



ZYDEN GENTEC LIMITED

Annual Report 2011-12

Chemistry for a
BETTERLife



BOARD OF DIRECTORS

Vinod S Gupta

Promoter & Non- Executive Chairman

Niranjan Kumar Agrawal

Non-Executive & Independent Director

Rajesh Sharma

Non-Executive & Independent Director

Venkata Kameshwararao Varanasi

Whole-time & Independent Director

Anita Kumari

Non-Executive & Independent Director

(Appointed as an Additional Director w.e.f. 27-09-2011)

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Kanak Lata Jain

Company Secretary

MANAGERIAL PERSON

Pawan Sharma

Commercial Manager

G.P. Nagar

General Manager (Kota Plant)

AUDITORS

Anand Jain & Company

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

ADVISORS

V M & Associates

Company Secretaries,
403, Royal World, S. C. Road,
Jaipur - 302 001



REGISTERED OFFICE

143/1, Deepshree Building,
Kotri Road, Gumanpura, Kota - 324 007
Tel. No.: 0744-3291705, 2390508, Fax: 0744-2392196
E-mail: compliance@zydengentec.com
Web: www.zydengentec.com

CORPORATE OFFICE

Flat No. 607, 6th Floor, Karan Commercial Centre,
Opp. Petrol Pump, S.D. Raod, Secunderabad - 500 003
Tel. No.: 040-27845404, Fax: 040-27848483
E-mail : info@zydengentec.com
Web: www.zydengentec.com

BANKERS

Punjab National Bank
State Bank of Hyderabad
SIDBI

REGISTRAR & SHARE TRANSFER AGENT

Aarhi Consultants Private Limited

1-2-285, Domalguda, Hyderabad - 500 029
Tel. No.: 040-27638111, Fax: 040-27632184
E-mail: info@aarhiconsultants.com

MANUFACTURING FACILITY

UNIT -I

Sy. No. 168, IDA Bollaram, Jinaram Mandal,
Medak District, Hyderabad (AP)
Tel & Fax: 08458-279815
E-mail: info@zydengentec.com

UNIT -II

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



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of “ZYDEN GENTEC LIMITED” will be held on Saturday, the 25th day of August, 2012 at Surya Plaza, Kotri Road, Gumanpura, Kota, Rajasthan – 324007 at 1.00 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, 2012, 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. Niranjana Kumar Agrawal, who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint M/s Anand Jain & Company, Chartered Accountants, Jaipur as the Statutory Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

“RESOLVED THAT Ms. Anita Kumari, 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 her 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.”

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

“RESOLVED THAT pursuant to the provisions of Sections 81, 81(1A) and all other applicable provisions, of the Companies Act, 1956 with any statutory modification(s) or re-enactment(s) thereof for the time being in force and in accordance with the guidelines, rules and regulations including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Listing Agreement entered into by the Company with the Stock Exchanges on which the company is listed, terms and conditions of approvals, permissions, sanction, if any, of the Reserve Bank of India, Government of India, other appropriate authorities and enabling provisions in the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions or sanctions (including any conditions there of or modifications to the terms contained therein), if any, required by the appropriate authorities including stock exchange and such terms and conditions, if any, as may be prescribed while granting such consents, approvals, permissions and sanctions, which may be agreed to by the Board, the Board be and is hereby authorized to create, offer, issue and allot not exceeding 2,00,00,000 equity shares, of Re.1/- each at Rs. 2.36/- (including premium) per equity shares or at such price or prices prescribed under guidelines issued by SEBI in this respect, whichever is higher on the relevant date, for cash on a preferential basis, provided that promoter’s shareholding does not increase by more than 5% of the equity share capital in any financial year as per guidelines issued by SEBI, as amended from time to time and on such terms and conditions as may be deemed appropriate by the Board, to the Persons other than promoters of the Company namely:



S.No.	Name of the Persons other than Promoters	No. of Equity Shares
1.	Mohan Agrawal	4,25,000
2.	Ashish Agrawal (HUF)	6,40,000
3.	Abhishek Agrawal	8,50,000
4.	Faiz Vali	29,66,000
5.	Sanjeev Bandwar (HUF)	2,15,000
6.	Kishore Daga (HUF)	3,20,000
7.	Amit Radheshyam Agrawal	2,15,000
8.	Anwar Siraj Daud	29,66,000
9.	Ali Hatim Shabbir Husain	2,15,000
10.	Rahul Dhawanjewar	65,000
11.	Chetan Bagade	60,000
12.	Rohit Agrawal	12,75,000
13.	Rajat Agrawal	8,50,000
14.	Sumati Agrawal	4,25,000
15.	Sreyansh R. Jejani	8,50,000
16.	Kamal Sharma	2,15,000
17.	Pawan Arora	1,95,000
18.	Abhishek Purohit	1,30,000
19.	Vandita Kedia	1,30,000
20.	Mrunal Sakhre	2,15,000
21.	Smita Dattatraya Meghe	2,15,000
22.	Arvind Sakhre	2,15,000
23.	Sushil Kedia	85,000
24.	Abhishek Patni	2,15,000
25.	Deepak Sisodiya	2,55,000
26.	Ultimate Money Makers India Private Limited	57,93,000
	TOTAL	2,00,00,000

RESOLVED FURTHER THAT all the Equity Shares, 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 and other corporate benefits.

RESOLVED FURTHER THAT the relevant date for the purpose of calculating the issue price of the above mentioned Equity Shares under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 relating to preferential issues shall be 26th July, 2012 being the date 30 days prior to the date on which the meeting of shareholders is held to consider the proposed issue.

RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide.

RESOLVED FURTHER THAT the Equity Shares to be allotted to the holders shall be lock-in for a period of one year from the date of their allotment, subject to lock-in requirements as prescribed by SEBI (ICDR) Regulations, 2009.

RESOLVED FURTHER THAT the equity shares shall be listed with the stock exchange on which the existing equity shares of the company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue, allotment and utilisation of the proceeds of the issue of the above mentioned Equity Shares and further to do all such acts, deeds, matters and things to finalise and execute all documents and writings as it may deem fit.



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

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

“**RESOLVED THAT** in accordance with the provisions of Section 16,94,95 and all other applicable provisions, if any of the Companies Act, 1956, including any amendments and enactments made thereof and subject to such approvals, consents, permissions and sanctions, if any, required from any authority, as may be agreed by the Board of Directors of the Company (here in after referred to as the “Board”, which term shall also include any committee thereof) consent of the members be and is hereby accorded for consolidation of the existing equity share of face value of Re. 1/- (Rupee One) each in the Share Capital of the Company by combining 10 equity shares of face value of Re. 1/- each into 1 Equity share of face value of Rs. 10/- each and consequently Clause 5 of the Memorandum of Association of the Company, be and is hereby altered accordingly.

RESOLVED FURTHER THAT pursuant to the provisions of Section 13, 16 and other applicable provisions, if any, of the Companies Act, 1956, including any amendments and enactments made thereof, the existing clause V of the Memorandum of Association of the Company, be and is hereby deleted and substituted with the following clause:

V The Authorised Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crore) Divided into 1,50,00,000 (One Crore Fifty Lacs) Equity Shares of Rs. 10/-(Rupees Ten) each with the rights, privileges, and conditions attached thereto as provided by the Articles of Association of the Company for the time being force and to divide the share capital for the time being of the Company into several classes (being those specified in the Companies Act, 1956) and to attach thereto respectively such preferential, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privileges or conditions in such manner as may be for the time being permitted by the said Act or provided by the Articles of Association of the Company for the time being in force.

RESOLVED FURTHER THAT pursuant to the consolidation of the Equity Shares of the Company, the Issued, Subscribed and Paid up Equity Shares of face value of Re. 1/- (Rupee One) each, shall stand consolidated by combining 10 equity shares of face value of Re. 1/- each into 1 Equity share of face value of Rs. 10/- each, fully paid up with effect from the Record Date subject to the terms of Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT no letter of allotment shall be issued on consolidation and new equity shares will be credited to the demat account of the allottees who are holding existing equity shares in demat form. The new share certificates shall be issued and dispatched to the allottees holding physical shares on the record date.

RESOLVED FURTHER THAT the allotment of new equity shares on consolidation to the extent relating to non-resident members of the Company, shall be subject to the approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as may be deemed necessary.

RESOLVED FURTHER THAT the Board (including any committee thereof or such persons as are authorized by the Board) of the Company, be and is hereby authorised to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution and execution of all necessary documents with the Stock Exchange(s) and the Depositories, Reserve Bank of India and/or any other relevant statutory authority, if any, cancellation or rectification of the existing share certificates in lieu of the old certificates and to settle any question or difficulty that may arise with regard to the consolidation of the equity shares as aforesaid.”

