Rao, as appointee, none of the other Directors of the Company, are in any way, concerned or interested in this Resolution.

This Explanatory Statement is and should be treated as an abstract under Section 302 of the Companies Act, 1956.

The Board recommends the Ordinary Resolution for approval.

Item No.8

The Company is in need of long term resources to partly fund its ongoing expansion and diversification projects, to enhance its

ability to compete with the peer group in domestic market and to strengthen its financial position. The fund requirement for the project is proposed to be met partly by way of fresh infusion of funds in the form of Equity Share Capital from the promoters and/or the non-promoters group of the Company. Also, the part of the funds raised will be used to meet long -term working capital requirements and other general corporate purposes.

Pursuant to the above purpose, the Company is considering the issue and allotment of 1 crore convertible warrants, as mentioned in the resolution contained in the notice.

This issue would provide the warrant holders the right to receive one Equity Share of face value of Re. 1/- each for one warrant held by them at a price determined as per the pricing formula given in the resolution. Such issue and allotment of warrants to warrant-holders and issue price shall be governed by the provisions of SEBI (ICDR) Regulations, 2009. Not less than 25% of issue price shall be paid by the Warrant Holders forthwith upon allotment thereof and the balance 75% shall be paid at the time of exercising the option to convert warrants into Equity Shares, for such number of warrants in respect of which the warrant holder exercises the conversion option.

The Company's Authorized Capital is adequate for the increase in the paid-up capital of the Company pursuant to the issue and allotment of Equity Shares upon conversion of warrants. The consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable provisions. Hence, the resolution as mentioned in the accompanying Notice is proposed.

DISCLOSURES IN THE TERMS OF CLAUSE 73.1 OF THE SEBI (ICDR) REGULATIONS, 2009:

a. The objects of the issue:

To meet part requirement of capital expenditure to expand the capacity of the business by setting up a plant at Kota, Rajasthan. Also, the proceeds from the issue will be utilized to meet working capital requirements and for general corporate purpose.

b. Intention of the promoters/directors/key management persons/non promoters to subscribe to the offer:

The intention and the primary object of the promoters/non promoters is to subscribe to the issue of equity shares through this preferential issue. This will ensure the availability of long term funds towards payment of its dues and growth plans of the Company.

c. Equity Shareholding Pattern before and after the issue:

The information on shareholding pattern before and after the preferential issue is given here under:

CATEGORY	PRE- ISSUE		POST- ISSUE	
	No. of shares	% of Shareholding	No. of shares	% of Shareholding
1. Promoters Holding				
a. Indian Promoters				
i. Individuals/HUF	10698000	21.11	10698000	17.63
ii. Central Govt. / State Govt.				
iii. Bodies Corporate	7000000	13.82	9500000	15.66
iv. Financial Institution/Banks				
v. Any Other (specify)				
b. Foreign Promoters				
i. Individuals/HUF				
ii. Bodies Corporate				
iii. Institutions				
iv. Any Other				
Sub Total	17698000	34.93	20198000	33.29
2. Non- Promoters Holding				
a. Institutional Investors				
i. Mutual Funds				
ii. Indian financial Institutions & Banks				
iii. FIIS				
iv. Indian Bodies Corporate				
b. Non Institutional				
i. Bodies Corporate	6452316	12.73	8452316	13.93
ii. Individual	26221332	51.74	31721332	52.28
iii. Any other	302352	0.60	302352	0.50
NRI				
Sub Total (A+B)	32976000	65.07	40476000	66.71
Grand Total	50674000	100	60674000	100



Notes:

- 1. These percentages are based on the assumptions that all the warrants issued to the allottees will be converted into equity shares. Further, in case proposed issue of warrants, results in increase in equity share capital, after conversion, then the total post allotment share capital and proportionate holding of Promoters will change to the extent of such conversion. Change in share capital due to any other reason may also impact the aforesaid calculation.
- 2. Allotment of equity shares would not result in any change in control over the company or the management of the affairs of the Company. Any warrants issued as above, that may remain unsubscribed for any reason whatsoever, may be offered by the board to any person/ entity controlled by the promoter group on same terms and conditions.

d. Proposed time within which the allotment shall be completed:

The allotment, pursuant to this resolution passed by the shareholders, shall be completed within a period of fifteen (15) days from the date of passing of this resolution, provided that if the approval or permission by any regulatory authority or the Central Government for the allotment is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be.

e. Identity of the proposed allottees and Percentage of the pre and Post Preferential Issue of Equity shares:

Name of the Allottee	PRE- ISSUE		POST- ISSUE	
	No. of shares	%	No. of shares	%
Ultimate Money Makers India Pvt. Ltd.	Nil		2000000	3.29
Sharda Advisory Services Pvt. Ltd.	5000000	9.87	7500000	12.36
Ajay Bohra	96000	0.19	596000	0.98
Dimple P Shah	Nil		3000000	4.94
Piyush M Shah	Nil		2000000	3.29

A certificate from the Statutory Auditors of the Company as required under clause 73(2) of the SEBI ICDR Regulations, 2009, certifying that the pricing and issue of the above is in accordance with prescribed guidelines on preferential issue, will be available for inspection at the registered office between 11:00 A.M. to 1:00 P.M., on any working day upto the date of the

meeting and at the meeting.

The Equity Shares allotted to Promoters will be subject to lock in as per SEBI ICDR Regulations. The number of warrants to be converted in a financial year will be subject to applicable limits from time to time under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997.

The Equity Shares arising out of the conversion of the warrants pursuant to the resolution shall rank pari passu in all respect with the then existing equity shares of the Company.

The Company undertakes that if required, the price shall be re-computed in terms of the provisions of these regulations.

If the amount payable on account of the re-computation of price is not paid within the stipulated time as mentioned in the Regulations, the specified securities shall continue to be locked in till such amount is paid by the allottees.

Pursuant to the provisions of the Section 81(A) of the Companies Act, 1956, any offer or issue of the shares in a Company other than on a pro-rata basis to the existing holders of the Equity Shares of the Company requires prior approval of the shareholders in a general meeting by way of a Special Resolution. The Listing Agreement executed by the Company with the Stock Exchanges also provide that the Company shall, in first instance, offer all the securities for subscription on a pro-rata basis to the Shareholders unless the shareholders in a General Meeting decides otherwise.

Thus, in pursuance of the above, the approval of the shareholders is being sought for issue of warrants which are convertible in equity shares, to the Promoters and persons in promoters group, on a preferential basis pursuant to the provisions of sections 81(A) of the Companies Act, 1956 and other applicable provisions.

The Special resolution set out in Item No. 8 above may be considered accordingly and the Board of Directors recommends the same for your approval.

Mr. Vinod S Gupta, Chairman may be deemed to be interested in this resolution to the extent securities that may be issued to the Promoter Group. Save as aforesaid, none of the directors is in any way interested in this resolution.

By Order of the Board
Sd/-
Divya Jain
Company Secretary

Date: 28th July, 2010
Place: Kota

ANNEXURE TO THE AGM NOTICE

Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the directors who are proposed to be appointed / re-appointed at the ensuing Annual General Meeting to be held on 20th September, 2010:

Name of Director	S. N. Sharma	V V Kameswara Rao	Niranjan Kumar Agarwal
Age	56 years	50 years	42 years
Date of appointment	28.07.2010	28.07.2010	28.01.2004
Designation	Additional Director	Additional Director	Director
Expertise in specific functional area	Experience of 10 years in the management field	Experience of 30 years in the field of Manufacturing and processing of API's	Independent Director having 20 Years experience in Trade & business.
Qualification	D.M.E.	B. Sc.	Commerce Graduate
Directorship in other Public Limited Companies as on 31/03/2010	Suave Hotels Limited	Nil	Nil
Member/Chairman of the Committees of the Board of other Companies as on 31/03/10	Nil	Nil	Nil

DIRECTORS' REPORT

To,

The Members,

Your Directors are pleased to present the 16th Annual Report and the Audited Accounts of the Company for the year ended March 31, 2010.

FINANCIAL RESULTS (Rs. In Lacs)	FY 09-10	FY 08-09
Total Income	1,905.10	2790.81
Profit before Depreciation & Taxation	85.58	24.24
Depreciation	65.17	12.81
Profit before Tax	20.41	11.43
Taxation (including FBT & Deferred Taxation)	8.11	9.30
Profit after Tax	12.30	2.13

TURNOVER, NET PROFITS & FUTURE PROSPECTS

The gross receipts during the year under review were Rs. 1,905.10 Lacs as against Rs. 2790.81 Lacs in the previous year. The profit after tax is Rs. 12.30 Lacs as against Rs. 2.13 Lacs in the previous year. The income decreased by 31.74% during the year under review but, profits figures have shown significant increase. The sale prices remained under pressure, throughout the year, due to regional disturbances and bandhs as well as fierce competitions and huge imports from Chinese firms.

We are pleased to inform that during the financial year, we have obtained drug license for the API's & intermediaries viz. guaifenesin, methacarbamol, drotaverine and topiramate. We have complete technology for these products and already commercial production for the new API's have been started & also procured good orders for these products. The Company has also taken necessary steps for obtaining the USFDA, CGMP and DMF Certification

The expansion plan was initiated during the year under report and construction and installation work is in full swing at the proposed unit - II at Kota. Further, Company is optimistic about starting production of API (Active Pharma Ingredients) at Unit-II on the same line as of existing unit. Your Company would continue to keep enhancing the customer base across the nation & overseas, keeping in view the ambitious business growth plans.

DIVIDEND

In order to conserve resources to enhance production capacity your Directors do not recommend any dividend for the current financial year.

FIXED DEPOSITS

The Company has not invited or accepted any fixed deposit from the public during the year under review.

CORPORATE GOVERNANCE REPORT

The Company has complied with all the mandatory requirements of Corporate Governance specified by Securities & Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement. As required by the said clause, a separate Report on Corporate Governance, forms part of the Annual Report of the Company. A certificate from M/s V M & Associates, Company Secretaries in Practice, confirming compliance of conditions of Corporate Governance is annexed with this report.

