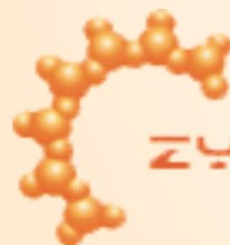




Interphasing
CHEMISTRY
with **LIFE...**

Chemistry for a
BETTER Life



ZYDEN GENTEC LIMITED

Annual Report 2012-2013



INDEX

S.No	Contents	Page No.
1	Corporate Information	1-2
2	Notice of Annual General Meeting	3-8
3	Directors Report	9-13
4	Management Discussion & Analysis Report	14-15
5	Corporate Governance Report	16-25
6	CEO & CFO Certification	26
7	Compliance Certificate on Corporate Governance under Clause 49 of Listing Agreement	27
8	Declaration by Board & Senior Management on Company's Code of Conduct	27
9	Secretarial Compliance Certificate	28
10	Report of Audit Committee	28
11	Auditors Report	29-32
12	Balance Sheet	33
13	Profit and Loss	34
14	Notes to Financial Statements	35-47
15	Cash Flow Statement	48-49
16	Consolidated Auditors Report	50-51
17	Consolidated Balance Sheet	52
18	Consolidated Profit and Loss	53
19	Consolidated Notes to Financial Statements	54-68
20	Consolidated Cash Flow Statement	69-70
21	Statements as per sec 212 of Companies Act 1956	71-72
22	Attendance Slip & Proxy Form	73

REGISTERED OFFICE

143/1, Deepshree Building, Kotri Road, Gumanpura, Kota - 324 007, Tel. No.: 0744-2390508 / 2112267
Fax: 0744-2392196, E-mail: contact@zydengentec.in Web: www.zydengentec.com



OUR BOARD OF DIRECTORS

Mr. VINOD S GUPTA

Promoter & Non- Executive Chairman

Mr. NIRANJAN KUMAR AGRAWAL

Non-Executive & Independent Director

Mr. VENKATA KAMESHWARARAO VARANASI

Executive & Independent Whole Time Director
(Ceased from Directorship w.e.f 30.08.2013)

Mr. MANISH JATIA

Non-Executive & Independent Director
(Appointed as an Additional Director w.e.f. 30.05 .2013)

Ms. Anita Kumari

Executive & Independent Whole Time Director
(Appointed as an Additional Director w.e.f. 30.08.2013)

Mr. G P NAGAR

General Manager

Mr. MUKESH JIWNANI

Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s ANAND JAIN & COMPANY

Chartered Accountants,

C-11/24, Kaveri Path, Shopping Centre, Mansarovar, Jaipur - 302020

Upto F.Y. 2012-13

M/s Rajvanshi and Associates,

Chartered Accountants

H-15, Chittaranjan Marg, C-Scheme, Jaipur – 302 001

From the F.Y. 2013 -14



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

CORPORATE ADVISORS

M/s V M & ASSOCIATES

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

BANKERS

PUNJAB NATIONAL BANK
STATE BANK OF HYDERABAD
SIDBI
AXIS BANK
HDFC BANK
UCO BANK

REGISTRAR & SHARE TRANSFER AGENT

Aarthi Consultants Private Limited

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

MANUFACTURING FACILITY

Unit -I

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

Unit-II

Plot No.13, Industrial Area,
Jhalawar Road, Bhimpura, Kota (Rajasthan)
Tel: 0744-2112267, E-mail: contact@zydengentec.in

HONG KONG:

(Wholly Owned Subsidiary)

Unit 801, 8th Floor
20 Queen's Road Central
Hong Kong

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



NOTICE OF ANNUAL GENERAL MEETING:

NOTICE is hereby given that the Nineteenth Annual General Meeting (19th AGM) of the Members of Zyden Gentec Limited will be held on Saturday, The 28th Day of September, 2013 at 4.00 P.M. at Plot No. 13, Industrial Area, Jhalawar Road, Bhimpura, Kota, Rajasthan 325003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet, statement of Profit and Loss account and Cash Flow Statement for the financial year ended on 31st March, 2013 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Vinod S Gupta**, who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT, pursuant to the provisions of Section 255, 256 and other applicable provisions (if any) of the Companies Act, 1956, and as per the applicable provisions of Articles of Association of the Company, Mr. Vinod S Gupta, be and is hereby re-appointed as the Non Executive Director of the Company liable to retire by rotation.”

3. To appoint Statutory Auditors and to fix their remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT, pursuant to the provisions of Section 224, 225 of the Companies Act, 1956, and other applicable provisions, if any, M/s Rajvanshi and Associates, Chartered Accountants, (Firm Registration No **005069C**) be and are hereby appointed as Statutory Auditors (incoming auditors) of the company in place of M/s Anand Jain & Company, Chartered Accountants (Firm Registration No **001857C**) who have tendered their unwillingness from the conclusion of this Annual General Meeting.

RESOLVED FURTHER THAT incoming Auditors of the company will hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company, on such remuneration as shall be fixed by the Board of Directors.

RESOLVED FURTHER THAT Mr. Vinod S Gupta, Chairman of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for the purpose of giving effect to the aforesaid resolution.”

SPECIAL BUSINESS:

4. **REGULARIASTION OF MR. MANISH OMPRAKASH JATIA AS NON EXECUTIVE INDEPENDENT DIRECTOR**
To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Mr. Manish Omprakash Jatia, who was appointed as an Additional Director of the Company with effect from 30th May, 2013, pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from one of its Member proposing his candidature for the office



of Director under the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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

5. REGULARIATION OF MS ANITA KUMARI AS DIRECTOR

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 of the Company with effect from 30th August, 2013, 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 authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

6. APPOINTMENT OF MS ANITA KUMARI AS WHOLE TIME DIRECTOR

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 349 and 350 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof) and all other statutory provisions, approvals, as may be applicable, the consent of the Company be and is hereby accorded to the appointment of Ms. Anita Kumari, as a Whole-time Director of the Company for a period of 5 (Five) years with effect from 30th August, 2013 and subject to other terms & conditions and stipulations, as set out in Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions and /or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof.