Date: 24th July, 2012

Place: Kota

By Order of the Board

Sd/-

Kanak Lata Jain

Company Secretary



NOTES:

1. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF SUCH MEMBER. AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The duly stamped, filled and signed instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the meeting.
3. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
4. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
5. Members are informed that in case of joint holders attending 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 Friday, 24th August, 2012 to Saturday, 25th August'2012 (both days inclusive).
7. M/s. Aarthi 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. Aarthi Consultants Private Limited to facilitate better servicing:
 - i. Any change in their address/ mandate/ bank details.
 - ii. Particulars of their bank account, in case the same have not been furnished earlier, and
 - iii. Share certificates held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
9. The shareholders, who have not converted their shares in demat form, are requested to do so.
10. Members may now avail the facility of nomination by nominating, in the prescribed form, a person to whom their shares in the Company shall vest in the event of their death. Interested Members may write to the Registrars and Share Transfer Agents for the prescribed form.
11. The documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during working hours between 10.00 a.m. to 1.00 p.m. except on holidays.
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.
14. Members are informed that Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by companies through electronic mode. Companies are now permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Your company has also decided to be a part of this initiative and request the shareholders to send/update their email id's in the company's record. This initiative will enable better flow of the information required to be disseminated to the members and save the environment by saving the paper. We seek your whole-hearted support for this initiative.

Date: 24th July, 2012

Place: Kota

By Order of the Board
Sd/-
Kanak Lata Jain
Company Secretary



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.4

Ms. Anita Kumari was appointed as an Additional Director of the Company in the Board Meeting held on 27th September, 2011. 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 Ms. Anita Kumari 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 Ms. Anita Kumari 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 Ms. Anita Kumari, nature of expertise in specific functional areas and names of Companies in which she 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 Ms. Anita Kumari, 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. 5

The company is at the cross roads of growth trajectory. To fulfill the working capital requirements of the Company and for other general corporate purposes your company is exploring various financing options. Raising of funds through preferential issue of shares is most appropriate mode. The intention and the primary object of the persons other than promoters to subscribe to the issue of equity shares through this preferential issue is to make the funds readily available

for working capital requirement and for other general corporate purposes of the Company. It is proposed to issue and allot not exceeding 2,00,00,000 equity shares, of Rs. 1/- each at Rs. 2.36/- (including premium) per Equity Share or at such price or prices prescribed under guidelines issued by SEBI in this respect, whichever is higher on the relevant date, for cash on a preferential basis. The Equity Shares to be allotted to the holders shall be lock-in for a period of one year from the date of their allotment, subject to lock-in requirements as prescribed by SEBI (ICDR) Regulations, 2009.

The relevant date for the purpose of calculating the price of the Equity Share being allotted pursuant to this resolution is 26th July, 2012, being the date 30 days prior to the date of this meeting.

The proposed preferential allotment shall not result in any change in the Management/ control.

None of the directors are interested in the said resolution except only to the extent of their shareholdings. The Board of Directors believes that the proposed offer is in the best interest of the Company and its members.

The Board of Directors recommends the resolution for approval.

Disclosures pursuant to Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009.

The following disclosures are made pursuant to the provisions of the SEBI (ICDR) Regulations, 2009 as amended.

1. Objects of the issue through preferential offer:

To fulfill the working capital requirements of the Company and for other general corporate purposes of the Company.

2. Persons other than Promoters to subscribe to the issue:

The following Persons other than promoters intend to subscribe to the number of equity shares as mentioned below:



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S. No.	Name of the Persons other than Promoters	No. of Equity Shares
1.	Mohan Agrawal	4,25,000
2.	Ashish Agrawal (HUF)	6,40,000
3.	Abhishek Agrawal	8,50,000
4.	Faiz Vali	29,66,000
5.	Sanjeev Bandwar (HUF)	2,15,000
6.	Kishore Daga (HUF)	3,20,000
7.	Amit Radheshyam Agrawal	2,15,000
8.	Anwar Siraj Daud	29,66,000
9.	Ali Hatim Shabbir Husain	2,15,000
10.	Rahul Dhawanjewar.	65,000
11.	Chetan Bagade	60,000
12.	Rohit Agrawal	12,75,000
13.	Rajat Agrawal	8,50,000
14.	Sumati Agrawal	4,25,000
15.	Sreyansh R. Jejani	8,50,000
16.	Kamal Sharma	2,15,000
17.	Pawan Arora	1,95,000
18.	Abhishek Purohit	1,30,000
19.	Vandita Kedia	1,30,000
20.	Mrunal Sakhre	2,15,000
21.	Smita Dattatraya Meghe	2,15,000
22.	Arvind Sakhre	2,15,000
23.	Sushil Kedia	85,000
24.	Abhishek Patni	2,15,000
25.	Deepak Sisodiya	2,55,000
27.	Ultimate Money Makers India Private Limited	57,93,000
	TOTAL	2,00,00,000

3. Shareholding Pattern of the company before and after the preferential issue of shares:

CATEGORY	PRE- ISSUE		POST- ISSUE	
	No. of shares	% of Shareholding	No. of shares	% of Shareholding
1. Promoters Holding				
A. Indian Promoters				
i. Individuals/HUF	9698000	8.73	9698000	7.40
ii. Central Govt. / State Govt.	-	-	-	-
iii. Bodies Corporate	9500000	8.55	9500000	7.25
iv. Financial Institution/Banks	-	-	-	-
v. Any Other (specify)	-	-	-	-
B. Foreign Promoters				
i. Individuals/HUF	-	-	-	-
ii. Bodies Corporate	-	-	-	-
iii. Institutions	-	-	-	-
iv. Any Other	-	-	-	-
Sub Total (A+B)	19198000	17.28	19198000	14.65



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	6608161	5.95	6608161	5.04
ii. Individual/HUF	85113488	76.59	105113488	80.16
iii. Any other NRI	189284	0.17	189284	0.14
Clearing Members	15067	.01	15067	0.01
Sub Total (A+B)	91926000	82.72	111926000	85.35
Grand Total	111124000	100	131124000	100

4. Proposed time within which the preferential issue shall be completed:

The allotment of the equity shares shall be completed within 15 days from the date of passing of the above resolution, provided that where the allotment is pending on account of pendency of any approval for such allotment by any Statutory or Regulatory authority, the period of 15 days shall be counted from the date of such approval or permission as the case may be or such other extended period as may be permitted under applicable SEBI Regulations, as amended from time to time.

5. The identities of the proposed allottees and the percentage of the post preferential issue capital that may be held by them:

Name of the Proposed Allottees	Category	Pre-issue		Post-issue	
		No. of Equity share held	% of holding	No. of Equity share held	% of holding
Mohan Agrawal	Non-Promoter	Nil	---	4,25,000	0.32
Ashish Agrawal(HUF)	Non-Promoter	Nil	---	6,40,000	0.49
Abhishek Agrawal	Non-Promoter	Nil	---	8,50,000	0.65
Faiz Vali	Non-Promoter	Nil	---	29,66,000	2.26
Sanjeev Bandwar (HUF)	Non-Promoter	Nil	---	2,15,000	0.16
Kishore Daga (HUF)	Non-Promoter	Nil	---	3,20,000	0.24
Amit Radheshyam Agrawal	Non-Promoter	Nil	---	2,15,000	0.16
Anwar Siraj Daud	Non-Promoter	Nil	---	29,66,000	2.26
Ali Hatim Shabbir Hussian	Non-Promoter	Nil	---	2,15,000	0.16
Rahul Dhawanjewar	Non-Promoter	Nil	---	65,000	0.05
Chetan Bagade	Non-Promoter	Nil	---	60,000	0.05
Rohit Agrawal	Non-Promoter	Nil	---	12,75,000	0.97
Rajat Agrawal	Non-Promoter	Nil	---	8,50,000	0.65
Sumati Agrawal	Non-Promoter	Nil	---	4,25,000	0.32
Sreyansh R. Jejani	Non-Promoter	Nil	---	8,50,000	0.65
Kamal Sharma	Non-Promoter	Nil	---	2,15,000	0.16
Pawan Arora	Non-Promoter	Nil	---	1,95,000	0.15
Abhishek Purohit	Non-Promoter	Nil	---	1,30,000	0.09
Vandita Kedia	Non-Promoter	Nil	---	1,30,000	0.09
Mrunal Sakhre	Non-Promoter	Nil	---	2,15,000	0.16
Smita Dattatraya Meghe	Non-Promoter	Nil	---	2,15,000	0.16
Arvind Sakhre	Non-Promoter	Nil	---	2,15,000	0.16
Sushil Kedia	Non-Promoter	Nil	---	85,000	0.06
Abhishek Patni	Non-Promoter	Nil	---	2,15,000	0.16
Deepak Sidiya	Non-Promoter	Nil	---	2,55,000	0.19
Ultimate Money Makers India Pvt. Ltd.	Non-Promoter	20,00,000	1.80	77,93,000	5.94



6. Pricing of the issue:

The pricing of the Equity Shares to be allotted on preferential basis shall not be lower than the price determined in accordance with the Chapter VII of SEBI (ICDR) Regulations, 2009.

SEBI (ICDR) Regulations, 2009 provides that the issue of shares on a preferential basis can be made at a price not less than higher of the following:

- (a) The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognised 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 related equity shares quoted on the recognised stock exchange during the two weeks preceding the relevant date.

The relevant date for the purpose of calculating the price of the Equity Share being allotted pursuant to this resolution is 26th July, 2012 being the date 30 days prior to the date of this meeting.