BOARD OF DIRECTORS

Retire by Rotation

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Article 89 of Articles of Association of the Company, Mr. Chandra Mohan Sharma, Directors retires by rotation at the ensuing Annual General Meeting and not seeking re-election, be not re-appointed. However, Mr. Niranjana Kumar Agarwal, Director retires by rotation and being eligible offers himself for re-appointment.

Appointment of Additional Director

Mr. S. N. Sharma was appointed as an Additional Director at the Board Meeting held on 28th July, 2010. The Board received a notice u/s 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. S. N. Sharma as a Director. In view of this the Board recommends his appointment as a regular Independent Director of the Company, liable to retire by rotation.

The Details are furnished in Explanatory Statement annexed to the Notice calling AGM.

Appointment of Whole Time Director

Mr. V. V. Kameswara Rao was appointed as an Additional Director at the Board Meeting held on 28th July, 2010. Further, subject to the approval of members, he was appointed as a Whole-time Director of the Company w.e.f. the same date for a period of 5 years.

In terms of section 260 of the Companies Act, 1956, he shall hold office only upto the date of the ensuing Annual General Meeting. The Board received a notice u/s 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. V. V. Kameswara Rao, as a Director. In view of this the Board recommends his appointment as a Whole-time and Independent Director of the Company, liable to retire by rotation.

The Details are furnished in Explanatory Statement annexed to the Notice calling AGM

AUDITORS

M/s Anand Jain & Co., Chartered Accountants, Jaipur and M/s P Murali & Company, Chartered Accountants, Hyderabad, Joint Auditors of the Company retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

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

The qualifications/observations of the Auditors are self-explanatory and explained / clarified wherever necessary in appropriate notes to Accounts.

CHANGES IN SHARE CAPITAL

During the year, the following changes were effected in the Share Capital of the Company:

- i. At the Annual General Meeting of the Company held on 25th July, 2009 for the year ended on 31st March, 2009, the shareholders approved the resolution for the split of the Equity Shares of Rs. 10/- each into 10 Equity Shares of Re. 1/- each i.e. the total Authorised Share Capital is Rs. 15,00,00,000/- (Rupees Fifteen Crores) comprising of 15,00,00,000 Equity Shares of Re. 1/- each.
- ii. The paid-up share capital of the Company was increased from Rs. 47,674,000/- to Rs. 50,674,000/- due to allotment and issue of 3,000,000 Equity Shares of Re. 1/- each (at an exercise price of Rs. 3.1/- per share) to the holders of convertible warrants who opted for conversion in accordance with the relevant SEBI Regulations. The holders of convertible warrants exercised the option of conversion in terms of Special Resolution approved (during the previous year) by means of Postal Ballot Notice pursuant to Section 192A (2) of the Companies Act, 1956.

ISSUE OF FOREIGN CURRENCY CONVERTIBLE BONDS

The company has not issued any Foreign Currency Convertible Bonds during the last year.

LISTING AT STOCK EXCHANGE

The Equity Shares of the company continue to be listed on Bombay Stock Exchange Limited.

PARTICULARS OF EMPLOYEES

None of the Employee's of the company was in receipt of the remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act, 1956 as amended, during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Conservation of Energy

Energy conservation measures taken:

Energy conservation, which has a direct impact on the cost of the product, is given a high priority in all our locations. Manufacturing process parameters are continuously monitored by experienced & qualified technicians & engineers for better & efficient output leading directly & indirectly to energy efficient environment.

Additional investments and proposal, if any, being implemented for reduction of consumption of energy:

- i. HT line & connections installed in place of LT.
- ii. New temperature indicators installed for better monitoring.
- iii. Replaced all of old pipe lines & fittings and new Insulations done.
- iv. 180 KVA DG Set.

Impact of above measures for reduction of energy consumption and consequent impact on the cost of production of goods:

The above measures have helped the Company to improve its energy management efficiently and consequently to reduce the cost.

Form A:

Not Applicable

Technology Absorption

The manufacturing technology is indigenous. The company has in-house Research & Development facilities.

Research & Development:

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

Development of new compounds, products like Guaifenesin, Methacarbomal, Drotaverine and Topiramate during the financial year and alternate vendors of raw materials.

Benefits derived as a result of above R&D:

Better quality products and compounds, resulting in better profits and helped in creating good clientele.

Future Plan of Action:

To keep a continuous focus on development of new compounds & products.

Expenditure on R&D:

Capital Rs 2.51 Lacs

As percentage of Sales 0.13 %

Technology absorption, adoption and innovation

The company's technology is developed in-house which has helped in improving efficiency and developing new products

Foreign Exchange Earnings and Outgo

The Foreign Exchange earnings of the company were Rs. 3,124,875/- and there was outgo of Rs. 9,778,102/- during the year under review.

Activities relating to exports/initiatives taken to increase exports/development of new export markets and export plans

During the year under review, the business focus has been on the Indian markets only. However, once the unit-II at Kota will start production, more focused efforts will be put on marketing strategy to capture a wider market share, both domestic and overseas.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The report on Management Discussion and Analysis as required under the Listing Agreements with the Stock Exchanges is annexed with the Director's Report.

EMPLOYEE STOCK OPTION SCHEME

The Company has not issued any stock options during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors confirmed that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates 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 ended 31st March 2010 and of profit of the Company for that year;
3. The Directors had 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;

4. The Directors have prepared the Annual Accounts on a going concern basis.

PREFERENTIAL ALLOTMENT OF CONVERTIBLE WARRANTS

The Board of Directors of the Company, subject to the approval to be received from the shareholders and such other approvals as may be required, had decided to issue and allot to Promoters and persons other than the Promoters one crore warrants with the option to convert each warrant into one equity share of Re. 1/- each at such price, as determined in accordance with the SEBI (ICDR) Regulations, 2009 and other relevant guidelines as may be applicable, within a period 18 months. The warrants will be converted in one or more tranches.

The proceeds will help the Company to strengthen its equity base and improve financial leveraging system.

ACKNOWLEDGMENT

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Government Authorities, Customers, Vendors, Advisors, Members and all concerned during the year under report. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

Sd/-
Vinod S Gupta
Chairman

Date: 28th July, 2010
Place: Kota

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENTS

The pharmaceutical industry in India would continue to remain under great international focus on international scenario despite price wars and huge import from Chinese firms. India being perceived as a stable, trustable and large consumption democracy has been getting encouraged responses from many MNCs and overseas strategic investors in Indian businesses, especially in Pharmaceutical Sector in last couple of years. Moreover the Pharmaceutical Sector will continue to grow further as the cost of health care in India is substantially lower, in comparison with many western & developed countries. Indian pharmaceutical sector is currently one of the largest and most developed in the world and has the quality of being recognized as high-quality, low-cost skilled producer of pharmaceuticals.

Your company, Zyden Gentec Limited has added a few new products to its large product range during the year under review. Further the company is hopeful of sustaining its market presence and capturing and retaining its clientele.

OUTLOOK ON OPPORTUNITIES

Outlook on the Indian Pharmaceutical market continues to be positive despite of the economic & slowdown pressures, as commonly felt by all the businesses, continue to exert its affect. As stated earlier, with the introduction of the product patent regime beginning January 1, 2005 the Indian market continue to remain an attractive option for introduction of research based products. Industry consolidation is expected to bring in economies of scale and provide access to regional players. The biggest growth driver continues to be the pipeline of patent expiries. Consequently, companies are recognizing the importance of pipelines and are making significant investments in research and drug development.

Your company would continue to consolidate on the present manufacturing facility, alongwith new proposed unit at Kota. The company has widened its range of products with more emphasis on quality.

OUTLOOK ON THREATS, RISKS AND CONCERNS

The product patent regime poses the serious challenge to domestic industry unless it invests in R&D. The global pharmaceutical business has inherent risks of patent litigation, regulatory issues and product liability, particularly in the developed markets. Globally, over-investment and excess capacities weight on the generic industry has been resulting in increasing competition and pricing pressures. The industry faces risk of all Research & Development initiatives not leading to commercially viable and successful products. Rise in cost of raw materials, exchange rate fluctuations, environmental liabilities, tax laws, litigation, labour relations and significant changes in the global, political and economic environment exert tremendous

influence on the performance of the Company. Since larger players are becoming more dominant, market impact may change the financial performance of the Company. Apart from this, the procedural hurdles & delays at DCA continue to act as growth deterrent in India.

INTERNAL CONTROL SYSTEM

The Company remains committed to ensure an effective internal control that provides assurance on the efficiency of operations and security of assets. Your company's well established and robust internal audit processes, both at business and corporate levels, continuously monitor the effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements. The Company has also undertaken steps to implement new control measures in line with best global practices such as standard operating procedures as per cGMP requirement.

FINANCIAL REVIEW & ANALYSIS

Share Capital

Presently, the Authorised Share Capital of the Company is Rs. 150,000,000/- comprising of 150,000,000 equity shares of Re. 1/-each. During the period under review there have been no increase / decrease in the Authorized Share Capital of the Company. However, at the 15th Annual General Meeting of the Company, the Company has passed special resolution for split off of one Equity Shares of Rs. 10/-each to 10 Equity Shares of Re. 1/-each.

Fixed Assets

The Company had Fixed Assets amounting to Rs. 45,590,524/- on 31st March, 2009. During the period under review the Company invested in this segment and the fixed assets as on 31st March 2010 were at Rs. 42,461,006/-. Deductions were mainly on account of write-off of intangible assets and Additions to fixed assets were due to certain replacement for the manufacturing activities.

Investment

During the period under review the Company has not invested in Quoted/ Unquoted Shares.

Sales

The sales & other income in the last year amounted to Rs. 279,080,871/- and for the current year was Rs.190,507,475/-.