RESOLVED FURTHER THAT due to inadequacy of profits, the board hereby proposes not to provide remuneration to the appointee, Whole Time Director, Ms. Anita Kumari, subject to the schedule XIII of Companies Act 1956.

RESOLVED FURTHER THAT the board further proposes, in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to fix/vary or increase the remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the said terms of appointment of Ms Anita Kumari, Whole-time Director be suitably amended to give



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting.

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

By Order of the Board of Directors

Sd/-

Mukesh Jiwnani

Company Secretary

Kota, August 30, 2013

NOTES:

- 1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on behalf of himself / herself and the proxy need not be a member of the company. The instrument appointing proxy, should however be deposited at the Registered Office of the company at least 48 hours before commencement of the meeting.**
2. Members / Proxies should fill in the Attendance Slips for attending the Meeting and bring their Attendance Slips along with their copy of Annual Report to the meeting.
3. Corporate Members are requested to send a duly certified copy of Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the special business to be transacted at the Meeting is annexed hereto.
5. Brief resume of all Directors proposed to be re-appointed / appointed, name of companies in which they hold directorships, and memberships / chairmanship of Board Committees, shareholding as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the annexure to the notice of the Annual General Meeting.
6. 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.
7. Members holding shares in electronic mode are requested to write their DP- ID and Client ID and those hold shares in physical form are requested to write their folio numbers in attendance slips for identification of membership at the meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, **26th September 2013 to Saturday, 28th September 2013** (both days inclusive) for the purpose of the meeting.
9. Members whose shareholding is in the electronic mode are requested to notify / send the followings to M/s Aarthi Consultants Private Limited to facilitate better servicing:
 - Any change in their address / bank details including account no's and IFSC codes.
 - Particulars of their bank account, in case the same have not been furnished earlier.



10. The Securities and Exchange Board of India (SEBI) has mandate the submission of Permanent Account Number (PAN) by every participant in the securities market. Consequently, members holding shares in electronic form are, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to the Company.
11. Relevant documents referred to in the accompanying notice are open for inspection by the Members at the Registered Office of the Company on all working days, except holidays between 10.00 AM to 5.00 PM, upto the date of the meeting.
12. Members desirous of getting information or have any queries on accounts and operations are requested to send to the Company at least 7 days before the Annual General Meeting so that the answers may be made available at the meeting.
13. 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.
14. Members are informed that Ministry of Corporate Affairs (MCA) 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) allowed the companies to send various notices / documents (including notices convening the AGM, Audited Financial Statements, Auditors Report, Director's Report, and other related documents) to shareholders through electronic mode, to the registered email id of the shareholders.

Pursuant to said "Green Initiative", the Members are kindly requested to communicate their email id to the company / RTA (M/s Aarthi Consultants Private Limited), so that the company can send the future communications to these shareholders in electronic mode. You are requested to send the signed letter, communicating your name, Folio No / DP ID / Client ID and email address either through email route (scanned copy) to info@aarthiconsultants.com or hard copy to M/s Aarthi Consultants Private Limited at 1-2-285, Domalguda, Hyderabad - 500 029.

By Order of the Board of Directors
Sd/-

Mukesh Jiwnani
Company Secretary

Kota, August 30, 2013

ANNEXURE TO NOTICE

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

Mr. Manish Omprakash Jatia, who was appointed as an Additional Director of the Company in the Board Meeting held on May 30th, 2013. 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 ensuing Annual General Meeting of the Company, and is eligible for appointment as a Director.



It will be in interest of the Company to appoint Mr. Manish Omprakash Jatia as Director, who if appointed, shall be liable to retire by rotation, in accordance with the provisions of Articles of Association of the Company.

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

Save and except Mr. Manish Omprakash Jatia, 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 & 6

The Board of Directors of the Company at its meeting held on August 30th, 2013 has appointed Ms. Anita Kumari as an Additional Director of the Company w.e.f August 30th, 2013 pursuant to Section 260 of the Companies Act, 1956, read with Article 78 of Article of Association of the Company. In terms of the provisions of Section 260 of the Act, Ms. Anita Kumari would holds office up to the date of the ensuing Annual General Meeting.

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

Further the Board has also appointed subject to the approval of the members, Ms. Anita Kumari as Whole Time Director of the Company for a period of 5 (Five) years w.e.f. 30th August, 2013 as per schedule XIII of Companies Act 1956 on Nil remuneration.

The present proposal is to seek the Members' approval for the appointment of and Nil remuneration payable to Ms. Anita Kumari as Whole Time Director, in terms of the applicable provisions of the Companies Act, 1956.

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

A brief Resume of 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.



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

The Board recommends the Ordinary Resolution for approval.

By Order of the Board of Directors

Sd/ -

Mukesh Jiwnani
Company Secretary

Kota, August 30, 2013

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 Saturday, 28th September 2013:

Name of Director	Mr. Vinod S Gupta	Mr. Manish Omprakash Jatia	Ms. Anita Kumari
Date of Birth	15/08/1958	09/04/1968	19/12/1976
Date of appointment	26/04/1994	30/05/2013	30/08/2013
Designation	Non Executive Chairman	Additional Director	Additional Director
Expertise in specific functional area	30 years experience in Finance & Taxation vertical	25 year experience in Management Field in Pharmaceutical Industry	12 year experience in Management Field in Pharmaceutical Industry
Qualifications	Chartered Accountants (CA)	B.A.	B.A.
Directorship in other Public Limited Companies as on 31/03/2013	NIL	NIL	NIL
Member / Chairman of the Committees of the Board of other Companies as on 31 st March, 2013	NIL	NIL	NIL
Number of shares held in the Company as on 31 st March, 2013	6,83,900	NIL	1,000



DIRECTORS' REPORT

Dear Shareowners,

Your Directors present here the 19th Annual Report along with the audited Accounts and Auditor's Report for the financial year ended on 31st March, 2013.