7. Undertaking:

The company undertakes, if required, to re-compute the issue price of equity shares to be issued as per the provisions of SEBI regulations. The company also undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

A copy of the certificate of the Statutory Auditors certifying that the issue of Equity Shares is being made in accordance with the requirements of SEBI's Guidelines for preferential issues as contained in the SEBI (ICDR) guidelines shall be placed before the shareholders at the General Meeting. Issuance of shares on preferential basis is governed inter alia by the provision of Section 81(1A) of the Companies Act, 1956 and the relevant provisions of the SEBI (ICDR) Regulations, 2009.

As per Section 81(1A) of the Companies Act, 1956 and the SEBI Guidelines, approval of the members of the Company by way of Special Resolution is required to be obtained for issuance of equity shares, on preferential basis. The shares issued shall be automatically converted into face value of Rs. 10/- each in due course, in compliance with all applicable guidelines, provisions etc.

None of the directors are interested in the said resolution except only to the extent of their shareholdings. The Board of Directors believes that the proposed offer is in the best interest of the Company and its members.

The Board of Directors recommends the resolution for approval.



ITEM NO. 6

The equity shares of the Company are listed with BSE, and are actively traded. The consolidation of the Equity shares of the Company is intended to increase the face value of company's share so as to generate greater interest in the company's shares, in particular from institutional investors, HNI's etc. who may have inclination to only invest in shares above a certain price point. In view of this, the Board of Directors has at its Meeting held on 12th June, 2012, considered it desirable to consolidate the existing nominal value of equity shares and recommended consolidation of 10 equity Shares of face value of Re. 1/- each into 1 Equity share of face value of Rs. 10/- each.

Consequently the Memorandum of Association of the Company will require alteration of the respective Clauses to reflect the above changes, amendments etc.

No consolidation of less than 10 shares shall be done for the members of the company. The Board of Directors shall consolidate all fractional entitlement, if any, arising due to consolidation of shares, and transfer them to a director(s) or such other authorised person(s) as the Board of Directors of the company shall appoint in this behalf, who shall hold such equity shares, in trust on behalf of the members entitled to fractional entitlements with an express understanding that such director(s) or such other authorised person(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it / he/ they may deem fit, and pay to Zyden Gentec Limited, the net sale proceeds thereof, whereupon Zyden shall distribute such net sale proceeds, to the members, in proportion of their respective fractional entitlements. The BOD of Zyden Gentec Limited, if it deems necessary, in the best interest of the shareholders, approve such other method in this behalf as it may, in its absolute discretion, deem fit.

Your directors recommend the resolution for your approval.

The Board of Directors are deemed to be concerned or interested in the above resolution to the extent of their shareholding, in the Company.

A copy of the Memorandum and Articles of Association together with the proposed alteration is available for inspection during business hours at the registered office of the Company.

Date: 24th July, 2012

Place: Kota

By Order of the Board
Sd/-

Kanak Lata Jain
Company Secretary

**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 25th August, 2012:

Name of Director	Anita Kumari	Niranjan Kumar Agrawal
Date of Birth	19.12.1976	08.06.1968
Date of appointment	27.09.2011	28.01.2004
Designation	Additional Director	Director
Expertise in specific functional area	Experience of 11 yrs in the Management Field	Independent Director having 22 yrs experience in Trade & business.
Qualification	B.A.	Commerce Graduate
Directorship in other Public Limited Companies, as on 31/03/2012	Nil	Nil
Member/Chairman of the Committees of the Board of other Companies as on 31/03/12	Nil	Nil
Number of shares held in the Company as on 31/03/12	35000	10000



DIRECTORS' REPORT

To,

The Members,

Your Directors are pleased to present the 18th Annual Report and the Audited Accounts of the Company for the year ended March 31, 2012.

FINANCIAL RESULTS (Rs. In Lacs)	FY 11-12	FY 10-11
1. Income from Operations	1028.93	1312.17
Less:- Excise duty	77.73	102.47
Total Income from Operations (net)	951.20	1209.70
2. Total Expenses	1286.93	1132.04
3. Profit/(Loss) from operations before other Income, finance costs and exceptional items (1-2)	(335.73)	77.66
4. Other Income	10.69	1.54
5. Profit/(Loss) from ordinary activities before finance costs, exceptional items & Tax (3+4)	(325.04)	79.20
6. Finance cost	120.74	81.67
7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items & Tax (5-6)	(445.78)	(2.47)
8. Taxation (including FBT & Deferred Taxation)	(35.81)	8.33
9. Net Profit/(Loss) after Tax & exceptional items (7-8)	(409.97)	(10.80)

TURNOVER, NET PROFITS & FUTURE PROSPECTS

The gross receipts from Operations (net) during the year under review were Rs. 951.20 Lacs as against Rs. 1209.70 Lacs in the previous year. The profit/ (Loss) after tax & exceptional items is Rs. (409.97) Lacs as against Rs. (10.80) Lacs in the previous year. The income from operations decreased by 21.37% during the year under review and, the loss figures have shown increases during the year under review. 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. The Hyderabad unit is under lay-off and temporary closed since September 2011 due to various reasons

which were beyond in the control of the management and effected substantially on turnover as well profit/ (Loss) of the Company.

We are pleased to inform that Kota unit introduced four more products, which having a high demand in international markets. The products Carisprodol (Painkiller), Calcium dobesilate (Vasoprotective), Dextromethorphan Hbr (Cough Suppressant), Cinnerizine (Anti Histamine) and a couple of products are ready to start commercial production.



DIVIDEND

There is no Surplus available during the year and hence 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. Niranjana Kumar Agrawal, Director retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Appointment of Additional Director

Ms. Anita Kumari was appointed as an Additional Director at the Board Meeting held on 27th September, 2011. The Board received a notice u/s 257 of the Companies Act, 1956 from a member proposing the candidature of Ms. Anita Kumari as a Director. In view of this the Board recommends her 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.

AUDITORS

M/s Anand Jain & Co., Chartered Accountants, Jaipur Auditor of the Company retire at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

The Company had received letter from M/s Anand Jain & Co., Chartered Accountants, Jaipur 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 re-appointment within the meaning of Section 226 of the Act.

The qualifications/observations of the Auditor 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. The paid-up share capital of the Company was increased from Rs. 5,06,74,000/- to Rs. 5,56,74,000/- due to Preferential allotment and issue of 50,00,000 Equity Shares of Re. 1/- each [at an exercise price of Rs. 2.10/- per share (including premium)] on 30th September, 2011 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 on 20th September, 2010 in Annual General Meeting.
- ii. The paid-up share capital of the Company was increased from Rs. 5,56,74,000/- to Rs. 11,11,24,000/- due to Preferential allotment and issue of 5,54,50,000 Equity Shares of Re. 1/- each at Rs. 1.36/- (including premium) per equity share on 28th March, 2012 to the Persons other than Promoters in terms of Special Resolution approved on 5th March, 2012 in Extra-ordinary General Meeting.



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 Carisprodol (Painkiller), Calcium dobesilate (Vasoprotective), Dextromethorphan Hbr (Cough Suppressant), Cinnerizine (Anti Histamine) during the year and a couple of products are ready to start commercial production.

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 1.92 Lacs

As percentage of Sales .18%

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. 1,66,95,200/- and there was outgo of Rs. 24,89,267/- 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 Company could not capture the export business opportunities at optimum during the year 2011-12. The foreign exchange earnings of the Company were Rs. 1,66,95,200/- in spite of various reasons like lay off and temporary closed of its Hyderabad unit. Recently kota unit introduced four more high value products, which having a high demand in international markets and expecting good business by these products in the year of 2012-13.

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 and there are no material departures;

2. They 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 for the financial year ended 31st March 2012 and of profit / (loss) of the Company for that year;
3. They have taken proper and sufficient care to the best of their knowledge and ability 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. They have prepared the Annual Accounts on a 'going concern' basis.

ACKNOWLEDGEMENT

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: 12th June, 2012

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. 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.

Fixed Assets

The Company had Fixed Assets amounting to Rs. 9,82,71,427/- on 31st March, 2011. During the period under review the Company invested in this segment and the fixed assets as on 31st March, 2012 were at Rs. 10,01,83,339/-.

Investment

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

Sales

The sales (net of excise duty) & other income in the last year amounted to Rs. 12,11,24,422/- and for the current year was Rs. 9,61,88,426/-.



REPORT ON CORPORATE GOVERNANCE

Segment wise Performance

Particulars	Financial year 2011-12	Financial year 2010-11
Income from Mfg. & Allied Activities	Rs. 9,51,19864/-	Rs. 12,09,70,308/-
Income from Financial, Investment & Allied Activities	10,68,562	1,54,114

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.

Date: 12th June, 2012
Place: Kota

Sd/-
Vinod S Gupta
Chairman

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 5 Directors comprising of 1 Promoter Non-Executive Chairman, 1 Executive Independent Whole-time Director and 3 non-Executive Independent Directors. 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 2011-12, the Board met 7 (Seven) times and the maximum gap between any two Board Meetings was not more than four months. The dates of meetings are as follows:

14th May 2011, 15th Aug. 2011, 27th September 2011, 30th September 2011, 14th November 2011, 9th February 2012 and 28th March 2012.