Segment wise Performance

Particulars	Financial year 2008-09	Financial year 2009-10
Income from Mfg. & Allied Activities	Rs. 190,507,475/-	Rs. 279,080,871/-
Income from Financial, Investment & Allied Activities	Nil	Nil

HUMAN RESOURCE MANAGEMENT

Human resources are a valuable asset for every organization. The Human resources of an organization determines the success and failure of an organization. The Company endeavors to provide amicable working environment to the human resources of the organization so that each employee is motivated to contribute his best and help the company to do well in the sector. Over the last few years, a key focus area of the company has been developing functional competencies among human resources. A structured communication process inside the organization is critical to enhance the employee productivity and satisfaction levels. Employee perception on communication is also tracked closely and their feedback is used to further improve this process. Their unflinching commitment is the driving force behind the company's vision of creating enlarged societal value even as it multiplies shareholder wealth. The company respects the spirit of its dedicated team.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of the applicable provisions of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Some important developments such as significant changes in the global, political and economic environment, environment in India and key markets abroad; tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs etc could affect the company's performance.

For and on behalf of the Board of Directors

Sd/-
Vinod S Gupta
Chairman

Date: 28th July, 2010
Place: Kota

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

A corporate culture, encompassing transparency, conscience, fairness, accountability, propriety, equity and ethical business practices, are the key drivers for sustainable corporate growth and long-term value creation. Corporate Governance is about promoting corporate fairness, transparency, accountability and integrity of the management. The Corporate Governance structure specifies the distribution of the role and responsibilities among different participants in the organization, such as, the Board of Directors, managers, shareholders and other stakeholders and spells out rules and procedures for making decisions on corporate affairs. It also aims to align, as nearly as possible, the interests of individuals, corporations and society and thereby enhancing the stakeholders' value.

Good corporate governance practices have always been an integral part of your company's philosophy. The commitment to good corporate governance practices predates the laws and mandates of the Securities and Exchange Board of India (SEBI) and the stock exchanges through Clause 49 of their Listing Agreements. The Company fully recognizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders.

Given below are the Company's Corporate Governance policies and practices:

2. BOARD OF DIRECTORS

Composition: The Board of Directors of the Company consists of 6 Directors comprising of 1 Promoter Non-Executive Chairman and 1 Executive Independent Directors and 4 non-Executive Independent Director. The Board represents an optimal mix of professionalism, knowledge and experience, thus it is in conformity with Clause 49 of the Listing Agreement with the stock exchange, in which the company's shares are listed.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

Board Meetings: The Board meets frequently to discuss and decide on Company's business policy, and strategy apart from other normal Board business. During the year 2009-10, the Board met 6 (six) times and the maximum gap between any two Board Meetings was not more than four months. The dates of meetings are as follows:

27th April 2009, 27th June 2009, 25th July 2009, 28th October 2009, 30th January 2010 and 6th March 2010.

Category and Attendance of Directors

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year 2009-10 and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee positions held by them in other Public Limited Companies as on March 31, 2010 are as follows:

Name of Directors	Category of Director	Board Meetings attended during the year	Attendance at last AGM	No. of Directorship held in other Companies		Committee position in other public company	
				Chairman of the Board	Board Member	Chairman of Committee	Members
Mr. Vinod S. Gupta	Promoter & Non-Executive Chairman	6	Yes	Nil	*Details given below	Nil	Nil
Mr. Chandra Mohan Sharma	Non-Executive & Independent Director	3	Yes	Nil	Nil	Nil	Nil
Mr. Niranjan Kumar Agarwal	Non-Executive & Independent Director	1	No	Nil	Nil	Nil	Nil
Mr. Rajesh Sharma	Non-Executive & Independent Director	3	No	Nil	*Details given below	Nil	Nil

* As Board Member in: 1) Suave Hotels Ltd.

**As Board Member in: • Hainan Financial Service Ltd • Lotus Institute of Capital Research Ltd • Intermass Capital (Asia) Ltd • Cursor HR Ltd • Atherstone Investment Advisors Ltd • Atherstone Investor Communications Ltd • Atherstone Public Relations Ltd • Jaisons Realty (Asia) Ltd • Atherstone Consulting Ltd • Netframe Global Securities Ltd • Atherstone Credit Solutions Ltd • V V Trading Pvt Ltd • India Capital Partners Pvt Ltd.

Shareholding of Directors as on March 31, 2010 is as under:

Name	No. of shares held	% of Paid-up Capital
Mr. Vinod S. Gupta	68,39,000	13.50
Mr. Chandra Mohan Sharma	Nil	Nil
Mr. Niranjan Kumar Agarwal	Nil	Nil
Mr. Rajesh Sharma	Nil	Nil

Code of Conduct : The Company has adopted a code of conduct for employees and directors of the Company. During the year all board members and senior management personnel have affirmed compliance with the respective Code of Conduct. A declaration to this effect signed by the Chairman forms part of this report. The Code of Conduct is available on the website of the Company (www.zydengentec.com).

3. AUDIT COMMITTEE

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and Clause 49 of the

Listing Agreement with the Stock Exchanges. The terms of reference include:

- To investigate any activity with its terms of reference.
- To seek information from any employee / records of the company.
- To obtain outside legal or other professional advice.
- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Major accounting entries based on exercise of judgment by management.
- Compliance with accounting standards.
- Compliance with Stock Exchange and legal requirements concerning financial statements.
- Any changes in accounting policies and practices.
- To secure attendance of outsiders with relevant expertise, if necessary.
- Reviewing the adequacy of internal audit function.
- Discussion with internal auditor regarding any significant findings and follow up thereon.
- Discussion with external auditors, before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Any other item referred to it by the Board.

ZYDEN GENTEC LIMITED

Composition

Name	Designation
Mr. Niranjn Kumar Agarwal	Chairman
Mr. Chandra Mohan Sharma	Member
Mr. Rajesh Sharma	Member

Meetings held

The committee met six times on the following dates during the financial year 2009-10:

27th April 2009, 27th June 2009, 24th July 2009, 26th October 2009, 27th January 2010 and 22nd February 2010.

Category and Attendance of members

The names and categories of the Directors on the Committee, their attendance at the Meetings held during the Financial Year 2009-10 are as follows:

Name	Designation	Attendance
Mr. Chandra Mohan Sharma	Non - Executive & Independent Director	2
Mr. Niranjn Kumar Agarwal	Non - Executive & Independent Director	6
Mr. Rajesh Sharma	Non - Executive & Independent Director	4

Members of the Audit Committee have requisite financial and management expertise and have held or hold senior positions in other reputed organization.

The Statutory Auditors, Internal Auditors and the Chief Financial Officer are invited to attend and participate in the meeting of the Committee. The Company Secretary acts as the Secretary to the Committee.

4. SHAREHOLDER'S / INVESTOR'S GRIEVANCE COMMITTEE

The Board of Directors constituted the shareholders' / investors' grievance committee in the year 2002. The committee specifically looks into redressal of investors' complaints like share transfers, non-receipt of annual reports, issue of duplicate share certificate, transfer and transmission of shares and other allied transactions. Its scope also includes delegating the powers to the executives of Company / share transfer agents to process share transfers etc.

Composition

Name	Designation	Attendance
Mr. Vinod S Gupta	Chairman	Promoter & Non- Executive Chairmen
Mr. Chandra Mohan Sharma	Member	Non - Executive & Independent Director
Mr. Niranjn Kumar Agarwal	Member	Non - Executive & Independent Director

Compliance Officer

Ms. Varsha Gang, the Assistant Company Secretary was the Compliance Officer of the Company till September, 2009 and thereafter Ms. Divya Jain, was appointed as the Compliance Officer of the Company w.e.f. 1st October, 2009. Thereafter Mr. C. M. Bhartiya, Company Secretary and CFO of the Company resigned on 20th January, 2010 and Ms. Divya Jain was promoted as Company Secretary and Compliance Officer w.e.f. 20th January, 2010.

ZYDEN GENTEC LIMITED

Meetings held

The committee met nine times during the year under review to redress the grievances of the shareholders of the Company at the following dates:

13th April, 2009, 12th May, 2009, 9th June, 2009, 14th June, 2009, 6th August, 2009, 24th September, 2009, 23rd October, 2009, 30th January, 2010 and 15th February, 2010.

Based on the report received from the Company's Registrar, the status of investor complaints as on March 31, 2010 and reported under clause 41 of the Listing Agreement are as under:

Complaints as on April 01, 2009:	Nil
Received during the year:	1
Resolved during the year:	1
Pending as on March 31, 2010:	Nil

5. REMUNERATION COMMITTEE

The Board of Directors constituted the remuneration committee in the year 2005. The terms of reference of the Remuneration Committee is to review, assess and recommend to the Board the appointment of executive and non-executive Directors and compensation payable and to consider and recommend human resource policies relating to compensation and performance management.

Composition

Name	Designation	Designation	Attendance
Mr. Niranjana Kumar Agarwal	Chairman	Non - Executive & Independent Director	1
Mr. Chandra Mohan Sharma	Member	Non - Executive & Independent Director	1
Mr. Rajesh Sharma	Member	Non - Executive & Independent Director	Nil

Meetings held

During the year under review, one meeting of the Committee was held.

6. GENERAL BODY MEETINGS

The details of Annual General Meetings held in the last three years are given below:

Annual General Meeting	Day & Date	Time	Venue
13 th Meeting	Saturday, Sept. 29, 2007	11.00 A.M.	Umed Bhawan Palace, Station Road, Kota
14 th Meeting	Friday, Sept. 12, 2008	11.00 A.M.	Umed Bhawan Palace, Station Road, Kota
15 th Meeting	Saturday, July 25, 2009	11.00 A.M.	Umed Bhawan Palace, Station Road, Kota

Details of Special Resolutions passed at the AGMs:

FY	Date	Special Resolutions
2006-07	29th Sep, 2007	No Special Resolution was passed
2007-08	12th Sep, 2008	No Special Resolution was passed
2008-09	25th July, 2009	one Special resolution regarding the split of equity share of Rs. 10/- into 10 equity share of Rs. 1/- each

The details of Extra-Ordinary General Meetings held in the last three years:

Nil

Postal Ballot

During 2009-10, no resolution was passed through Postal Ballot. At the forthcoming AGM, no resolution is proposed to be passed through Postal Ballot.

Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting was held during the last three financial years.

7. DISCLOSURES

- **Financial Statements / Accounting treatments:** In the preparation of Financial Statements, the Company has followed the Accounting Standards issued by Institute of Chartered Accountants of India to the extent applicable.
- **Materially Significant Related Parties Transactions:** There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their relatives etc. that may have potential conflict with the interests of the Company at large.
- **Strictures or Penalties:** During the last three years, there were no strictures or penalties imposed either by the SEBI or the Stock Exchange or any other Statutory Authorities for non-compliance of any matter related to Capital Markets.
- **Compliance with Code of Conduct and Whistle Blower Mechanism:** The Company has adopted a Whistle Blower policy and has established the necessary mechanism in line with clause 7 of Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchange, for employees to report concerns about unethical behaviors. No personnel have been denied access to the audit committee.

Seizure of material worth Rs.20 Lacs (approx) by the Drug Control Department matter is still under litigation with concerned judicial authorities. After getting the final order from Supreme Court, matter has been reverted back to Lower Court.

The capital expenditures during the year were to the tune of Rs 2.51 Lacs.

8. MEANS OF COMMUNICATION

In compliance with the requirements of Listing Agreement, the company regularly intimates un-audited as well as audited financial results to the Stock Exchanges immediately after they are taken on record by the Board. Moreover, the said results were put up on the BSE website, apart from being published in "Rashtrdoot (Regional)" and "The Financial Express (English)". The company has also been

filing its financial results as per & in compliance of EDIFAR till period ended 31st December, 2009, after which this requirement was being withdrawn by BSE.

Management Discussions and Analysis Report forms part of the Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting:

Date : 20th September, 2010

Time : 12:30 P.M.

Venue : Plot No.13, Industrial Area, Bhimpura,
Kota-325003 (Rajasthan).

No special resolution is proposed to be passed by Postal Ballot at the aforesaid Annual General Meeting.

b. Financial Calendar (Tentative):

June Qtr Ending Results	Within 45 days from end of quarter.
Sept. Qtr Ending Results	Within 45 days from end of quarter.
Dec. Qtr Ending Results	Within 45 days from end of quarter.
March Qtr/Year Ending Results	Within 45 days from end of quarter.

c. Book Closure date:

15th September, 2010 to 18th September, 2010 (both days inclusive)

d. Dividend:

No dividend being recommended by the Board during the year.

e. Listing of Equity Shares in Stock Exchanges:

Mumbai

f. Demat ISIN exchange number in:

INE622B01029

g. Stock Code:

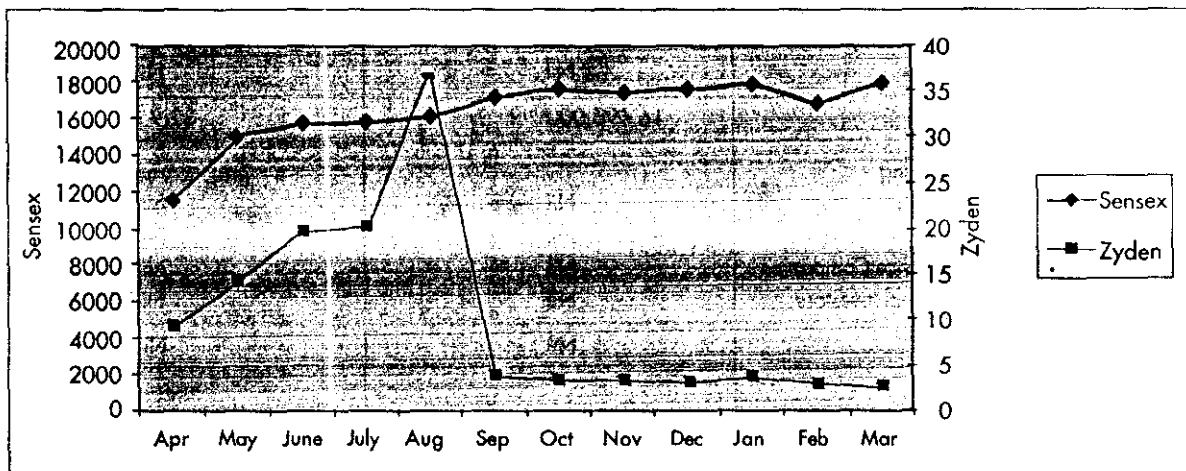
Bombay Stock Exchange – 530091. The Company has paid annual listing fees.

h. Market Price Data:

The high and low prices of every month during the financial year 2009-10 are given below:-

Month	BSE (Zyden Gentec Ltd)			BSE Sensex High
	High (Rs. 1/- face value)	Low (Rs. 1/- face value)	Number of Shares Traded	
April 2009	8.94	7.00	76498	11,492.10
May 2009	13.96	7.45	56987	14,930.54
June 2009	19.50	13.29	163966	15,600.30
July 2009	19.95	14.25	196468	15,732.81
August 2009	36.55	3.40	2310210	16,002.46
September 2009	3.65	2.63	2345268	17,142.52
October 2009	3.02	2.41	686571	17,493.17
November 2009	2.90	2.38	689989	17,290.48
December 2009	2.81	2.40	956179	17,530.94
January 2010	3.41	2.25	7896195	17,790.33
February 2010	2.62	1.90	1409806	16,669.25
March 2010	2.35	1.60	2027998	17,793.01

i. Performance of Company's Shares in Comparison to BSE



j. Registrar & Share Transfer Agent

Aarathi Consultants Pvt. Ltd.
 1-2-285, Domalguda, Hyderabad, Andhra Pradesh
 Tel: 040-27638111, Fax: 040-27632184
 E-mail: info@aarthiconsultants.com,
 Website: www.aarthiconsultants.com
 Business Hours: 9.30 A.M. to 6.30 P.M.

to the shares both held in physical and electronic form is handled by RTA. All correspondences are to be directed to the RTA at the address mentioned above. The correspondences may also be sent at the Company's address which will be sent by the Company to RTA. Share transfer is normally affected within the maximum period of 30 days from the date of receipt, if all required documentation is submitted.

k. Share Transfer System

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfer to Shareholders' & Investors' Grievances Committee. As on date, all the work related



l. Distribution of Shareholding as on 31st March, 2010

No of Equity Shares	No. of Share held	% of Share Holders	No. of Shares Holders	Amount (in Rs.)	% of Total Shares
1 to 5000	3,654	80	5,851,421	5,851,421	11.55
5001-10000	427	9	3,473,753	3,473,753	6.86
10001-20000	241	5	3,677,679	3,677,679	7.26
20001-30000	85	2	2,196,488	2,196,488	4.33
30001-40000	39	1	1,362,831	1,362,831	2.69
40001-50000	27	1	1,226,928	1,226,928	2.42
50001-100000	63	1	4,579,071	4,579,071	9.04
Above100001	49	1	28,305,829	28,305,829	55.86
Total	4585	100	50,674,000	50,674,000	100

m. Shareholding Pattern as on 31st March, 2010

Category	No. of Shares held	Percentage of Shareholding (%)
A. Promoters' Holding		
a. Indian Promoter	96,980,000	19.14
b. Persons acting in concert	7,000,000	13.81
c. Foreign Promoters	Nil	Nil
Subtotal-A	16,698,000	32.95
B. Non Promoters Holding		
a. Institutional Investors	Nil	Nil
b. Mutual Funds & UTI	Nil	Nil
c. Banks, Fls, Insurance Companies	Nil	Nil
d. Foreign Institutional Investors	Nil	Nil
Subtotal-B.	Nil	Nil
C. Others		
a Private Corporate Bodies	8,242,116	16.26
b i) Indian Public (Top 50)	19,964,333	39.40
ii) Other	5,373,152	10.06
c Non Resident Indians	240,296	0.47
d Any other (Associates & Relatives of Director)	Nil	Nil
e Trust	Nil	Nil
f Employees	Nil	Nil
g Clearing Members	156,103	0.31
h Foreign Nationals	Nil	Nil
Subtotal-C	33,976,000	67.05
Grand Total (A+B+C)	50,674,000	100

The persons in details C(d) above are not close relatives and holding is not in the control of promoters.



n. Dematerialization of Shares

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March, 2010, 49,032,840 equity shares of the company forming 96.76% of the share capital of the Company stand dematerialized.

o. Liquidity of Shares

The Equity Shares of the Company have been included in the Sensex of the leading Stock Exchanges.

p. Outstanding GDRs/Warrants and Convertible Instruments

The Company had issued and allotted 30,00,000 Equity shares of Re. 1/- each, to the holders of Convertible Warrants on exercise of the option of conversion of shares at a conversion price of Rs. 3.1/- per share. The listing compliance was done in this regard.

The remaining applicants could not pay the balance money on allotment and the 10% amount received from them was forfeited by the Company.

q. Plant Locations

The addresses of the company's Plant and manufacturing units are mentioned at the first page of this Annual Report.

r. Address for Correspondence

143/1, Deep Shree Building, Kotri - Gumanpura Road,
KOTA (Rajasthan)-324 007
Phone Nos. 0744-2390508, 3291705
Fax No. 0744-2392196
E-mail: zydendataone.in, info@zydengentec.com
Web-site: www.zydengentec.com

10. SECRETARIAL AUDIT

For each of the quarter in the financial year 2009-10, M/s V. M. & Associates, Company Secretaries, Jaipur carried out secretarial audits to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit report confirm that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

11. CIN NUMBER

The Corporate Identity Number ("CIN") of the Company as allotted by Ministry of Company Affairs is: L67120RJ1994PLC008284.