FINANCIAL RESULTS

The Standalone and consolidated performance of the company for the financial year ended on 31st March, 2013 is summarized below:

PARTICULARS	(Rs. in Lacs)	(Rs. in Lacs)	
	CONSOLIDATED	STANDALONE	
	2012-13	2012-13	2011-12
1. Income from Operations	1484.11	830.56	1028.93
Less:- Excise duty	75.68	75.68	77.73
Total Income from Operations (net)	1408.43	754.88	951.20
2. Total Expenses	1525.03	882.40	1286.93
3. Profit/(Loss) from operations before other	(116.60)	(127.52)	(335.73)
Income, finance costs and exceptional items (1-2)			
4. Other Income	93.59	93.59	10.69
5. Profit/(Loss) from ordinary activities before finance costs, exceptional items and Tax (3+4)	(23.01)	(33.93)	(325.04)
6. Finance cost	39.15	39.15	120.74
7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items and Tax (5 -6)	(62.16)	(73.08)	(445.78)
8. Taxation (including FBT & Deferred Taxation)	--	--	(35.81)
9. Net Profit / (Loss) after Tax & exceptional items (7 -8)	(62.16)	(73.08)	(409.97)

FINANCIAL PERFORMANCE

During the Financial Year 2012-13, the gross receipts from Operations of the Company were Rs. 754.88 lacs compared to Rs. 951.20 lacs in the financial year 2011-12 whereas the profit or (Loss) after tax & exceptional items were Rs. (73.08) lacs as against Rs. (409.97) lacs in the financial year 2011-12 and the **consolidated gross receipts** from Operations of the Company for the year ended 31st March, 2013 was Rs. 1408.43 lacs and the profit or (Loss) after tax & exceptional items were Rs. (62.16) lacs.

The company is going through a recovering phase and which has the further decreased the performance of the Company and tough Market situations, liquidity crunch and lesser profit margins are crux factors for such decreased performance. The door to foreign exports has increased considerably in last quarter with opening of subsidiary, so we expect speedy recovery in the time to come.



WHOLLY OWNED SUBSIDIARIES

To mark our business presence worldwide, and with perspective of serving our worldwide customer base, Company have incorporated a foreign Wholly Owned Subsidiary titled “**Zyden Gentec Hong Kong Limited**” in Hong Kong on 4th February, 2013 having registered office Unit 801, 8th Floor, 20 Queen's Road Central, Hong Kong as per Hong Kong Ordinance.

DIVIDEND

Due to non availability of distributable profits, your Directors do not recommend any dividend for the financial year 2012-13.

FIXED DEPOSITS

The Company has not invited or accepted any fixed deposit from public during the financial year 2012-13.

BOARD OF DIRECTORS

a) Retire by Rotation

In accordance with the provisions of Section 256 of the Companies Act, 1956 and as per Article 89 of the Articles of Association of the Company, Mr. Vinod S Gupta, Chairman retires by rotation at the following Annual General Meeting and being eligible offer himself for re-appointment as per Article 90 of the Articles of Association of the Company.

b) Resignation of Director

1. During the financial year 2012-13, Mr. Rajesh Sharma, Director has resigned from the Board w.e.f. 25th March, 2013. The Board accepted the same and put on record the appreciation of his contribution towards the Company during his tenure.

2. Mr. Venkata Kameshwara Rao, Whole Time Director has given his resignation from the board w.e.f. 30.08.2013 and the same has been duly accepted by the board. Further the board put on record the appreciation of his contribution towards the company since the beginning of Kota unit.

c) Appointment of Additional Director

Mr. Manish Omprakash Jatia was appointed as Additional Director at the Board Meeting held on 30th May, 2013. The Board received notice from a member proposing the candidature of Mr. Manish Omprakash Jatia as a Director u/s 257 of the Companies Act, 1956. The Board recommends his appointment as a regular Independent Director of the Company, liable to retire by rotation.

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

d) Appointment of Whole Time Director

Ms. Anita Kumari was appointed as Additional Director at the Board Meeting held on 30th August, 2013. Further, subject to the approval of members, she will be appointed as a Whole-time Director of the Company w.e.f. the same date for a period of 5 years.

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

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



AUDITORS

M/s Anand Jain & Co, Chartered Accountants, have tendered resignation from being Auditors of the Company after the conclusion of the ensuing Annual General Meeting due to their preoccupation and the same have been duly accepted by the board. The Board put sincere regards and appreciation for Mr. Anand Jain, proprietor, M/s Anand Jain & Co for such a wonderful tenure and professional relationship with the Company.

The Board on recommendation from Audit Committee further decided to request M/s Rajvanshi & Associates, Chartered Accountant, Jaipur for their tenure with the Company as Statutory Auditors, and they have also shown their willingness and the offer has been duly accepted by them. and company had also received letter from them, to the effect that their 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 appointment within the meaning of section 226 of the Act.

The board further recommends the appointment of M/s Rajvanshi & Associates, Chartered Accountants, Jaipur, as Statutory Auditors of the Company.

The notes on the financial statements referred to in the Auditors Report are self-explanatory and have been explained / clarified and do not calls for any further comment.

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 section 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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed discussion on the industrial structure, development, opportunities, threats, review of operational performance and risks, as required under the Listing Agreement with stock exchanges, forms part of this report and is annexed herewith.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

A. Conservation of energy :

I. Energy conservation measures taken:

Energy conservation has a direct impact on the cost of the product, so high priority is given on it 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.

II. 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.

III. Impact of above measures on the cost of production of goods:

- i. The above measures helped to improve the energy management and consequently to reduce the cost.



B. Technology absorption: The manufacturing technology is indigenous. The company has in-house Research & Development facilities.

A. Research & development:

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

Developments of new compounds, products like Oxybutymin Hydro Chloride USP, Tolnaflate EP USP, Isopropomide Iodide USP, Rosuvastatin Calcium during the year and a couple of products are ready to start commercial production.

II. Benefits derived as a result of above R&D: Developments of new products and improved quality of existing products and compounds, resulting in better profits and helped in creating good clientele.