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 2011-12 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, 2012 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	7	Yes	Nil	Nil	Nil	Nil
Mr. Niranjan Kumar Agrawal	Non-Executive & Independent Director	7	Yes	Nil	Nil	Nil	Nil
Mr. Rajesh Sharma	Non-Executive & Independent Director	3	No	Nil	*Details given below	Nil	Nil
Mr. Anita Kumari (w.e.f. 27th Sep. 2011)	Non-Executive & Independent Director	3	Yes	Nil	**Details given below	Nil	Nil
Mr. Venkata Kameshwararao Varanasi	Executive & Independent Whole time Director	7	Yes	Nil	Nil	Nil	Nil
Mr. Satyanarayana Sharma (Till 15th August 2011)	Non-Executive & Independent Director	2	No	Nil	*** Details given below	Nil	Nil

*As Board Member in:

- 1) India Capital Partners Pvt. Ltd.

**As Board Member in:

- 1) Deepak Healthcare Pvt. Ltd.
- 2) Ultimate Money Makers India Pvt. Ltd.

***As Board Member in:

- 1) Suave Hotels Ltd.

Shareholding of Directors as on March 31, 2012 is as under:

Name	No. of shares held	% of Paid-up Capital
Mr. Vinod S. Gupta	68,39,000	6.15%
Mr. Niranjan Kumar Agrawal	10,000	.009%
Mr. Rajesh Sharma	Nil	Nil
Mr. Venkata Kameshwararao Varanasi	Nil	Nil
Ms. Anita Kumari	35,000	0.031%



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:

1. To investigate any activity with its terms of reference.
2. To seek information from any employee / records of the company.
3. To obtain outside legal or other professional advice.
4. 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.
5. Major accounting entries based on exercise of judgment by management.
6. Compliance with accounting standards.
7. Compliance with Stock Exchange and legal requirements concerning financial statements.
8. Any changes in accounting policies and practices.
9. To secure attendance of outsiders with relevant expertise, if necessary.
10. Reviewing the adequacy of internal audit function.
11. Discussion with internal auditor regarding any significant findings and follow up thereon.
12. 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.
13. Any other item referred to it by the Board.

Composition

Name	Designation
Mr. Niranjan Kumar Agrawal	Chairman
Mr. Rajesh Sharma	Member
Mr. Satyanarayan Sharma (Till 15 th August 2011)	Member
Ms. Anita Kumari (w.e.f. 27th September, 2011)	Member



Meetings held

The committee met Seven times on the following dates during the financial year 2011-12:

14th May 2011, 15th August 2011, 27th September 2011, 30th September 2011, 14th November 2011, 9th February 2012, 28th March 2012.

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 2011-12 are as follows:

Name	Category	Attendance
Mr. Niranjana Kumar Agrawal	Non - Executive & Independent Director	7
Mr. Satyanarayan Sharma (Till 15th August 2011)	Non - Executive & Independent Director	2
Mr. Rajesh Sharma	Non - Executive & Independent Director	4
Ms. Anita Kumari (w.e.f. 27th Sep. 2011)	Non - Executive & Independent Director	3

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 and Internal Auditors 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.

Meetings held

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

19th April 2011, 28th June 2011, 11th July 2011, 13th September 2011, 10th December 2011, 15th February 2012, and 29th March 2012.

Based on the report received from the Company's Registrar, the status of investor complaints as on March 31, 2012 and reported under clause 41 of the Listing Agreement are as under:

Complaints as on April 01, 2011 :	Nil
Received during the year :	1
Resolved during the year :	1
Pending as on March 31, 2012 :	Nil



Composition, Category and Attendance of members

Name	Designation	Category	Attendance
Mr. Vinod S Gupta	Chairman	Promoter & Non- Executive Chairmen	7
Mr. Niranjana Kumar Agrawal	Member	Non - Executive & Independent Director	7
Mr. Satyanarayana Sharma (Till 15th August 2011)	Member	Non-Executive & Independent Director	3
Mr. Rajesh Sharma	Member	Non-Executive & Independent Director	4
Ms. Anita Kumari (w.e.f. 27th Sep. 2011)	Member	Non - Executive & Independent Director	2

Compliance Officer

Ms. Kanak Lata Jain is the Company Secretary and Compliance Officer of the Company.

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	Category	Attendance
Mr. Niranjana Kumar Agrawal	Chairman	Non - Executive & Independent Director	1
Mr. Rajesh Sharma	Member	Non - Executive & Independent Director	Nil
Ms. Anita Kumari	Member	Non-Executive & Independent Director	1

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
15 th Meeting	Saturday, July 25, 2009	11.00 A.M.	Umed Bhawan Palace, Station Road, Kota
16 th Meeting	Monday, Sept. 20, 2010	12.30 P.M.	Plot No.13, Industrial Area, Bhimpura, Kota (Raj.)-325003
17 th Meeting	Friday, Sept. 30, 2011	1.00 P.M.	Surya Plaza, Kotri Road, Gumanpuram, Kota (Raj.)- 324007



Details of Special Resolutions passed at the AGMs:

Financial Year	Date	Special Resolutions
2008-09	25th July, 2009	One Special resolution regarding the spilt of equity share of Rs. 10/- into 10 equity share of Rs. 1/- each
2009-10	20th September, 2010	One Special resolution regarding the issue of 10000000 Warrants Convertible into equal number of equity shares of Rs. 1/- each at a premium of Rs. 1.10/-.
2010-11	30th September, 2011	No Special Resolution was passed.

Postal Ballot

During 2011-12, 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

Details of Extra-Ordinary General Meeting was held during the last three financial years are given below:

Financial Yr.	Day, Date & Time	Venue	Special Resolutions
2011-12	Monday, 5th March 2012 at 12:30 P.M.	143/1, Deepshree Building Kotri Road, Gumanpura, Kota -324007	One Special resolution regardig the Issue of 60,000,000 Equity shares of of Rs. 1/- each at a premium of Rs. 0.36

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 21.19 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)". In compliance with the requirements of Listing Agreement, the company regularly updates un-audited as well as audited financial results on its functional website (i.e. www.zyden Gentec.com) after they are taken on record by the Board.

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



9. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting:

Date : 25th August, 2012

Time : 1:00 P.M.

Venue : Surya Plaza, Kotri Road, Gumanpura, Kota, Rajasthan-324007 (Rajasthan).

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 60 days from end of quarter of the financial year (Audited).

c. **Book Closure date:** 24th August, 2012 to 25th August, 2012 (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

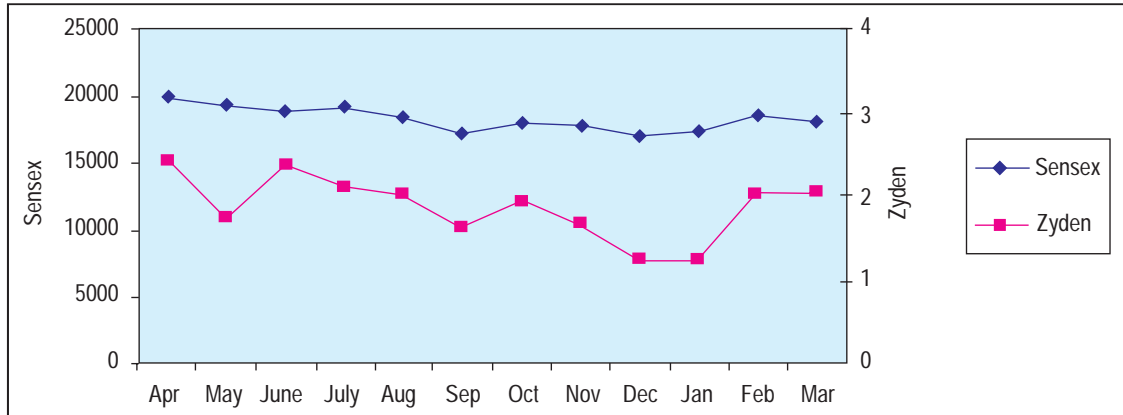
g. **Stock Code:** Bombay Stock Exchange – 530091. The Company has paid annual listing fees.

h. **Market Price Data:** The high and low prices of every month during the financial year 2011-12 are given below:-

Month	BSE (Zyden Gentec Ltd)			BSE Sensex High	BSE Sensex Low
	High (Rs. 1/- face value)	Low (Rs. 1/- face value)	Number of Shares traded		
April 2011	2.40	1.60	366854	19811.14	18976.19
May 2011	1.74	1.46	330173	19253.87	17786.13
June 2011	2.37	1.59	1386577	18873.39	17314.38
July 2011	2.10	1.75	748198	19131.70	18131.86
August 2011	2.02	1.28	136318	18440.07	15765.53
September 2011	1.62	1.23	88315	17211.80	15801.01
October 2011	1.93	1.18	359228	17908.13	15745.43
November 2011	1.66	1.00	282078	17702.26	15478.69
December 2011	1.22	1.00	156925	17003.71	15135.86
January 2012	1.22	1.00	167411	17258.97	15358.02
February 2012	2.02	1.02	892004	18523.78	17061.55
March 2012	2.06	1.64	906594	18040.69	16920.61



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.