For and on behalf of the Board of Directors

Sd/-
Vinod S Gupta
Chairman

Date: 28th July, 2010
Place: Kota

**CERTIFICATE ON COMPLIANCE AS STIPULATED UNDER CLAUSE 49 OF
THE LISTING AGREEMENT WITH THE STOCK EXCHANGE**

To,
The Members,
Zyden Gentec Ltd.

We have examined the compliance of conditions of Corporate Governance by Zyden Gentec Limited for the year ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange in India.

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

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

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

For V. M. & Associates
Company Secretaries
Sd/-
Manoj Maheshwari
Partner

Place : Jaipur
Date : 28th July 2010

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

To,
The Shareholders,
Zyden Gentec Ltd.

This is to confirm that the company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel. The code of conduct of the company is available on its website (www.zydengentec.com)

I confirm that the company has, in respect of the financial year ended March 31, 2010, received from the members of the Board and the senior management team of the company, a declaration of compliance with the Code of Conduct as applicable to them.

Place: Kota
Date : 28th July, 2010

Sd/-
Vinod S Gupta
Chairman

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members,
Zyden Gentec Limited

I am pleased to confirm that the Company has complied with the provisions of the Companies Act, 1956 and rules framed there under for the financial year ended 31st March, 2010 and has:

1. Maintained all the books of accounts and statutory registers required under the Companies Act, 1956 ("the Act") and the Rules made there under.
2. Filed all the forms and returns and furnished all the necessary particulars to the Registrar of Companies, Rajasthan, as required by the Act.
3. Issued all notices required to be given for convening of Board / Committee Meetings and General Meeting, within the time limit prescribed by law.
4. Conducted the Board / Committee Meetings and Annual General Meeting as per the Act.
5. Complied with all the requirements relating to the minutes of the proceedings of the meeting of the Directors / Committee and the Shareholders.
6. Made due disclosures required under the Act.
7. Not exceeded the borrowing powers.
8. no penalties or strictures have been imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter related to Capital Markets during the last three years.

The content of the certificate is true to the best of my knowledge and belief, knowing fully well that on the faith and strength of what is stated above, the shareholders of the Company would place full reliance on it.

Place: Kota
Date : 28th July, 2010

Sd/-
Divya Jain
Company Secretary

REPORT OF THE AUDIT COMMITTEE

To
The Shareholders
Zyden Gentec Limited

The Audit Committee of the Board of Directors comprises of 3 Directors (Non-Executive & Independent Directors) of the Company. The Committee operates under a written charter adopted by the Board of Directors, and has been vested with all the powers necessary to effectively discharge its responsibilities.

The committee has primary responsibility for the financial statements and reporting process including the systems of internal controls. During the year, the Committee discussed with the Company's auditors about the overall scope and plans for their audit. The Committee also discussed the result of their examination, their evaluation of the company's internal controls and the overall quality of the Company's financial reporting.

In fulfilling its oversight responsibilities, the committee has reviewed and discussed the Company's audited financial statements with the management. Relying on the review and discussions with the management and the auditors, the Audit Committee believes that the Company's financial statements are fairly presented in all material aspects.

Further the Committee has recommended that for the year 2010-11, the Board, re-appointment of M/s Anand Jain & Company & M/s P Murali & Co. as Joint Statutory Auditors of the Company.

The Company's Code of Business Conduct and Ethics has the mechanism whereby no personnel intending to make a complaint relating to Securities and financial reporting shall be denied access to the Audit Committee.

Place: Kota
Date: 28th July, 2010

Sd/-
Niranjan Kumar Agarwal
Chairman Audit Committee

AUDITORS' REPORT

To the Shareholders of

ZYDEN GENTEC LIMITED

1. We have audited the attached Balance Sheet of ZYDEN GENTEC LIMITED as at 31st March, 2010, the Profit & Loss Account & the Cash Flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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, and as amended by the Companies (Auditor's Report)(Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on 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:
 - 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 books, and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and returns;

- d. In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
- e. On the basis of the written representations received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f. As the Central Government is yet to notify cess payable under Section 441A, the reporting requirement under Section 227(3)(g) of the Companies Act, 1956 does not arise.
- g. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - ii. In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

for Anand Jain & Co.
Chartered Accountants

for P Murali & Co.,
Chartered Accountants

Sd/-
Anand Prakash Jain
Proprietor
M. No. : 71045
FRN 001857C
C-11/24, Kaveri Path
Shopping Centre, Mansarovar,
Jaipur - 302 020
Place: Jaipur
Date: 28th July, 2010

Sd/-
M V Joshi
Partner
M. No. : 24784
6/3/655/2/3
Somajiguda,
Hyderabad-500 082
Place: Hyderabad
Date: 28th July, 2010

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Auditors Report of even date on the accounts of Zyden Gentec Limited for the year ended 31st March, 2010)

- i)
 - a) The Company is maintaining proper records of fixed assets showing full particulars including quantitative details and situations there of.
 - b) As per information given to us the assets are physically verified by the management once a year, which in our opinion is reasonable. No material discrepancies were noticed on such verification carried out during the year.
 - c) No substantial part of fixed assets has been disposed off during the year which would have affected the going concern.
- ii)
 - a) The inventory has been physically verified during the year and in our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of the physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The company is maintaining proper records of inventory and according to the information and explanations given to us, material discrepancies noticed on such verification as compared to book records were properly dealt with in the books of account.
- iii)
 - a) Company has not granted any unsecured loans to companies covered in the register maintained under section 301 of the Companies Act, 1956. Number of parties and amount involved therefore is NIL and consequently applicability of clause relating to rate of interest and other terms and conditions of loan given by the company, secured or unsecured, being not prima facie prejudicial to the interest of company, regularity of receipt of principal and interest, overdue amount and taking of reasonable steps for recovery of principal and interest when overdue amount is more than Rs. One lakh, does not arise.
 - b) According to the information and explanations given to us, the Company has taken unsecured loan from companies, firms, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Rate of interest and other terms and conditions of loan, secured or unsecured, are not prima facie prejudicial to the interest of the company. Payment of principal and interest, wherever stipulated, is regular. Number of party involved is one and maximum outstanding during the year was Rs. 4,326,389/-.
- iv) In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets, and for the sale of goods. During the course of our audit, no continuing failure to correct major weakness in internal controls has been noticed.
- v) The company has entered transactions in the register that were needed to be so entered in the register maintained under section 301 of the Companies Act, 1956. Company has not entered into any transaction, the value of which exceeds rupees five lacs in respect of any party during the year hence applicability of the clause of making the same at prices which are reasonable having regard to the prevailing market prices at the relevant time does not arise.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year, hence question of compliance with the directions issued by RBI and the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under does not arise. As per information and explanations given to us the order from CLB or National Company Law Tribunal or RBI or any court or any other tribunal has not been received by the Company.
- vii) The Company has an in-house internal audit system, which in our opinion is commensurate with the size of the Company and the nature of its business.
- viii) We have broadly reviewed the books of account relating to the materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central government for the maintenance of cost records under Section 209(1)(d) of the companies Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- ix)
 - a) On the basis of the Records produced to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection

Fund, Employee State Insurance, Income Tax, Sales Tax, wealth tax, Service tax, Custom Duty, Excise Duty, Cess and any other statutory dues, applicable to it. To the best of our knowledge and according to the information and explanations given to us, there were no arrears of undisputed outstanding statutory dues at the last day of the financial year for a period of more than six months from the date they become payable.

- b) According to the information and explanation given to us, there were no disputed dues of income tax, sales tax, Wealth Tax, Custom duty, Excise duty, and Cess which have not been deposited on account of any dispute.
- x) The Company's has no accumulated losses and has covered by our audit and in the immediately preceding financial year.
- xi) In our opinion the company has not defaulted in repayment of dues to a financial institution or bank.
- xii) On the basis of verification of the accounts and records maintained by the company and as per explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- Xiii) The company is not a chit fund company or nidhi/mutual benefit fund / society.
- xiv) In respect of dealing in or trading in shares, securities, debentures and other investments, proper records of the transactions and contracts have been maintained with making of timely entries therein. There was no investment in the shares, securities, debentures and other investments as at the year end hence question of holding them in the name of company or otherwise does not arise.
- xv) On the basis of information and explanations given, the company has not given any guarantee for loans taken by others from bank or financial institutions and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise.
- xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the cash flow statement and other records examined by us, on an overall basis, funds raised on short term basis have prima facie, not been used during the

year for long term investment and vice versa.

- xviii) According to the information and explanations given to us, the company has not during the year made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, and consequently question of prices at which such shares were allotted, being not prejudicial to the interest of the company at that particular point of time does not arise.
- xix) The company has not raised any money by public issue during the financial year covered by our audit report.
- xx) 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 year.

for Anand Jain & Co.
Chartered Accountants

for P Murali & Co.,
Chartered Accountants

Sd/-

Anand Prakash Jain
Proprietor
M. No. : 71045
FRN 001857C
C-11/24, Kaveri Path
Shopping Centre, Mansarovar,
Jaipur - 302 020

Place: Jaipur
Date: 28th July, 2010

Sd/-

M V Joshi
Partner
M. No. : 24784
6/3/655/2/3
Somajiguda,
Hyderabad-500 082

Place: Hyderabad
Date: 28th July, 2010

BALANCE SHEET AS AT MARCH 31, 2010

Amount Rs.