III. Future Plan of Action: To keep a continuous focus on development of new compounds & products.

IV. Expenditure on R&D: The summary of expenditures incurred regarding research and development during the financial year 2012-13 are as follows:

Particulars	Amount (in Rs.)
1. Capital	2,20,000
2. As percentage of Sales	2.65%

FOREIGN EXCHANGE EARNING AND OUTGO

1. The Foreign Exchange earnings of the company were Rs. 2,91,67,208/- and there was outgo of Rs. 42,40,283/- during the financial year 2012-13.
2. Activities relating to exports / initiatives taken to increase exports / development of new export markets and export plans:

PARTICULARS OF EMPLOYEES

None of the Employees of the company were in receipt of the remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act, 1956, as amended, during the financial year 2012-13.

ISSUE OF FOREIGN CURRENCY CONVERTIBLE BONDS

The company has not issued any Foreign Currency Convertible Bonds during the financial year 2012-13.

LISTING AT STOCK EXCHANGE

The Equity Shares of your company continue to be listed on Bombay Stock Exchange Limited and the annual listing fees for the financial year 2013-14 have been paid.

DEPOSITORY SYSTEM

The trading in equity shares of your company is under compulsorily in dematerialization form. As on the date 30th August, 2013 (date of last benpose), equity shares representing 98.58% of equity shares are in dematerialization form.

EMPLOYEE STOCK OPTION SCHEME

The Company has not issued any stock options for its employees during financial year 2012-13.



LOANS ON COMPANY

Heavy losses in last couple of years, and liquidity crunches, are playing a heavy role in current loss making business cycle. To compensate the losses, company had taken loans both fund and non fund based from Punjab National Bank in May 2010, but due to continuous losses have to restructure the limits in March 2012. The interest burden with stringent margins, are playing heavy on company's growth structure.

Also, Bankers have now recalled the loans, and classified the account as NPA (Non Performing Asset), though some clarifications are need to be answered on Bankers part, as criteria of NPA classification is not acceptable and true to the extent of policies and agreements.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, your Directors Confirmed that:

In the preparation of the Annual Accounts for the year ended 31st March, 2013, the applicable

- Accounting Standards read with requirements set out under Schedule VI of the Companies Act, 1956 have been followed and there are no material departures from the same;

We 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 and of profit / Loss of the Company for that financial year ended 31st March 2013;

We have taken proper and sufficient care for the maintenance of adequate Accounting records in

- accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

We have prepared the Annual Accounts of the Company on a 'going concern' basis.

HUMAN RESOURCE

Your company is of the firm opinion that efficiency of its employees plays a key role in achieving set goals and building competitive work environment which further leads to sound coordination and employees work like a team. Our various management programmes at different levels, ensures vibrant and motivated work force, which leads to achievement of our goals. The management and board shows gratitude towards its employees for having faith and never say die attitude towards accomplishment of defined goals.

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. 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.

By Order of the Board of Directors

Sd/-

Mukesh Jiwnani
Company Secretary

Kota, August 30, 2013



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. 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. And with opening of subsidiary in Hong Kong, the management is expecting to cater foreign markets more effectively, further increasing the clientele abroad.

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 Authorized Share Capital of the Company is Rs. 15,00,00,000/- (Rupees fifteen crores) comprising of 1,50,00,000 (One crore and fifty lacs) equity shares of Rs. 10/-each. During the period there have been no increase / decrease in the Authorized Share Capital of the Company.

Fixed Assets

The Company had Fixed Assets amounting to Rs. 10,01,83,339/- on 31st March, 2012 and there has been no change in the fixed assets during the year, so the fixed assets as on 31st March, 2013 were at Rs. 10,04,97,494/-.

Investment

During the period the Company has invested in Unquoted 10,000 Shares as investment in Zyden Gentec Hong Kong Ltd, the wholly owned subsidiary incorporated in Hong Kong on 4th February, 2013.

Sales

The sales (net of excise duty) & other income in the last year amounted to Rs. 9,61,88,426/- and for the current year it is Rs. 15,02,03,117/-

Segment wise Performance

Particulars	Financial Year 2012-13	Financial Year 2011-12
Income from Manufacturing & Allied Activities	Rs. 140,843,144/-	Rs. 9,51,19,864/-
Income from Financial, Investment & Allied Activities	Rs. 93,59,973/-	Rs. 10,68,562/-

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report 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 substantially or materially differ 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 Board of Directors

Kota, August 30, 2013

Sd/
Vinod S Gupta
Chairman



CORPORATE GOVERNANCE REPORT

OUR MINDSET: CORPORATE GOVERNANCE

We are dedicated to conduct our operations on higher standards of Corporate Governance. Our corporate culture is based on transparency, conscience, fairness, accountability, propriety, equity and ethical business practices which are the key derivatives for sustainable corporate growth and long-term value creation. Our structure of Corporate Governance identifies the need of distribution of the role and responsibilities among different participants in the organization, among the Board of Directors, managers, shareholders and other stakeholders. We aim to align with the interests of individuals, corporations and society and thereby enhancing the stakeholders' value.

The corporate governance practices of the company further strengthened through compliances of all applicable laws including Securities and Exchange Board of India (SEBI) regulations and Clause 49 of their Listing Agreement with Stock Exchange. The Company fully recognizes the rights to information of its shareholders on the performance of the Company and considers itself as trustee of its shareholders. The policies and practices of Corporate Governance of Company as follows:

1. BOARD OF DIRECTORS

The Board is in a fiduciary position, empowered to oversee the management function with a view to ensure its effectiveness and enhancement of stakeholder value. The Board decides on the policies to be implemented across the Company, and reviews and monitors its strategic direction and annual business plan and business objectives. The Board acting as trustees on behalf of the shareholders ensures that the Company has clear goals in enhancing its value and growth for all the stakeholders associated with the Company and follows best governance practices.

a) Composition

The Board of Directors of the Company consists of 4(Four) Directors, comprising of 1 (one) Promoter Non-Executive Chairman, 1 (one) Executive Independent Whole-time Director and 2 (Two) Non-Executive Independent Director. The Board represents an optimal mix of professionalism, knowledge and experience, in conformity with clause 49 of their 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.