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 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.

l. Distribution of Shareholding as on 31st March, 2012

No of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	Amount (in Rs.)	% of Total Shares
1 to 5000	3562	79.42	5674611	5674611	5.11
5001-10000	413	9.21	3384930	3384930	3.05
10001-20000	226	5.04	3428480	3428480	3.09
20001-30000	87	1.94	2264929	2264929	2.04
30001-40000	36	.8	1271523	1271523	1.14
40001-50000	24	0.54	1097585	1097585	0.99
50001-100000	66	1.47	4722331	4722331	4.25
100001 & Above	71	1.58	89279611	89279611	80.4
Total	4485	100	111124000	111124000	100



m. Shareholding Pattern as on 31st March, 2012

Category	No. of Shares held	Percentage of Shareholding (%)
A. Promoters' Holding		
a. Indian Promoter	96,98,000	8.73
b. Persons acting in concert	95,00,000	8.55
c. Foreign Promoters	Nil	Nil
Subtotal-A	1,91,98,000	17.28
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	7006727	6.31
b i) Indian Public (Top 50)	20182331	18.16
ii) Other	64456924	58
c Non Resident Indians	255884	0.23
d Any other (Associates & Relatives of Director)	Nil	Nil
e Trust	Nil	Nil
f Employees	Nil	Nil
g Clearing Members	24134	0.02
h Foreign Nationals	Nil	Nil
Subtotal-C	91926000	82.72
Grand Total (A+B+C)	111124000	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, 2012, 5,40,72,840 equity shares of the company forming 48.66% of the share capital of the Company stand dematerialized as Company has allotted 5,54,50,000 Equity Shares of Re. 1/- each at Rs. 1.36/- (including premium) per equity share as on 28th March, 2012 to the Persons other than Promoters on Preferential basis. The same has been listed with BSE vide their letter no. DCS/PREF/PS/FIP/132/2012-13 dated 23rd May, 2012 and 2,35,00,000 equity shares have been credited in NSDL in the respective beneficiary accounts vide their letter no. II/CA/COM/54508/2012 dated 9th June, 2012 and 3,19,50,000 equity shares have been credited in CDSL in the respective beneficiary accounts vide their letter no. CDSL/OPS/IPO-CA/2012-13/CA-145989.001 dated 11th June, 2012. As on 12th June, 2012, 10,95,22,840 equity shares of the company forming 98.56% of the share capital of the Company stand dematerialized.



o. Liquidity of Shares

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

p. Outstanding GDRs/Warrants and Convertible Instruments

The Company had not issued any GDRs/Warrants or any other instrument which is convertible into equity shares of 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: zyden@dataone.in, info@zydengentec.com

Web-site: www.zydengentec.com

10. SECRETARIAL AUDIT

For each of the quarter in the financial year 2011-12, 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 Corporate Affairs is: L67120RJ1994PLC008284

Date: 12th June, 2012
Place: Kota

For and on behalf of the Board of Directors

Sd/-
Vinod S Gupta
Chairman



**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, 2012, 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/-

CS. Manoj Maheshwari
Partner

CP No. 1971.

Place : Jaipur
Date : 12th June, 2012

**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 on March 31, 2012, received from the members of its Board and the senior management team, a declaration of compliance with the Code of Conduct as applicable to them.

Place: Kota
Date : 12th June, 2012

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, 2012 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 : 12th June, 2012

Sd/-
Kanak Lata 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 2012-13, the Board, re-appointment of M/s Anand Jain & Company as 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 : 12th June, 2012

Sd/-
Niranjan Kumar Agrawal
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, 2012, the Statement of 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, 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, the statement of 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, the statement of 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, to the extent applicable.

- e) On the basis of the written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statement subject to note no.3 in Notes on financial regarding non provision of interest on loans under negotiation and read together with other notes thereon and attached thereto 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, 2012;
 - ii) In the case of the Statement of Profit and Loss Account, of the Loss 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

Sd/-

Anand Prakash Jain
Proprietor

M. No. : 71045

FRN 001857C

Place: Jaipur

Date: 30th May, 2012



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, 2012)

- i)
 - a) The Company is maintaining proper records of fixed assets showing full particulars including quantitative details and situations thereof. However, such records showing full particulars including quantitative details and situations of certain fixed assets is being updated.
 - 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 have been disposed off during the year.
 - ii)
 - a) Inventory have been physically verified during the year by the management and in our opinion the frequency of verification is reasonable.
 - b) As explained to us, the procedures for physical verification, followed by the management are, in our opinion, 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 physical verification of the above items referred to in (a) above as compared to book records were properly dealt with in the books of account.
 - iii)
 - a) Company has granted unsecured loans to companies covered in the register maintained under section 301 of the Companies Act, 1956. Number of parties and maximum amount involved was 1 & Rs. 87.52. Lacs respectively. Year end balance was also Rs. 87.52 Lacs.
 - b) Rates of interest and other terms and conditions of loans given by the Company, secured or unsecured, are not prima facie prejudicial to the interest of company; and
 - c) Receipt of principal and interest is also regular wherever stipulated;
 - d) There was no over due amount and consequently question of taking reasonable steps for recovery of principal and interest when overdue amount is more than Rs. One Lac does not arise.
 - e) According to the information and explanations given to us, the Company has during the year taken loan, secured or unsecured, from companies, firms, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Number of parties and amount involved were 3 and Rs. 42.06 Lacs respectively. Year end balance was also R.42.06 Lacs.
 - f) Rate of interest and other terms & conditions of loans taken by the Company, secured or unsecured are not prima facie prejudicial to the interest of the Company and payment of principal amount and interest is also regular wherever stipulated.
- iv) There are generally adequate internal control system 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 and services. During the course of our audit, no continuing failure to correct major weakness in internal control system has been noticed.
 - v) The company has entered particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 in the register required to be maintained under that section and for transactions, the value of which exceeds Rupees five lacs in respect of any party during the period have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
 - vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public, hence question of complying with the directions issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under in respect of deposits accepted from public does not arise. No order was passed by company law Board, or National Company Law Tribunal or Reserve Bank of India or under any Court or any other tribunal and hence question of its compliance does not arise.



- 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 accounts maintained by the company pursuant to the rules made by the Central Government of India, regarding maintenance of cost records under clause (d) of Sub Section (1) of Section 209 of the Act and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) On the basis of the records produced to us, the company is irregular in depositing with appropriate authorities undisputed statutory dues of Provident Fund, Employee's State Insurance, TDS and Sales Tax(VAT). To the best of our knowledge and according to the information and explanations given to us there were arrears of undisputed outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they become payable, of Rs. 247000 /- towards PF, Rs. 223000/- towards ESI, Rs. 1160093/- towards VAT and Rs. 10007/- towards ITDS.
- There were following unpaid disputed dues of Income Tax, Sales Tax, Service Tax, Wealth Tax Custom Tax (Duty), excise duty, and Cess:-
- Demand disputed for ESI Rs. 210000/-
- x) The Company has no brought forward accumulated losses and has incurred cash losses during the year covered by our audit but not in the immediately preceding financial year.
- xi) In our opinion the company has defaulted in repayment of dues to following financial institutions and bank:
- | | |
|--|----------------|
| a) Term loan from SIDBI | Rs.32.44 Lacs |
| b) Cash Credit facility from State Bank of Hyderabad | Rs.383.64 Lacs |
- Also refer note no. 3 in Notes on financial statements No. 27.
- 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.
- xiv) In respect of dealing in shares, securities, debentures & other investments proper records have been maintained of the transactions and contracts and timely entries have been made therein. Shares, securities, debentures & other investments as may be applicable have been held by the Company in its own name.
- 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 question of terms and conditions thereof being prima facie 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 various 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.
- xviii) According to the information and explanations given to us, the company has not during the year made any preferential allotment of shares except by conversion of warrants to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, and in our opinion the price at which these shares were allotted are not prima facie prejudicial to the interests of the Company.
- xix) The company has not issued any debentures during the year covered by our audit report, hence question of creation of security or charge for the same does not arise.
- xx) The company has not raised any money by public issue during the year covered by our audit report, hence question of disclosure of end use of money raised does not arise. However end use of money raised by issue of shares on preferential basis to persons other than promoters has been disclosed and verified by us.
- 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 ended 31st March 2012. ade.

for Anand Jain & Co.,
Chartered Accountants
Sd/-
Anand Prakash Jain
Proprietor
M.No. 071045
FRN 001857C

Place : Jaipur
Date : 30th May, 2012



BALANCE SHEET AS AT MARCH 31st, 2012

Amount Rs.