Particulars	Schedule	As at 31.03.2010		As at 31.03.2009	
SOURCES OF FUND					
Share Holders Funds					
Share Capital	1	50,674,000		47,674,000	
Fully Conv. Warrants		-		7,628,010	
Reserves & Surplus	2	35,153,459		25,917,979	
			85,827,459		81,219,989
Loan Funds					
Secured Loans	3	37,230,204		27,772,890	
Unsecured Loans	4	2,063,034		2,136,557	
			39,293,238		29,909,447
Deferred Tax Liability			2,753,618		2,337,942
			127,874,315		113,467,378
APPLICATION OF FUND					
Fixed Assets	5				
Gross Block		42,461,006		45,590,524	
Less: Depreciation		5,433,451		3,838,647	
Net Block		37,027,555		41,751,877	
Capital Work in Progress		6,233,661		-	
			43,261,216		41,751,877
Current Assets, Loans & Advances					
Inventories	6	29,199,300		36,091,947	
Sundry Debtors	7	39,394,062		38,152,270	
Cash & Bank Balances	8	1,969,061		374,344	
Loans, Advances & Deposits	9	43,442,656		4,051,198	
			114,005,079		78,669,759
Less: Current Liabilities & Provisions					
Current Liabilities	10	29,051,980		6,827,142	
Provisions	11	340,000		127,116	
			29,391,980		6,954,258
Net Current Assets			84,613,099		71,715,501
			127,874,315		113,467,378
Notes on Accounts & Significant Accounting Policies	19				

As per our annexed report of even date

for Anand Jain & Co
Chartered Accountants

for P Murali & Co
Chartered Accountants

for and on behalf of Board of Directors

 Sd/-
Anand Prakash Jain
Proprietor
C-11/24, Kaveri Path
Shopping Centre, Mansarovar
Jaipur - 302 020

 Sd/-
M V Joshi
Partner
6/3/655/2/3
Somajiguda
Hyderabad - 500 082

 Sd/-
Vinod S Gupta
Chairman

 Sd/-
Niranjan Agarwal
Director

 Sd/-
Divya Jain
Co. Secretary

 Place: Jaipur
Date : 28th July, 2010

 Place: Hyderabad
Date : 28th July, 2010

ANAND JAIN & CO. LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

Amount Rs.

Particulars	Schedule	This Year	Previous Year
INCOME			
Sales & Income from Operations	12	189,559,019	278,848,552
Other Income	13	948,456	232,319
Increase in Stocks	14	(6,704,823)	1,935,717
		183,802,652	281,016,588
EXPENDITURE			
Raw Material Consumption	15	137,423,334	219,153,719
Manufacturing & Other Expenses	16	33,595,256	57,388,644
Financial Expenses	17	4,226,034	2,050,651
Depreciation & Write Off	18	6,517,848	1,280,926
		181,762,472	279,873,940
Net Profit before Tax		2,040,180	1,142,648
Provision for Taxation			
Current Year Income Tax		340,000	127,116
Income Tax paid for Earlier Years		54,024	100,000
Deferred Tax Liability		415,676	658,638
Fringe Benefit Tax		-	43,928
Net Profit after Tax		1,230,480	212,966
Add: Balance Brought Forward		319,235	106,269
Balance Carried Forward		1,549,715	319,235
Weighted Average Number of Equity Shares		50,674,000	4,698,650
Nominal Value of Shares		1	10
Earning Per Share - Diluted & Basic		0.024	0.045
Cash EPS		0.169	0.516
Notes on Accounts & Significant Accounting Policies	19		

As per our annexed report of even date

for Anand Jain & Co
Chartered Accountants

for P Murali & Co
Chartered Accountants

for and on behalf of Board of Directors

Sd/-
Anand Prakash Jain
Proprietor
C-11/24, Kaveri Path
Shopping Centre, Mansarovar
Jaipur - 302 020

Sd/-
M V Joshi
Partner
6/3/655/2/3
Somajiguda
Hyderabad - 500 082

Sd/-
Vinod S Gupta
Chairman

Sd/-
Niranjan Agarwal
Director

Sd/-
Divya Jain
Co. Secretary

Place: Jaipur
Date : 28th July, 2010

Place: Hyderabad
Date : 28th July, 2010

ZYDEN GENTERED LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

Amount Rs.

Particulars	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 1		
SHARE CAPITAL		
Authorized Share Capital		
15,000,000 Equity Shares of Rs 1/- each (previous year	150,000,000	150,000,000
15,000,000 of Rs. 10/- each		
Issued		
50,674,000 Equity Shares of Rs 1/- each(previous	50,674,000	47,674,000
year 47,67,400 of Rs 10/- each		
Subscribed & Paid up		
50,674,000 Equity Shares of Rs 1/- each(previous	50,674,000	47,674,000
year 47,67,400 of Rs 10/- each		
	50,674,000	47,674,000
SCHEDULE - 2		
RESERVES & SURPLUS		
Capital Reserve (ref note no. 15)		
Forfeiture of warrant application money	9,705,000	8,000,000
Share Premium (ref note no. 16)	17,850,000	11,550,000
General Reserve		
Opening Balance	6,048,744	6,048,744
Profit & Loss Account	1,549,715	319,235
	35,153,459	25,917,979
SCHEDULE - 3		
SECURED LOANS		
Cash Credit (State Bank of Hyderabad) *	32,261,204	22,886,073
Term Loan (SIDBI) **	4,969,000	4,886,817
	37,230,204	27,772,890
SCHEDULE - 4		
UNSECURED LOANS		
From Body Corporates	519,000	-
From Directors	1,544,034	2,136,557
	2,063,034	2,136,557

*Secured by first charge by way of hypothecation of all current assets of the company (i.e. stocks and receivables), equitable mortgage of factory land and building at IDA Bollaram, hypothecation of all plant and machinery and other moveable assets of the company (except specific assets acquired under the SIDBI scheme) and personal guarantees of two directors of the company.

**Secured by first charge by way of hypothecation, in favour of SIDBI, of all the specific assets acquired under the scheme (SIDBI) and personal guarantees of two directors of the company.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

**SCHEDULE - 5
FIXED ASSETS**

Amount Rs

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 31.03.2009	Additions	Deductions	Write Off	As at 31.03.2010	Up to 31.03.2009	For the Year	Written Back	Up to 31.03.2010	As at 31.03.2010	As at 31.03.2009
Land	3,678,920	-	-	-	3,678,920	-	-	-	-	3,678,920	3,678,920
Land (at Kota)	2,759,180	-	-	-	2,759,180	-	-	-	-	2,759,180	2,759,180
Building	6,087,492	251,406	-	-	6,338,898	447,134	206,293	-	653,427	5,685,471	5,640,358
Plant & Machinery	23,908,230	1,470,770	-	-	25,379,000	2,136,559	1,160,546	-	3,297,105	22,081,895	21,771,671
Lab Equipments	1,868,507	12,862	-	-	1,881,369	275,735	89,162	-	364,897	1,516,472	1,592,772
Computers, Software & Printers	871,154	67,475	-	-	938,629	656,031	70,461	-	726,492	212,137	215,123
Office Equipments	130,293	-	-	-	130,293	20,861	6,328	-	27,189	103,104	109,432
Furniture & Fixtures	438,594	13,130	-	-	451,724	49,287	28,110	-	77,397	374,327	389,307
Vehicles	983,424	44,569	125,000	-	902,993	253,040	92,218	58,314	286,944	616,049	730,384
Intangible Assets											
Assets held under development * internally generated	4,864,730	-	-	4,864,730	-	-	-	-	-	-	4,864,730
Sub-Total	45,590,524	1,860,212	125,000	4,864,730	42,461,006	3,838,647	1,653,118	58,314	5,433,451	37,027,555	41,751,877
Capital Work in Progress	-	6,233,661	-	-	6,233,661	-	-	-	-	6,233,661	-
Total	45,590,524	8,093,873	125,000	4,864,730	48,694,667	3,838,647	1,653,118	58,314	5,433,451	43,261,216	41,751,877
Previous Year	37,312,441	12,957,550	4,679,467	-	45,590,524	3,156,945	1,280,926	599,224	3,838,647	41,751,877	

*Note : Amortized during the year by way of write off as these assets are derecognized on disposal or no future economic benefits are expected from its use/ subsequent disposal (refer para 5 (b) of Significant Accounting Policies to Schedule 19).

ZYDEN GENTEC LIMITED

Amount Rs.

Particulars	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 6		
INVENTORIES		
(As taken, valued & verified by the Management)		
(Valued at cost or market price whichever is lower)		
Raw Materials	9,003,360	9,273,682
Stores, Consumables & Packing Materials	1,638,275	1,555,777
Stock in Process	13,728,280	20,123,563
Finished Goods	4,829,385	5,138,925
	29,199,300	36,091,947
SCHEDULE - 7		
SUNDRY DEBTORS		
(Unsecured, considered good)		
More than six months	14,142,907	-
Others	25,251,155	38,152,270
	39,394,062	38,152,270
SCHEDULE - 8		
CASH & BANK BALANCES		
Cash in Hand	577,573	24,781
Bank Balances with Scheduled Banks in Current Accounts	55,930	50,401
In FDR Account with Banks (pledged with sales tax dept. Rs 35,000/-)	1,325,072	273,000
Accrued Interest on FDR	10,486	26,162
	1,969,061	374,344
SCHEDULE - 9		
LOANS, ADVANCES & DEPOSITS		
Loans (including interest accrued & due)		
Others	40,169,401	1,296,386
Advances recoverable in cash or in kind or for value to be received or pending adjustment	1,482,052	1,244,505
ITDS, FBT & Advance Taxes	17,773	28,373
Cenvat & Edu./She Cess Cr. Receivable/Adjustable	553,280	319,301
VAT Refundable/Adjustable	157,894	28,763
Deposits with Govt. Depts. & Others	1,062,256	1,133,870
	43,442,656	4,051,198
SCHEDULE - 10		
CURRENT LIABILITIES		
Sundry Creditors (Due to Micro & Small enterprises Rs Nil)	27,741,086	4,818,115
Other Liabilities	1,310,894	2,009,027
	29,051,980	6,827,142
SCHEDULE - 11		
PROVISIONS		
Provision for Taxation	340,000	127,116
	340,000	127,116

ZYDEN GENETEC LIMITED

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING MARCH 31, 2010

Amount Rs.