b) Board Meetings

During the financial year 2012-13, the Board met 7 (seven) times and the intervening period between Board Meetings was not more than as prescribed in companies act, 1956 and clause 49 of Listing Agreement. The dates of meetings were as follows:

Quarter	No of Meetings	Date of Meetings held during the Quarter
April - June	3	30 th May, 2012, 12 th June, 2012 and 22 nd June, 2012
July - September	2	24 th July, 2012 and 25 th August, 2012
October – December	1	9 th November, 2012
January - March	1	11 th February, 2013



c) 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 2012-13 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 31st March, 2013 were as follows:

Name	Category	Board Meetings attended during the Year	Attended Last AGM	No. of Directorship held in other Companies		Committee Position in other Companies
				Chairman	Member	
Mr. Vinod S. Gupta	Promoter & Non-Executive Chairman	7	Yes	NIL	NIL	NIL
Mr. Niranjan Kumar Agrawal	Non-Executive & Independent Director	7	Yes	NIL	NIL	NIL
Mr. Rajesh Sharma (Upto 25 th March, 2013)	Non-Executive & Independent Director	2	No	NIL	*Details given below	NIL
Ms. Anita Kumari (Upto 25 th August, 2012)	Non-Executive & Independent Director	3	Yes	NIL	**Details given below	NIL
Mr. Venkata Kameswararao Varanasi (Ceased w.e.f. 30.08.2013)	Executive & Independent Whole Time Director	7	Yes	NIL	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 (I) Pvt. Ltd.

d) Shareholding of Directors as on 31st March, 2013 is as under:

Name	No. of shares held	% of paid-up capital
Mr. Vinod S. Gupta	6,83,900	6.15%
Mr. Niranjan Kumar Agrawal	1,000	0.009%
Mr. Venkata Kameswararao Varanasi	NIL	NIL

e) Code of Conduct

The Company has laid down a code of conduct and ethics for the directors and employees of the Company. Our Principals are enshrined a Code of conduct for all our board members and employees of the Company and are adhered to in letter and spirit. The code of conduct has been posted on the Company's website: www.zydengentec.com. This code ensures compliance with the revised clause 49 of the Listing Agreement executed with the Stock Exchanges. A declaration to this effect signed by Mr. Vinod S. Gupta, Chairman & Non Executive Director of the Company forms part of this report. The



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

board members and senior management personnel have confirmed the compliance with the respective Code of Conduct.

2. AUDIT COMMITTEE

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and clause 49 of the Listing Agreement with the Stock Exchanges. The terms of reference include:

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

a) Audit Committee Meetings held during Financial Year 2012-13

During the financial year 2012-13, the members of the Audit committee met 6 (Six) times on the following dates:

Quarter	No of Meetings	Date of Meetings held during the Quarter
April - June	2	30 th May, 2012 and 12 nd June, 2012
July - September	2	24 th July, 2012 and 25 th August, 2012
October – December	1	9 th November, 2012
January - March	1	11 th February, 2013

b) 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 2012-13 are as follows:

Name	Designation	Category	Attendance
Mr. Niranjan Kumar Agrawal	Chairman	Non-Executive & Independent Director	6
Mr. Rajesh Hari Sharma (Upto 25 th March, 2013)	Member	Non-Executive & Independent Director	1
Ms. Anita Kumari (Upto 25 th August 2012)	Member	Non-Executive & Independent Director	3
Mr. Vinod S Gupta (w.e.f. 25 th August, 2012)	Member	Promoter & Non Executive Chairman	3



- Members of the Audit Committee have requisite financial and management expertise.
- 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.

3. 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, exchange 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.

a) Meetings held during Financial Year 2012-13

During the financial year 2012-13, the members of the committee met 6 (Six) times under review to redress the grievances of the shareholders of the Company at the following dates:

Quarter	No of Meetings	Date of Meetings held during the Quarter
April - June	1	27 th June, 2012
July - September	1	9 th July, 2012
October - December	3	9 th October, 2012, 3 rd November, 2012 and 19 th December, 2012
January - March	1	11 th February, 2013

Based on the report received from the Company's Registrar, the status of investor complaints as on March 31, 2013 are as under:

Complaints as on April 01, 2012	NIL
Received during the year	6
Resolved during the year	6
Pending as on March 31, 2013	NIL

b) Composition, Category and Attendance of member

Name	Designation	Category	Attendance
Mr. Vinod S Gupta	Chairman	Promoter & Non-Executive Chairman	6
Mr. Niranjan Kumar Agrawal	Member	Non-Executive & Independent Director	6
Mr. Rajesh Hari Sharma (Upto 25 th March, 2013)	Member	Non-Executive & Independent Director	1
Ms. Anita Kumari (Upto 25 th August, 2012)	Member	Non-Executive & Independent Director	2

Compliance Officer

Mr. Mukesh Jiwnani is the Company Secretary and Compliance Officer of the Company.



4. 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 for 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.

a. Composition

Name	Designation	Category	Attendance
Mr. Niranjana Kumar Agrawal	Chairman	Non-Executive & Independent Director	1
Mr. Rajesh Sharma (Upto 25 th March, 2013)	Member	Non-Executive & Independent Director	NIL
Ms. Anita Kumari (Upto 25 th August 2012)	Member	Non-Executive & Independent Director	1
Mr. Vinod S Gupta (w.e.f 25 th August 2012)	Member	Promoter & Non-Executive Chairman	1

a) Meetings held during Financial Year 2012-13

During the financial year 2012-13, the members of the committee met **1 (One)** time on 25th August 2012.