Particulars	Notes	As at 31-03-2012	As at 31-03-2011
Shareholders' funds			
Share Capital	1	111124000	50674000
Reserves and surplus	2	18537819	34073275
Money received against share warrants	3	1050000	5995000
		130711819	90742275
Non Current Liabilities			
Long Term borrowings	4	43258999	29534120
Deferred Tax Liabilities(Net)		-	3581188
		43258999	33115308
Current Liabilities			
Short term borrowings	5	63758443	66128301
Trade payables	6	10738267	17485744
Other Current liabilities	7	14754012	16504886
Short term provisions	8	688718	184360
		89939440	100303291
Total		263910258	224160874
Assets			
Non Current Assets			
Fixed Assets			
Tangible Assets	9	87501259	89669164
Intangible Assets	10	1	1
Capital Work in Progress		750000	750000
Long term loans and advances	11	1330704	1626500
Other non current assets	12	17995208	45693
		107577172	92091358
Current Assests			
Inventories	13	25256851	59867376
Trade Receivables	14	21459027	30923553
Cash and bank balance	15	1071232	2455972
Short term loans and advances	16	108545976	38815326
Other current assests	17	0	7289
		156333086	132069516
Total		263910258	224160874
Significant Accounting policies	26		
Other notes on accounts	27		

The accompanying notes 1 to 27 are an integral part of the financial statements.

As per our annexed report of even date

for Anand Jain & Co.,

Chartered Accountants

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

FRN 001857C

Place : Jaipur

Date : 30th May 2012

For and on behalf of Board of Directors

Sd/-

V.K. Rao Varanasi

Whole time Director

Sd/-

Vinod .S Gupta

Director/Chairman

Sd/-

Kanak Lata Jain

Company Secretary



STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31st, 2012 Amount Rs.

Particulars	Notes	For the Year	Previous Year
INCOME			
Revenue from Operations	18	102892715*	131217029
Less : Excise Duty		7772851	10246721
		95119864	120970308
Other Income	19	1068562	154114
Total Revenue		96188426	121124422
Expenses			
Cost of material consumed	20	77643623*	104218171
(Increase)/Decrease in inventories of finished goods/ work in progress	21	21555271	-20745089
Employee benefits expense	22	9853713	8669416
Finance Cost	23	12074494	8166886
Depreciation	24	4096781	3168811
Other Expenses	25	15543188	17893211
		140767070	121371406
Profit before tax		-44578644	-246984
Tax Expense			
Deferred tax liability written back		-3581188	827570
Income tax for earlier years		0	5630
Total tax expense		-3581188	833200
Profit for the year		-40997456	-1080184
Earnings per equity share			
Basic		-0.37	-0.021
Diluted		-0.37	-0.021
Weighted/average number of Equity shares		111124000	50674000
Nominal value per equity share		1	1
* includes inter unit transfer of Rs. 30122839/-			
Significant accounting policies	26		
Other notes on accounts	27		

The accompanying notes 1to27 are an integral part of the financial statements.

As per our annexed report of even date.

For and on behalf of Board of Directors

for Anand Jain & Co.,

Chartered Accountants

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

FRN 001857C

Place : Jaipur

Date : 30th May 2012

Sd/-

V.K. Rao Varanasi

Whole-time Director

Sd/-

Vinod .S Gupta

Director/Chairman

Sd/-

Kanak Lata Jain

Company Secretary



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2012

Amount Rs.

		As at 31.03.2012	As at 31.03.2011	
1. SHARE CAPITAL				
a. Authorized				
150,000,000 (previous year 150,000,000) Equity Shares of Rs 1/- each		150,000,000	150,000,000	
b. Issued, subscribed and fully paid up				
111124000 (previous year 50674000) Equity Shares of Rs 1/- each		111124000	50674000	
		111124000	50674000	
c. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				
	Number	Rs.	Number	Rs.
Equity shares at the beginning of the year	50674000	50674000	50674000	50674000
Allotted during the year on conversion of warrants	5000000	5000000	-	-
Allotted on preferential basis during the year	55450000	55450000	-	-
Equity shares at the end of the year	111124000	111124000	50674000	50674000
d. Terms / right attached to equity shares				
The Company has only one class of equity shares having a face value of Rs.1/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividends proposed by the Board of Directors is subject to approval of shareholders in the annual general meeting.				
In the event of liquidation of the company, the Equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
f. Details of shareholders holding more than 5% shares in the Company				
Equity shares of Rs.1/- each fully paid up	No.	%	No.	%
Vinod S. Gupta	-	-	6839000	13.50%
Sharda Advisory Services Private Limited	-	-	5000000	9.87%
Padmesh Gupta	15000000	13.50%	-	-
Govind Das G. Daga	10000000	9%	-	-
Sudha Devi Govinddas Daga	7400000	7%	-	-
As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholdings represents both legal and beneficial ownership of shares.				



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2012

	As at 31.03.2012	As at 31.03.2011
2. Reserves and Surplus		
a. Reserves		
Capital Reserve		
Balance as per last financial statement	9,705,000	9,705,000
(representing amount forfeited on non exercise of option of conversion by the allottees of convertible warrants)		
b. Securities Premium Account		
Balance as per last financial statement	1,785,0000	1,785,0000
Add : Received during the year on issue of Equity shares and conversion of convertible warrants	25,462,000	0
	43312000	1,785,0000
c. General Reserve		
Balance as per last financial statement	6,048,744	6,048,744
Surplus in the statement of profit and loss		
Balance as per last financial statements	4,69,531	15,49,715
Profit for the year	-409,974,56	-10,80,184
Net surplus in the statement of profit and loss	-405,279,25	4,69,531
Total Reserve and Surplus	18,537,819	34,073,275
3. Money Received against share warrants		
Against 2000000 (previous year 7000000) fully convertible warrants. Warrants are convertible by 8-5-2012 into equivalent number of Equity shares of Rs. 1/- each at a premium of Rs. 1.10 per Equity share	1,050,000	5995000



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2012

4. Long Term Borrowings Secured	31.3.2012	31.3.2011	31.3.2012	31.3.2011
Term Loans from banks				
Punjab National Bank				
1. Against hypothecation of plant and machinery Equitable mortgage of factory land and building at Kota, second charge on factory land and building, plant and machinery, equipments and current assets of Company's Hyderabad Unit, personal guarantee of some of directors and their specific immovable properties, corporate guarantee of other bodies corporate and their specific immovable properties and pledge of shares held by them of co. Repayable in 28 quarterly instalments of Rs. 8 lacs to 21.25 lacs from 1.4.2013 carrying interest @ 15.5%p.a. Default in repayment of loan Nil (previous year two quarterly instalments of Rs. 15 lacs and interest for march month were pending for payment	28,892,353	27,000,000	-	3,372,229
2. Against Hypothecation of plant and machinery, Equitable mortgage of factory land and building at Kota, second charge on factory land and building, plant and machinery, equipments and current assests of company's Hyderabad unit, personal guarantee of some of directors and their specific immovable properties, corporate guarantee of other bodies corporate and their specific immovable properties and pledge of shares held by them of co. Repayable in 20 quarterly instalments of Rs. 2.2 lacs from 1.10.2011 carrying interest @ 15% p.a.	3,098,085	-	880,000	-
3. Working capital term loan against hypothecation of all stocks and books debts, hypothecation of plant and machinery, Equitable mortgage of factory land &	10,063,800	-	-	-



<p>building at Kota, second charge on factory land and building, plant and machinery, equipments and current assests of Company's Hyderabad Unit, personal guarantee of some of directors and their specific immovable properties, corporate guarantee of other bodies corporate and their specific immovable properties and pledge of shares held by them of co.</p> <p>Repayable in 72 monthly instalments of Rs. 100417/-to 178417/- from 1.4.2013 carrying interest @ 15.5% p.a.</p> <p>4.Term loan facility against hypothecation of stock and book debts and plant and machinery present and future, repayable in 12 monthly instalments of Rs. 194000/- commencing from October 2012.</p> <p>5. Against hypothecation of vehicle-winger, repayable in 33 equated monthly instalments of Rs. 16900/- w.e.f. 1.4.2011 carrying interest @ 12%p.a.</p> <p>Term loan from SIDBI</p> <p>1. Against hypothecation of all movable assests except book debts and personal guarantee of some of directors repayable in 50 monthly instalments of Rs. 100000/- carrying interest @ 11% p.a. Monthly rests.</p> <p>2. Against hypothecation of DG sets and personal guarantee of some of directors repayable in 54 monthly instalments of Rs. 14230/- after a moratorium period of six months from the date of disbursement carrying interest @ 11% p.a. at monthly rests. (After adjustment of subsidy, instalment amount is 11800/-)</p> <p>(Both the loans from SIDBI have since been recalled by the leader and hence outstanding is included in current maturities.)</p>	1,030,837	-	1,164,000	-
	173,924	308,200	166,800	166,800
	-	2,225,920	3,243,920	1,341,600
Total	43,258,999	29,534,120	5,454,720	4,880,629
Amount of current maturities is disclosed under the head "other current liabilities" (Note No.7)	5,454,720	4,880,629	-	-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2012