Particulars	This Year		Previous Year	
SCHEDULE - 12				
SALES & INCOME FROM OPERATIONS				
Export Sales		3,124,875		-
Domestic Sales & Income		186,434,144		278,848,552
		189,559,019		278,848,552
SCHEDULE - 13				
OTHER INCOME				
Interest (Including ITDS Rs 2,965/- previous year Rs 15,945/-)		86,275		175,390
Sundry Credit Balance w/back		400,206		-
Currency Fluctuation		273,192		-
Miscellaneous Income		188,783		3,351
Profit on Sale of Fixed Assets		-		53,578
		948,456		232,319
SCHEDULE - 14				
INCREASE IN STOCKS				
Closing Stocks				
Stock in Process		13,728,280		20,123,563
Finished Goods		4,829,385		5,138,925
		18,557,665		25,262,488
Opening Stocks				
Stock in Process		20,123,563		18,008,151
Finished Goods		5,138,925		5,318,620
		25,262,488		23,326,771
Increase in Stocks		(6,704,823)		1,935,717
SCHEDULE - 15				
RAW MATERIAL CONSUMPTION				
Opening Stock		9,273,682		9,719,939
Purchases/Imports:				
Raw Material - Chemicals (Indigenous)	125,068,258		202,477,978	
Raw Material - Chemicals (Imported)	9,778,102		15,201,187	
Custom Duty	2,306,652		1,028,297	
		137,153,012		218,707,462
		146,426,694		228,427,401
Closing Stock		9,003,360		9,273,682
		137,423,334		219,153,719

Amount Rs.

Particulars	This Year	Previous Year
SCHEDULE - 16		
MANUFACTURING & OTHER EXPENSES		
Stores, Consumables & Packing Material	3,670,202	2,351,342
Excise Duty Paid	14,360,174	33,051,097
Energy Charges	2,582,532	1,212,167
Carriage Inward & Import Clearing Expenses	834,934	385,698
Salaries, Wages & Allowances	6,926,098	5,456,884
Provident Fund	98,402	432,100
Staff Welfare	358,825	140,783
Vehicle Maintenance	429,458	346,454
Legal, Professional & Consultancy	463,311	416,567
Postage, Telephones & Couriers	383,606	311,494
Printing & Stationery	192,945	177,761
Travelling & Conveyance	441,867	194,994
Rent	626,122	648,820
Auditors' Fees	70,000	70,000
Loss on Sale of Fixed Assets	6,686	789,686
Bad Debts & Sundry Dr. Balances w/o	-	9,698,449
Insurance	69,875	61,100
Repairs to Building	-	8,138
Repairs to Machinery	231,771	132,098
Repairs Other	55,361	34,696
Bank Charges	459,419	356,622
Freight & Forwarding	347,021	171,340
Membership & Subscription	18,765	64,824
Rates & Taxes	48,228	38,691
Currency Fluctuation	-	505,627
Commission on Sales	309,050	-
Donation	31,000	-
Miscellaneous Expenses	579,604	331,212
	33,595,256	57,388,644
SCHEDULE - 17		
FINANCIAL EXPENSES		
Finance Charges	-	59,406
Interest to Banks	3713,877	1,655,086
Interest on Fixed Loan	491,845	79,213
Interest paid to Others	20,312	256,946
	4,226,034	2,050,651
SCHEDULE - 18		
DEPRECIATION & WRITE OFF		
Depreciation	1,653,118	1,280,926
Assets Held under Development w/off	4,864,730	-
	6,517,848	1,280,926

ZYDEN GENTEC LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

SCHEDULE - 19 : NOTES ON ACCOUNT & SIGNIFICANT ACCOUNTING POLICIES

A. SIGNIFICANT ACCOUNTING POLICIES

1 SYSTEM OF ACCOUNTING

The Company follows Mercantile System of accounting.

2 FIXED ASSETS

Fixed Assets are stated at historical cost inclusive of all incidental expenses incurred for acquisition of such assets.

3 INVESTMENTS

Investments are classified into current investment and long term investment. Current investments are value at cost or market price whichever is lower. Long term investments are valued at cost. Provision for diminution in value is made script wise to recognize a decline, other than temporary.

4 INVENTORIES

Stock of shares is valued at cost or market value whichever is lower. Stock of traded items is valued at cost. Raw materials, stores, consumables, packing materials and stocks in process are valued at cost. Finished goods is valued at cost or market value whichever is lower.

5 RESEARCH & DEVELOPMENT COSTS & INTERNALLY GENERATED INTANGIBLE ASSETS

a. Expenditure up to research stage is charged as expenditure in the respective heads of expenditure in the Profit & Loss Account of the relevant accounting period.

b. Development expenditure of molecule is treated as internally generated intangible assets where it is probable of flowing future economic benefits to the Company and amortize the same over a period of five years equally on straight line basis after the assets start giving economic benefits. Such assets are derecognized on disposal or when no future economic benefits are expected from its use/subsequent disposal.

6 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded using the exchange rates on the date of accruing of transaction. Balances in the form of current assets & current liabilities outstanding on the date of Balance Sheet are converted at the appropriate exchange rate as on the date of Balance Sheet. Exchange difference arising out of fluctuation in exchange rate is accounted for on realization comparing the same with initial transaction amount or converted amount on the date of Balance Sheet comparing original amount as the case may be.

7 GOVERNMENT GRANTS

Government grants are accounted for on its becoming reasonably certain that the ultimate collection will be made.

8 DEPRECIATION

a. Depreciation is provided on straight line method at the rate specified and in accordance with the provisions of Schedule XIV to the Companies Act, 1956 on pro-rate basis.

b. Construction on assets taken on lease is written off over the period of lease.

9 MISCELLANEOUS EXPENDITURE

- a. The Company amortizes expenditure in relation to its share issue including preliminary expenditure equally over a period of ten years
- b. Expenses incurred on or after April 01, 2003 are charged to revenue in the year in which expenses are incurred in conformity with accounting standard AS-26 'Intangible Assets'.

10 TAXATION

Provision for income-tax is made on the basis of prevailing laws and rates applicable for the relevant assessment year. Deferred taxation is recognized for all the timing differences subject to the consideration of prudence in respect of deferred tax assets in accordance with the accounting standard no. 22 'Accounting for taxes on Income' issued by the Institute of Chartered Accountants of India.

11 RETIREMENT BENEFITS

- a. PF and ESI are paid as per provisions of PF & ESI Acts with the authorities of the respective State.
- b. Gratuity, being deferred contribution, is accounted for as and when paid.
- c. Leave Encashment is accounted for on payment.

		Amount : Rs	
B. NOTES ON ACCOUNTS	This Year	Previous Year	
1	Contingent Liabilities not provided for LCs/BG/Custom LUT Bond		
	a) LCs/BG/Custom LUT Bond	5,054,320	1,000,000
	b) Income Tax demand disputed	-	952,017
	c) Drug Control Administration had seized material worth Rs. 20 Lacs (approx) which is included in the inventory. The matter is under litigation with the concerned Judicial Authorities.		
2	Capital commitments excluding advances	1,300,000	
3	Leave Encashment and Gratuity is so far accounted for on payment basis. In the opinion of management, quantum is not material and hence no provision is made.		
4	Foreign Exchange Earning/Outgo	This Year	Previous Year
	a) Earnings		
	FOB Value of Exports (incl. Deemed Exports)	3,124,875	
	b) Outgo		
	CIF Value of Imports - Raw Materials	9,778,102	15,201,187
	Advance Paid		1,000,000
5	In the opinion of the Board, all the fixed assets and current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.		



6 Particulars in respect of Opening Stock, Production, Turnover & Closing Stock

Particulars	Opening Stock		Production	Turnover		Closing Stock	
	Qty (Kgs)	Value (Rs)	Qty (Kgs)	Qty (Kgs)	Value (Rs)	Qty (Kgs)	Value (Rs)
Drug Intermediates, Speciality Chemicals	12,119	5,138,925	238,946	239,959	189,559,019	11,106	4,829,385
Previous Year	2,135	5,318,620	254,213	244,229	278,848,552	12,119	5,138,925

7 Particulars in respect of Raw Materials Consumed

Particulars	This Year			Previous Year		
	Qty(Kgs)	Value (Rs)	%	Qty(Kgs)	Value (Rs)	%
Chemicals & Solvents	589,899	137,423,334		429,648	219,153,719	
Break up: Imported	63,004	13,861,791	10.09	30,605	11,394,598	5.20
Indigenous	526,895	123,561,543	89.91	399,043	207,759,121	94.80
Total	589,899	137,423,334	100	429,648	219,153,719	100

8. Capital work in progress include:

Particulars	This Year Rs	Previous Year Rs
Borwell and Other	102,837	-
Building Material Expenses	3,122,978	-
Construction Labour Expenses	1,403,325	-
Land Development	525,585	-
Other Expenses	28,798	-
Rates/Taxes/Professional Charges	382,695	-
Rent	36,000	-
Salary	416,368	-
Security Deposit	82,450	-
Travelling & Conveyance	123,382	-
Water, Electricity & Diesel Expenses	9,243	-
Total	6,233,661	-