5. GENERAL BODY MEETINGS

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

Annual General Meeting (F Y)	Day, Date & Time	Venue	Special Resolutions
16 th Meeting (F Y 2009-10)	Monday, 20 th September, 2010 at 12.30 P.M.	Plot No. 13, Industrial Area, Bhimpura, Kota (Raj.) - 325003	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.
17 th Meeting (F Y 2010-11)	Friday, 30 th September, 2011 at 1.00 P.M.	Surya Plaza, Kotri Road, Gumanpura, Kota, Rajasthan - 324007	No Special Resolution was passed.
18 th Meeting (F Y 2011-12)	Saturday, 25 th August, 2012 at 1.00 P.M.	Surya Plaza, Kotri Road, Gumanpura, Kota, Rajasthan - 324007	No Special Resolution was passed.

**6. POSTAL BALLOT**

During financial year 2012-13, 1 (one) resolution was passed through Postal Ballot. The said special resolution was passed for authorizing the Board, to make Inter Corporate Loans, Investment and Securities etc. u/s 372A for an amount not exceeding Rs. 50 Crores. The results of that postal ballot are as follows :

Total Votes	Votes in assent of proposed resolution	Votes in dissent of proposed resolution	Results
7,79,61,764	7,73,91,164	5,70,600	99.27% in favor of the proposed resolution.

At the forthcoming AGM, no resolution is proposed to be passed through Postal Ballot.

7. EXTRA-ORDINARY GENERAL MEETING

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

Financial Year	Day, Date & Time	Venue	Special Resolutions
2011-12	Monday, 5 th March, 2012 at 12.30 P.M.	143, Deepshree Building, Kotri Road, Gumanpura, Kota - 324 007	One Special resolution regarding the preferential Issue of 6000000 Equity Shares of Rs. 1/ - each at a premium of Rs. 0.36/-

8. 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.
- The capital expenditures during the financial year 2012-13 were to the tune of Rs 3,95,423/-



9. MEANS OF COMMUNICATION

- Quarterly, Half yearly and Annual financial Results are published in one English leading national newspaper i.e. "The Financial Express" (English newspaper) and in regional language i.e. "Rashtradoot" (Regional). 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.zydengentec.com) also, after they are taken on record by the Board.
- The Company's Results and other corporate announcement are regularly sent to the stock exchanges.
- All price sensitive information is made available at the earliest through newspapers and intimated to the stock exchanges for public dissemination.
- Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&AR) Report forms part of the Annual Report.

10. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting:

Date, Time & Venue: Saturday, 28th September, 2013 at 4:00 P.M. at Plot No. 13, Industrial Area, Jhalawar Road, Bhimpura, Kota, Rajasthan 325003 (Rajasthan).

b. Financial Calendar:

June Quarter Ending Results	Within 45 days from end of quarter.
September Quarter Ending Results	Within 45 days from end of quarter.
December Quarter Ending Results	Within 45 days from end of quarter.
March Quarter / Year Ending Results	Within 60 days from end of quarter of the financial year (Audited).

- c. Book Closure date: Thursday, 26th September, 2013 to Saturday, 28th September, 2013
- d. Dividend: No dividend being recommended by the Board during the financial year 2012-13.
- e. Listing of Equity Shares in Stock Exchanges: Bombay Stock Exchange Limited (BSE)
- f. Demat ISIN exchange number in: INE622B01037
- g. Stock Code: Bombay Stock Exchange 530091. The Company has paid annual listing fee to Stock exchange as well as depository fees to NSDL and CDSL.
- h. Dematerialization of Shares

The shares of the Company 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, 2013, 1,09,52,684 equity shares of the company forming 98.56% of the share capital of the Company stand dematerialized.

i. Liquidity of Shares

The Equity Shares of the Company have been listed at Recognized Stock Exchange: Bombay Stock Exchange, India.



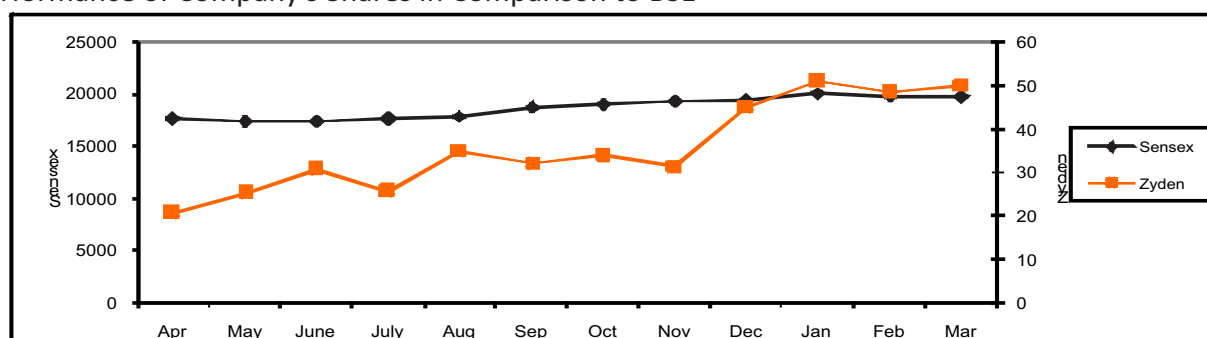
j. Market Price Data

The high and low prices of every month during the financial year 2012-13 are given below:

BOMBAY STOCK EXCHANGE: ZYDEN GENTEC LIMITED (530091)					
Month	High (Rs. 10/- face value)	Low (Rs. 10/- face value)	Number of Shares traded	BSE Sensex High	BSE Sensex Low
April 2012	20.60	17.30	752586	17597.42	17094.51
May 2012	25.20	18.40	1355438	17301.91	15948.1
June 2012	30.60	22.00	1275900	17429.98	15965.16
July 2012	25.70	21.20	304914	17618.35	16639.82
August 2012	35.00	23.00	886757	17885.26	17197.93
September 2012	32.20	25.50	691815	18762.74	17313.34
October 2012	33.81	26.46	75941	19058.15	18430.85
November 2012	31.45	25.60	64264	19339.9	18309.37
December 2012	44.90	30.15	338739	19486.8	19229.26
January 2013	50.90	40.70	362731	20103.53	19580.81
February 2013	48.30	40.75	112307	19781.19	18861.54
March 2013	50.00	32.60	155971	19683.23	18681.42

(Note: The Company consolidated its 10 shares of Rs. 1 into one shares of Rs. 10 during the financial year 2012-13, so the face value of shares after consolidation is Rs.10/- per equity share. We have indicated the market price (high / low) of shares during the previous year at Rs. 10/- face value).