	As at 31.03.2012	As at 31.03.2011
5. Short Term Borrowings Secured		
Cash Credit from banks		
Punjab National Bank		
Cash credit facility against hypothecation of all stock and book debts hypothecation of plant and machinery, Equitable mortgage of factory land and building at Kota, second charge on factory land & building, plant and machinery, equipments and current assests of company's Hyderabad unit, personal guarantee of some of directors and their specific immovable properties, corporate guarantee of other bodies corporate and their specific immovable properties and pledge of shares held by them of co. Repayable on demand carrying interest ranging from 14.5% to 15% p.a. Letter of credit facility- usance period not exceeding 90days security as mentioned above in cash credit facility	21,187,820	32,123,015
State Bank of Hyderabad	-	6,829,421
Against first charge on current assests of Hyderabad unit of the company, Equitable mortgage of factory land and building at bollaram, 1st charge on plant and machinery and equipments at bollaram unit, second charge on fixed assets of Kota unit personal guarantee of two directors.	38,364,332	35,770,767
	59,552,151	65,723,203
Unsecured		
From Related Parties		
a. From bodies corporate repayable on demand, interest free	1,600,000	-
b. From directors repayable on demand, interest free	2,606,292	405,098
	4,206,292	405,098
Total	63,758,443	66,128,301
6. Trade Payables	10,738,267	17,485,744
Amount of principal and interest due/paid to micro and small enterprises under MSMED act, 2006	Nil	Nil
7. Other Current Liabilities		
Current maturities of long term borrowings (Note No.4)	5,454,720	4,880,629
VAT/TDS/PF/ESI/Bouns and other statutory obligations	2,028,914	666,841
Refundable convertible warrant money	1,375,000	-
Expenses and other payables	5,841,187	10,569,732
Bank book overdrafts	54,192	387,684
	14,754,012	16,504,886
8. Short Term Provisions		
Provision for employee benefits-gratuity and accumlated leaves	688,718	184,360
	688,718	184,360



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Tangible Assets	Freehold Land		Leasehold Land		Building		Plant & Machinery		Office Equipments		Computers		Vehicles		Furniture/ fixtures		Total		
	31.3.12	31.3.11	31.3.12	31.3.11	31.3.12	31.3.11	31.3.12	31.3.11	31.3.12	31.3.11	31.3.12	31.3.11	31.3.12	31.3.11	31.3.12	31.3.11	31.3.12	31.3.11	
Gross Block																			
At beginning of the year	3678920	3678920	5227257	2759180	6338898	61182998	27260869	169293	130293	907534	1638846	902993	601624	451724	98240832	42429911			
Transactions during the year																			
Add : Additions	-	-	2468077	-	648628	18316615	1411761	33922629	-	39000	178347	-	735853	-	2119365	55810421			
Less : Sale/disposal	-	-	-	-	-	-	-	-	-	-	-	-	104753	-	207453	0			
As at the year end	3678920	3678920	5227257	5227257	25304141	24655513	62594759	61182998	169293	169293	1144856	1085881	498924	601624	100152244	98240832			
Accumulated Depreciation																			
At beginning of the year	-	-	-	-	1081721	653427	6155369	3662002	34947	27189	807819	695398	113040	77397	8571168	5402357			
Add: Charge for the year	-	-	-	-	823494	428294	2896497	2493367	8181	7758	183873	112421	31582	35643	4096781	3168811			
Less: Adjusted on sale/disposal	-	-	-	-	-	-	-	-	-	-	-	-	4239	-	16964	0			
Depreciation at year end	0	0	0	0	1905215	1081721	9051866	6155369	43128	34947	991692	807819	140383	113040	12650985	8571168			
Net Block	3678920	3678920	5227257	5227257	23398926	23573792	53542893	55027629	126165	134346	153164	278062	358541	488584	87501259	89669164			

COMPUTER SOFTWARE

As at 31.03.2012	As at 31.03.2011
31095	31095
-	-
-	-
-	-
31095	31095
31094	31094
-	-
-	-
31094	31094
1	1

10. Intangible Assets Gross Block

At beginning of the year
Transactions during the year
Add: Additions
Less : Sale/disposal
As at the year end

Accumulated Depreciation

At beginning of the year
Add : Charge for the year
Less : Adjusted on sale/disposal
Depreciation at year end
Net Block

- In view of long term lease, no write off for land is considered necessary.
- Land and building are equitably mortgaged and other fixed assets are hypothecated to lenders as stated in the notes no. 4 and 5 related to long term and short term borrowings.
- There was no impairment/revaluation during the year.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2012

	As at 31.03.2012	As at 31.03.2011
11. Long Term Loans and Advances		
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received or pending adjustments		
Security Deposits with govt. departments/others	1172024	1587948
ITDS/FBT refundable/adjustable	158680	38552
	1330704	1626500
12. Other Non Current Assets		
Unsecured, considered good		
Other bank balances (Refer note no.15)	425201	35000
Trade receivables-outstanding for a period exceeding six months from the date they are due for payment	17513499	
Interest accrued on Security deposits	0	6971
Interest accrued on fixed deposits	56508	3722
	17995208	45693
13. Inventories		
At cost or net realisable value which ever is lower		
Raw Material	7402082	18879711
Work in Progress	9910336	25229407
Finished goods	7837147	14073347
Store spares and consumable/packing material	107286	1684911
	25256851	59867376
14. Trade Receivables		
Unsecured, considered good outstanding for a period exceeding six months from the date they are due for payment	0	14142907
Others	21459027	16780646
	21459027	30923553



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2012

15. Cash And Bank Balances	Current		Non Current*	
	31.03.12	31.03.11	31.03.12	31.03.11
Cash and cash equivalents				
Balance with banks: on Current accounts	107127	33722	-	-
Cash on hand	964105	652250	-	-
	1071232	685972	0	0
Other bank balances				
Deposits with original maturity for less than 3 months (Kept with bank for letter of credit)	0	1770000	-	-
Deposits with original maturity for more than 12 months (under lien as security)	-	0	425201	35000
	0	1770000	425201	35000
	1071232	2455972	425201	35000
* Amount of non current balance is disclosed under non current assets (note no.12)				
16. Short Term Loans and Advances	31.03.12	31.03.11		
Unsecured, considered good				
Advances recoverable in cash or in kind or for value to be received or pending adjustments	168037	820678		
Loans and advances to body corporates and others	94809567	31800326		
Loans and advances to related parties	8752236	-		
Cenvat receivable/adjustable	4608294	5223894		
Custom duty	0	604160		
Vat refundable/adjustable	130436	219931		
Prepaid expenses	77405	146337		
	108545976	38815326		
17. Other Current Assets				
Unsecured considered good				
Interest accrued on fixed deposits	0	7289		
	0	7289		



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2012

	As at 31.03.2012	As at 31.03.2011
18. Revenue from Operations		
Sale of Products	101123650	130846104
Other Operating revenue	1769065	370925
	102892715	131217029
Details of Products sold		
Drug Intermediates	101123650	130846104
	101123650	130846104
Details of other operating revenue		
Unspent liabilities/sundry balance written back (Net)	850978	110334
Exchange gain	0	197928
Others	918087	62663
	1769065	370925
19. Other Income		
Interest income		
a. on bank deposits	92915	130028
b. on current loans and advances	975647	24086
	1068562	154114
20. Cost of material consumed		
Opening Stock	18879711	9003360
Add: Purchases	64737393	110709558
Custom duty	203718	1470283
Carriage Inward and import clearing expenses	1224882	1914681
	85045705	123097882
Less: Closing Stock	7402082	18879711
	77643623	104218171
21. (Increase)/Decrease in inventories of finished goods/work in progress		
Inventory at the end of year		
a. Finished goods	7837147	14073347
b. Work in progress	9910336	25229407
	17747483	39302754
Inventory at the beginning of the year		
a. Finished goods	14073347	4829385
b. Work in progress	25229407	13728280
	-2155271	20745089



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2012

	As at 31.03.2012	As at 31.03.2011
22. Employee Benefits Expense		
Salaries, allowances and bonus	8767516	8011359
Contribution to provident and other funds	489140	146337
Gratuity	303046	184360
Staff Welfare expenses	294011	327360
	9853713	8669416
23. Finance Cost		
Interest	11558251	8166886
Other borrowing costs	516243	0
	12074494	8166886
24. Depreciation		
On Tangible assets	4096781	3168811
On Intangible assets	0	0
	4096781	3168811
25. Other Expenses		
Consumption of stores and spares/packing material	3103830	4958745
Power and fuel	6937597	6724945
Rent	665820	733102
Repairs to Machinery	214821	211466
Repairs and maintenance	23860	83146
Insurance	131015	93546
Rates and Taxes	0	97535
Printing and stationery	155514	165470
Travelling and conveyance	534510	374831
Vehicle Maintenance	793911	635591
Communication costs	495446	459848
Legal and professional expenses	405634	360545
Payment to Auditors		
- As auditor		
Audit Fee	50000	55000
Loss on sale of fixed Assets	92989	0
Bank charges	280642	848233
Exchanges difference (Net)	48415	0
Miscellaneous Expenses	647379	744599
Freight forwarding	665558	635348
Commission, brokerage and discounts	296249	711261
	15543188	17893211



NOTES TO FINANCIAL STATEMENTS

26. SIGNIFICANT ACCOUNTING POLICIES

1. The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India and comply in all material respects with the accounting standards notified under the Companies (Accounting standards) Rules, 2006 as amended and the relevant provisions of Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention excepting revalued assets.
2. During the year ended 31st March, 2012, the revised Schedule VI notified under Companies Act, 1956, has become applicable to the company, for preparation and presentation of its financial statements.