ZYDEN SERVICE LIMITED

9. Business Segment wise revenue, results and assets/liabilities

Segment	Manufacturing & Allied Activities		Financial, Investment & Allied Activities		Total	
	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year
Nature of Services						
REVENUE						
External Revenue *	190,421,200	278,905,481	-	-	190,421,200	278,905,481
Total Revenue	190,421,200	278,905,481	-	-	190,421,200	278,905,481
RESULT						
Segment Result *	6,179,939	3,017,909	-	-	6,179,939	3,017,909
Unallocated Expenses	-	-	-	-	-	-
Operating Profit *	6,179,939	3,017,909	-	-	6,179,939	3,017,909
Interest Expenses	4,226,034	2,050,651	-	-	4,226,034	2,050,651
Interest Income	86,275	175,390	-	-	86,275	175,390
Profit from Ordinary Activity	2,040,180	1,142,648	-	-	2,040,180	1,142,648
Extra Ordinary Loss/Items	-	-	-	-	-	-
Net Profit before Taxes	2,040,180	1,142,648	-	-	2,040,180	1,142,648
Tax Provision	-	-	-	-	-	-
Current & Deferred	809,700	929,682	-	-	809,700	929,682
Unallocated	-	-	-	-	-	-
Profit after Taxes	1,230,480	212,966	-	-	1,230,480	212,966
OTHER INFORMATION						
Segment Assets	157,266,295	120,421,636	-	-	157,266,295	120,421,636
Unallocated other Assets	-	-	-	-	-	-
Total Assets	157,266,295	120,421,636	-	-	157,266,295	120,421,636
Segment Liabilities	68,345,218	36,736,589	-	-	68,345,218	36,736,589
Unallocated other Liabilities	-	-	-	-	-	-
Total Liabilities	68,345,218	36,736,589	-	-	68,345,218	36,736,589
Capital Expenditure	43,261,216	41,751,877	-	-	43,261,216	41,751,877
Depreciation and Amortization	6,517,848	1,280,926	-	-	6,517,848	1,280,926
Non Cash expenses other than depreciation	-	-	-	-	-	-
					This Year	Previous Year
					-	53,578

* Includes profit/capital gains on sale of fixed assets

10 Related Party Transactions

S No	Name	Relationship	Nature of Transaction	Maximum Outstanding	Amount Rs
1	Vinod S Gupta	Significant Influence	Rent/Expenses	424,969	60,000
2	Vinod S Gupta	Significant Influence	Unsecured Loan	1,544,034	1,544,034

11. Major Components of Deferred Tax Liability As at 31.03.10 As at 31.03.09
- | | | |
|---|-----------|-----------|
| Deferred Tax Liability on Depreciation as at the year end | 2,753,618 | 2,337,942 |
|---|-----------|-----------|
12. Previous year's figures have been regrouped, rearranged or recasted wherever considered necessary.
13. Sundry Debtors and Loans & Advances are subject to confirmations.
14. The Company has followed accounting standard AS-27 'Intangible Assets' and the accounting policy has been described in point no. 5 above. No other details are required to be reported on the same.
15. Capital Reserve Rs 9,705,000/- (previous year Rs 8,000,000/-) represent the amount forfeited due to non-exercise of option of conversion by the allottees, before the due date.
16. Share Premium Rs 17,850,000/- (previous year Rs 11,550,000/-) represents the premium received on conversion of 850,000 (previous year 550,000) convertible warrants of Rs 31/- each in to 850,000 (previous year 550,000) Equity Shares of Rs 10/- each at a premium of Rs 21/- per share consequent upon exercise of option by the warrant holders.
17. As per information available with the company no amount was due to be paid to Micro and Small Enterprises.

As per our annexed report of even date

for Anand Jain & Co
Chartered Accountants

for P Murali & Co
Chartered Accountants

for and on behalf of Board of Directors

Sd/-
Anand Prakash Jain
Proprietor

Sd/-
M V Joshi
Partner

Sd/-
Vinod S Gupta
Chairman

Sd/-
Niranjan Agarwal
Director

Sd/-
Divya Jain
Co. Secretary

C-11/24, Kaveri Path
Shopping Centre, Mansarovar
Jaipur - 302 020

6/3/655/2/3
Somajiguda
Hyderabad - 500 082

Place: Jaipur
Date : 28th July, 2010

Place: Hyderabad
Date : 28th July, 2010

ZYDEN CENTEC LIMITED

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956

Balance Sheet Abstract and General Company Profile			
1 Registration Details			
Registration Number			017-08284
State Code			17
Balance Sheet Date			31.03.2010
2 Capital Raised during the year (amount in Rs '000)			
Public Issue			Nil
Bonus Issue			Nil
Right Issue			Nil
Private Placement (Preferential Allotment)			Nil
3 Position of Mobilization and Deployment of Fund (amount in Rs '000)			
Total Liabilities	127,874	Total Assets	127,874
Sources of Funds			
Paid up Capital	50,674	Reserves & Surplus	35,153
Fully Conv. Warrants	-	Unsecured Loans	2,063
Secured Loans	37,230	Deferred Tax Liability	2,754
Application of Funds			
Net Fixed Assets	43,261	Investments	-
Net Current Assets	84,613	Misc Expenditure	-
Accumulated Loss	-		
4 Performance of Company (amount in Rs '000)			
Turnover	183,803	Total Expenditure	175,245
Profit/(Loss) before Tax	2,040	Depreciation	6,518
Profit/(Loss) after Tax	1,230		
Earning per Share	0.024	Dividend Rate	Nil
5 Generic Names of the three principal products/services of the Company (as per monetary terms)			
Product Description		Item Code No.	
Specialized Chemicals		-	
Bulk Drugs, Compounds & Intermediates\		-	
Software Solutions/Consultancy		-	

As per our annexed report of even date

for Anand Jain & Co
Chartered Accountants

for P Murali & Co
Chartered Accountants

for and on behalf of Board of Directors

Sd/-
Anand Prakash Jain
Proprietor
C-11/24, Kaveri Path
Shopping Centre, Mansarovar
Jaipur - 302 020

-Place: Jaipur
Date : 28th July, 2010

Sd/-
M V Joshi
Partner
6/3/655/2/3
Somajiguda
Hyderabad - 500 082

Place: Hyderabad
Date : 28th July, 2010

Sd/-
Vinod S Gupta
Chairman

Sd/-
Niranjan Agarwal
Director

Sd/-
Divya Jain
Co. Secretary

ZYDEN GENTEC LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDING ON MARCH 31, 2010

Amount: Rs

Particulars	As at 31.03.2010	As at 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extra Ordinary Items	2,040,180	1,142,648
Adjustments for:		
1 Depreciation & Write off	6,517,848	1,280,926
2 Bad Debts & Sundry Dr. Balances w/off	-	9,698,449
3 Loss on sale of Fixed Assets	6,686	789,686
4 Loss on sale of Investment	-	-
5 Profit on sale of Fixed Assets./Capital Gains	-	(53,578)
6 Interest paid	4,226,034	2,050,651
7 Interest received	(86,275)	(175,890)
Operating Profit before Working Capital changes	12,704,473	14,732,892
Adjustments for:		
1 Trade & Other Receivables	(1,760,235)	(38,476,111)
2 Inventories	6,892,647	(1,915,817)
3 Trade Payable	22,224,838	(793,541)
Cash generated from Operations	40,061,723	(26,452,577)
1 Dep W/back	(58,314)	-
2 Direct Taxes paid	(181,140)	(571,590)
3 FBT paid	-	(43,928)
Cash Flow before Extra Ordinary items	39,822,269	(27,068,095)
1 Extra Ordinary items	-	-
Net Cash from Operating Activities	39,822,269	(27,068,095)
B. CASH FLOW FROM INVESTING ACTIVITIES		
1 Purchase of Fixed Assets	(8,093,873)	(11,704,214)
2 Sale of Fixed Assets	118,314	2,090,799
3 Sale of Investments	-	-
4 Purchase of Investments	-	-
5 Interest received	86,275	175,890
6 Loans to others	(38,873,015)	12,213,763
Net Cash from Investing Activities	(46,762,299)	2,776,238
C. CASH FLOW FROM FINANCING ACTIVITIES		
1 Proceeds from issue of Share Capital/Warrants/Premium	3,376,990	3,350,000
2 Proceeds from Long Term Borrowings	8,660	5,147,023
3 Proceeds from Short Term Borrowings	9,375,131	17,711,774
4 Dividend paid	-	-
5 Interest paid	(4,226,034)	(2,050,651)
Net Cash from Financing Activities	8,534,747	24,158,146
Net increase in cash and cash equivalents	1,594,717	(133,711)
Cash and cash equivalents as at opening balance	374,344	508,055
Cash and cash equivalents as at closing balance	1,969,061	374,344

AUDITORS' REPORT

We have verified the above cash flow statement of Zyden Gentec Limited, derived from the audited annual financial statement for the year ending on March 31, 2010 and found the same in accordance therewith and also with the requirement of clause 32 of the listing agreement with the stock exchange read along with the notes thereon.

for **Anand Jain & Co**
Chartered Accountants

for **P Murali & Co**
Chartered Accountants

Sd/-
Anand Prakash Jain
Proprietor

Sd/-
M V Joshi
Partner

Date : 28th July, 2010

Place: Jaipur

Place: Hyderabad



ZYDEN GENTEC LIMITED

Annual General Meeting 2010

ATTENDANCE SLIP

Registered office: 143/1, Deepshree Building, Kotri-Gumanpura Road, Kota-324 007

Please fill in attendance slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional attendance slip on request.

Name and Address of the Shareholder:

No. of shares held:

Master Folio No./DP ID & Client ID:

I, hereby record my presence at the 16th Annual General Meeting of the Company held on Monday, the 20th September, 2010 at 12:30 p.m. at Plot No.13, Industrial Area, Bhimpura, Kota-325003 (Rajasthan).

Signature of the Shareholder or Proxy*

*Strike out whichever is not applicable.

----- Tear here -----



ZYDEN GENTEC LIMITED

PROXY FORM

Registered office: 143/1, Deepshree Building, Kotri-Gumanpura Road, Kota-324 007

Master Folio No./DP ID & Client ID:

I/We.....
ofbeing member / members of Zyden Gentec Limited, appoint
Mr/Ms.....or failing him Mr/
Ms.....as my / our proxy to vote for me / us and on
my / our behalf at the 16th Annual General Meeting to be held on Monday, the 20th September, 2010 at 12:30 p.m.
at Plot No.13, Industrial Area, Bhimpura, Kota-325003 (Rajasthan) or at any adjournment there of.

Signed this.....day of2010

Affix
Revenue
Stamp

Note: The Proxy must be returned so as to reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