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



l. Share Transfer System

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the powers 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 Register & Share transfer Agent. All correspondences are to be directed to the Register & Share transfer Agent at the above mentioned address. The correspondences may also be sent at the Company's address which will be sent by the Company to Register & Share transfer Agent. Share transfer is normally affected within the maximum period of 30 days from the date of receipt, if all required documentation is duly submitted by the transferor & transferee.



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

M. Distribution of Shareholding as on 31st March, 2013

No of Equity Shares held	Share Holders	% of Share Holders	No. of Shares	Amount (in Rs.)	% of Total Shares
1 - 5000	3035	78.16	482801	4828010	4.34
5001-10000	333	8.58	275855	2758550	2.48
10001-20000	198	5.1	301817	3018170	2.72
20001-30000	87	2.24	225843	2258430	2.04
30001-40000	44	1.13	155678	1556780	1.4
40001-50000	29	0.75	131986	1319860	1.19
50001-100000	68	1.75	462712	4627120	4.16
100001 & Above	89	2.29	9075708	90757080	81.67
Total	3883	100	11112400	111124000	100

n. Shareholding Pattern as on 31st March, 2013

CATEGORY	NO. OF SHARES HELD	% OF SHAREHOLDING
A. Promoters' Holding		
(a) Indian Promoter	969800	8.73
(b) Persons acting in concert	950000	8.55
(c) Foreign Promoters	NIL	NIL
Subtotal-A	1,91,98,00	17.28
B. Non Promoters Holding		
(a) Institutional Investors	NIL	NIL
(b) Mutual Funds & UTI	NIL	NIL
(c) Banks, FIs, Insurance Companies	NIL	NIL
(d) Foreign Institutional Investors	NIL	NIL
Subtotal-B	NIL	NIL
C. Others		
(a) Private Corporate Bodies	667153	6.00
(b) i) Indian Public (Top 50)	1889713	17.01
ii) Other	6608939	59.47
(c) Non Resident Indians	11345	0.1
(d) Any other (Associates & Relatives of Director)	NIL	NIL
(e) Trust	NIL	NIL
(f) Employees	NIL	NIL
(g) Clearing Members	15450	0.14
(h) Foreign Nationals	NIL	NIL
Subtotal-C	9192600	82.72
Grand Total (A+B+C)	11112400	100

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



o. Registrar & Share Transfer Agent

- Aarthi Consultants Pvt. Ltd.
1-2-285, Domalguda, Hyderabad, Andhra Pradesh, Tel: 040-27638111, Fax: 040-27632184
- E-mail: info@arthiconsultants.com, Website: www.arthiconsultants.com

p. Outstanding GDRs / Warrants and Convertible Instruments

The Company has 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, Deepshree Building, Kotri Road, Gumanpura,
Kota (Rajasthan)-324 007, Phone Nos. 0744-2390508 / 2112267, Fax No. 0744-2392196
E-mail: contact@zydengentec.in, Web: www.zydengentec.com

11. SECRETARIAL AUDIT

For each of the quarter in the financial year 2012-13, M/s V. M. & Associates, Company Secretaries, Jaipur carried out secretarial audits to reconcile the total admitted issued and listed capital in demat with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) & physical form.

12. CIN NUMBER

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

For and on behalf of Board of Directors

Kota, August 30, 2013

Sd/-
Vinod S Gupta
Chairman



CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

To
The Board of Directors,
Zyden Gentec Limited

We, V K Rao, Whole Time Director and Niranjana Agrawal, Director & Chief Financial Officer (CFO) of Zyden Gentec Limited, to the best of our knowledge and belief hereby certify that:

1. We have reviewed the balance sheet and statement of profit and loss, and all its notes, and confirm that:
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or contain statements that might be misleading.
3. Based on our knowledge and information, the financial statements, present in all material respects, a true and fair view of the Company's affairs and except as stated are in compliance with the existing accounting standards and or applicable laws and regulations.
4. To the best of our knowledge and belief, no transactions entered into by the Company during the period are fraudulent, illegal or void of the Company's code of conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company, and we have:
 - a) Designed such controls and procedures to ensure that material information relating to the Company is made known to us;
 - b) Designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
6. We confirm that
 - a) There are no deficiencies in the design or operation of internal controls, which could materially adversely affect the Company's ability to record, process, summarize and report financial data;
 - b) There are no significant changes in internal controls during the period;
 - c) All significant changes in accounting policies during the year have been disclosed in the notes to the financial statements; and
 - d) There are no instances of significant fraud of which we are aware, that involves management or other employees who have a significant role in the Company's internal controls system.
7. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices.

Place: **Kota**
Date : **30 August 2013**

Sd/-
V.K Rao
Whole Time Director

Sd/-
Niranjana Agrawal
Director & CFO



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, 2013, 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: 30 August 2013

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

The Shareowners,
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 hereby confirm that the Company has, in respect of the financial year ended on March 31, 2013, 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 : **30 August 2013**

Sd/-
Vinod S Gupta
Chairman



SECRETARIAL COMPLIANCE CERTIFICATE

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, 2013 and have:

1. Maintained all the books of accounts and statutory registers required as per 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 the 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 and proceedings of the meeting of the Directors / Committee members and the Shareholders.
6. Made all the 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: **30th August 2013**

Sd/-
Mukesh Jiwnani
Company Secretary

REPORT OF THE AUDIT COMMITTEE

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 financial year, the Committee discussed with the Company's auditors about overall scope and plans for their audit. The Committee also discussed appraisal 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 the Board for appointment of M/s Rajvanshi and Associates, Chartered Accountants, as Statutory Auditor of the Company for the financial year 2012-13.