The adoption of revised schedule VI, does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and disclosures made in financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in current year.

3. Fixed assets are stated at cost, net of accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure is added to book value only if it increases the future benefits from the existing asset.
4. Depreciation on fixed assets is calculated on the straight line basis using the rates prescribed in Schedule XIV to the Companies Act, 1956. Assets costing upto Rs.5000/- are written off on pro-rata basis in the year of acquisition.
5. Stock in trade is valued at lower of cost and net realisable value.
6. Sales Value is inclusive of Excise Duty but exclusive of VAT. Sale is recognised on removal of goods from factory
7. Transactions in foreign currency are recorded using the exchange rates on the date of accruing of the transaction. Balances in the form of current assets and 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 realisation comparing the same with initial transaction amount or converted amount on the date of Balance Sheet comparing original amount as the case may be.
8. Government grants are accounted for on its becoming reasonably certain that the ultimate collection will be made.
9. Provision for income tax is made on the basis of prevailing laws and rates applicable for the relevant assessment year. Deferred taxation is recognised for all the timing differences subject to the consideration of prudence and virtual certainty in respect of deferred tax assets in accordance with the accounting standard 22 "Accounting for taxation of income" issued by the Institute of Chartered Accountants of India.
10. Employee Benefits:
 - a. PF and ESI are paid as per provisions of relevant statutes with the authorities of respective state and are charged to statement of Profit and Loss in the year to which it relates.
 - b. Gratuity being defined contribution is accounted for on accrual basis in accordance with the Payment of Gratuity Act, 1972
 - c. Accumulated leaves being short term compensated leaves are provided for in the year of becoming due.



27. NOTES ON ACCOUNTS

	31.3.2012	31.3.2011
1. Contingent Liability not provided for		
a. LC,s/BG/Custom LUT Bond	0	1997268
b. Drug Control Administration has seized material worth Rs.20 lacs(approx.) which is included in inventory. The matter is under litigation with the concerned judicial authorities.		
c. ESI	210000	210000
2. Capital commitment excluding advances	0	1453564
3. Company has not paid interest on cash credit account with State Bank of Hyderabad since August,2011 and has asked the bank for one time settlement waiving interest and some part of principal amount of loan. Management is hopeful of favourable decision and as such sees no further liability and accordingly has not provided any liability towards interest including penal interest expense. Similar is the matter with SIDBI Term loan.		
4. In the opinion of Board, all the fixed assets and current assets , loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.		
5. Foreign exchange earning and outgo	31.3.2012	31.3.2011
Earnings		
FOB value of exports(including deemed exports	16695200	21560165
Outgo		
CIF Value of imports - raw material	2489267	24174439
6. Particulars in respect of raw material consumed		
Chemicals and solvents :		
Imported	6062265	16982081
% to the total consumption	7.81	16.6
Indigenous	71581358	85321409
% to the total consumption	92.19	83.4
Total Consumption	77643623	102303490
7. Company is engaged in only single segment of manufacturing of Drug intermediates and single geographical location i.e India.		
8. Earnings per share(EPS)		
The following reflects the profit and share data used in the basic and diluted EPS computations		
	31.3.2012	31.3.2011
Profit/(loss) ater tax	-40997456.07	-1080184
Weighted average number of equity shares in calculating basic EPS	111124000	50674000
Weighted average number of equity shares in calculating diluted EPS	111124000	50674000
9. Major Component of deferred tax liability is depreciation. In view of unabsorbed losses and depreciation brought forward and for the year, deferred tax asset has been recognised to the extent of deferred tax liability and accordingly deferred tax liability has been written back .		



ZYDEN GENTEC LIMITED

Annual Report 2011-12

10. Previous year figures have been rearranged, recasted and regrouped wherever considered necessary.

11. Sundry debtors, loans and advances are subject to confirmation.

12. Utilisation of Proceeds of fresh issue of Equity shares:

Utilised for the purpose mentioned in the terms of issue	9500000
Balance to be utilised	65912000

13. Related Party disclosures

- Key Managerial personnel
 - Shri Vinod S. Gupta, chairman/director
 - Shri Venkata Kameshwararao Varanasi , Whole-Time Director
- Relatives of Key management personnel - Mrs. Anita Kumari
- Enterprises owned or significantly influenced by Key management personnel or their relatives
 - Deepak Healthcare Private Limited
 - Sharda Advisory Services Private Limited

14. Related Party Transaction

Loans given and repayment thereof

	Year ended	Opening Balance loans given	Loans given/ taken	repayment	Interest accrued	Amount owed
Deepak Healthcare Pvt. Ltd.	31.3.2011	5874326	3965000	5088353		4750973
	31.3.2012	4750973	3900857	562268	662674	8752236

15. Loans taken and repayment thereof

	Year ended	Opening Balance loans given	Loans given/ taken	repayment	Interest accrued	Amount owed
Sharda Advisory Services Pvt. Ltd.	31.3.2011	0	0	0	0	0
	31.3.2012	0	1600000	0	0	1600000

16. Remuneration of Key managerial personnel/relative of them

	Year ended	Amount
-Shri Venkata Kameshwararao Varanasi, Whole-time Director	31-3-2011	540000
	31-3-2012	600000
-Anita Kumari	31-3-2011	394000
	31-3-2012	200000

17. Other Transactions

Rent to SH. Vinod S. Gupta	31-3-2011	60000
	31-3-2012	60000

18. Car rent paid to Deepak Healthcare Pvt. Ltd.

	31-3-2011	96000
	31-3-2012	96000

As per our annexed report of even date

for Anand Jain & Co.,

Chartered Accountants

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

FRN 001857C

Place : Jaipur

Date : 30th May 2012

For and on behalf of Board of Directors

Sd/-

V.K. Rao Varanasi

Whole time Director

Sd/-

Vinod .S Gupta

Director/Chairman

Sd/-

Kanak Lata Jain

Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDING ON MARCH 31, 2012

	As at 31.03.2012	As at 31.03.2011
1. Cash Flow from operating activities		
Net profit before tax and extraordinary items	-44578644	-246984
Adjustments for :		
Depreciation	4096781	3168811
(profit)/loss on sale of assets	92989	0
Provision for short term employee benefits	688718	-
Interest income	-1068562	-154114
Interest expenses	11558251	8166886
Operating profit before working capital changes	-29210467	10934599
Adjustments for :		
Trade and other receivables	-14474586	3720233
Inventories	34610525	-30668076
Trade and other payables	-8682711	242380
Cash generated from operations	-17757239	-15770864
Direct taxes paid	0	345630
Net cash flow from operating activities	-17757239	-16116494
2. Cash flows from investing activities		
Purchase of fixed assets	-2119365	-50326760
Sale of Fixed Assets	97500	0
Interest	1068562	154114
Loans to body corporate and others	-63009241	7751107
Bank deposits	-428727	-52982
Net cash in investing activities	-64391271	-42474521
3. Cash flows from financing activities		
Proceeds from issue of share capital/warrants/premium	80967000	5995000
Proceeds from short term borrowings	-2369858	33461999
Proceeds from long term borrowings(Net of Repayments)	13724879	27787813
Interest	-11558251	-8166886
Net cash flow from financing activities	80763770	59077926
Net increase/(decrease)in cash and cash equivalents	-1384740	486911
Cash and cash equivalents (opening)	2455972	1969061
Cash and cash equivalent (closing)	1071232	2455972
Compenents of Cash and Cash Equivalents		
Cash in hand	964105	652250
Bank balances in current accounts	107127	33722
Bank deposits with maturity less than 3 months	0	1770000
	1071232	2455972

As per our annexed report of even date

for Anand Jain & Co.,

Chartered Accountants

Sd/-

Anand Prakash Jain, Proprietor

M.No. 071045, FRN 001857C

Place : Jaipur

Date : 30th May 2012

For and on behalf of Board of Directors

Sd/-

V.K. Rao Varanasi

Whole time Director

Sd/-

Vinod .S Gupta

Director/Chairman

Sd/-

Kanak Lata Jain

Company Secretary



ZYDEN GENTEC LIMITED

Annual Report 2011-12

ATTENDANCE SLIP

Registered office: 143/1, Deepshree Building, Kotri Road, Gumanpura, 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 18th Annual General Meeting of the Company held on Saturday, the 25th August, 2012 at 1:00 p.m. at Surya Plaza, Kotri Road, Gumanpura, Kota, Rajasthan – 324007 (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 Road, Gumanpura, 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 18th Annual General Meeting of the company to be held on Saturday, the 25th August, 2012 at 1:00 p.m. at Surya Plaza, Kotri Road, Gumanpura, Kota, Rajasthan – 324007 (Rajasthan) or at any adjournment there of.

Signed this.....day of2012

Affix Re. 1/- 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.

Interphasing
Chemistry
with **Life...**