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: **30th August 2013**

Sd/-
Niranjan Kumar Agrawal
Chairman Audit Committee



INDEPENDENT AUDITORS' REPORT

To the MEMBERS OF zyden gentec limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ZYDEN GENTEC LIMITED which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

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



Emphasis of the matter

We draw your attention to the following paras stated in Note No.27- other explanatory information:

- Paras No. 2 and 3 regarding not providing the interest payable in respect of Term loans and other facilities taken by the company from banks and other financial institutions who have recalled the Term loans and other facilities due to defaults by the company; and
- Para No.18 regarding not providing depreciation in respect of building and plant and machinery of Hyderabad unit due to its being not in operation .

Our opinion is not qualified in respect of these matters.

Report on Other Legal and regulatory Requirements

1. As required by the Companies (Auditors Report) order, 2003 (“the Order”) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that;
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For Anand Jain & Co.
Chartered Accountants
FRN: 001857C**

Sd/-

**Anand Prakash Jain
Proprietor
M. No.: 71045
Place: Jaipur
Dated: 30.05.2013**



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, 2013)

- 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 ONE & Rs 97.19 Lacs respectively. Year end balance was Rs.93.85 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 THREE(Including parties with opening balance with no transactions during the year or whose accounts were squared up during the year) and Rs. 56.04 lacs respectively. Year end balance was Rs.39.43 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.



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

- 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.284172/- towards PF, Rs. 223000/- towards ESI, and Rs. 30874/- 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/- Papers as regards authority with whom appeal was filed could not be produced.
- x) The Company has brought forward accumulated losses and has incurred cash losses during the year covered by our audit as well as in the immediately preceding financial year.
- xi) In our opinion the company has defaulted in repayment of dues to financial institutions and banks .Please refer para 2 and 3 of note No.27- other explanatory information. Banks and financial institutions have recalled the loans and facilities.
- 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 .
- 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 in previous year by issue of shares on preferential basis to persons other than promoters has been disclosed and verified by us.
- xxi) 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 2013.

Sd/-

For ANAND JAIN & CO.

Chartered Accountants

FRN: 001857C

ANAND PRAKASH JAIN

Proprietor

M. No. 71045

Place : JAIPUR

Dated : 30th May, 2013



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

BALANCE SHEET AS AT 31ST MARCH ,2013

AS ON

	NOTES	March 31, 2013	March 31, 2012
Shareholders' funds			
Share Capital	1	111124000	111124000
Reserves and surplus	2	15154907	18537819
Money received against share warrants	3	0	1050000
		126278907	130711819
Non Current Liabilities			
Long Term borrowings	4	0	43258999
		0	43258999
Current Liabilities			
Short term borrowings	5	70668955	63758443
Trade payables	6	9971672	10738267
Other Current liabilities	7	55156543	14754012
Short term provisions	8	877771	688718
		136674941	89939440
TOTAL		262953848	263910258
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	9	85283379	87501259
Intangible Assets	10	1	1
Capital Work in progress		0	750000
Investments	11	70250	0
Long Term loans and advances	12	957218	1330704
Other non current assets	13	1677709	17995208
		87988557	107577172
Current Assets			
Inventories	14	12664713	25256851
Trade Receivables	15	47193940	21459027
Cash and bank balances	16	1214593	1071232
Short term loans and advances	17	113892045	108545976
		174965291	156333086
TOTAL		262953848	263910258
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	26		
OTHER EXPLANATORY INFORMATION	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

FRN 001857C

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

Place: JAIPUR

Date: 30/05/2013

For and on behalf of Board of Directors

Sd/-

V K Rao Varanasi

Whole Time Director

Sd/-

Niranjan Kumar Agrawal

Director

Sd/-

Mukesh Jiwnani

Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

AS ON

	NOTES	March 31, 2013	March 31, 2012
Income			
Revenue from Operations	18	83056598	102892715
Less: Excise Duty		7568471	7772851
		75488127	95119864
Other Income	19	9359973	1068562
Total Revenue		84848100	96188426
Expenses			
Cost of material consumed	20	53539116	77643623
(Increase)/ Decrease in inventories of finished goods/work in progress	21	12563398	21555271
Employee benefits expense	22	7647288	9853713
Finance Cost	23	3915309	12074494
Depreciation	24	2589549	4096781
Other Expenses	25	11901352	15543188
		92156012	140767070
Profit before tax		-7307912	-44578644
Tax expense			
Deferred tax Liability written back			-3581188
Income tax for earlier years			
Total tax expense			-3581188
Profit for the year		-7307912	-40997456
Earnings per equity share			
Basic		-0.66	-0.369
Diluted		-0.66	-0.369
Weighted/ average number of Equity shares		11112400	111124000
Nominal value per equity share		10	1
* includes inter unit transfer of Rs. 114 93072 (THIS YEAR) & Rs. 30122839/-(PREVIOUS YEAR)			
** Not annualised			
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	26		
OTHER EXPLANATORY INFORMATION	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

FRN 001857C

Sd/-

Anand Prakash Jain
Proprietor

M.No. 071045

Place: JAIPUR

Date: 30/05/2013

For and on behalf of Board of Directors

Sd/-

V K Rao Varanasi
Whole Time Director

Sd/-

Niranjan Kumar Agrawal
Director

Sd/-

Mukesh Jiwnani
Company Secretary



Notes to financial statements for the year ended 31st march, 2013

	31.3.2013	31.3.2012
1. Share Capital		
a. Authorised		
1,50,00,000 (Previous year 15,00,00,000) Equity shares of Rs.10/- (Previous year)Rs. 1/- each.	15,00,00,000	15,00,00,000
b. Issued, Subscribed and Fully paid up		
1,11,12,400 (Previous year 11,11,24,000) Equity shares of Rs. 10/- (Previous year Rs. 1/-)each.	11,11,24,000	11,11,24,000

c. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	31.3.2013		31.3.2012	
	Number		Number	
Equity shares at the beginning of the year	111124000	111124000	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.	11112400*	111124000	111124000	111124000

*(Consequent upon consolidation in Equity shares of Rs.10/-each

d. Terms / Rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10/- 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

	31.03.2013		31.03.2012	
	No.	%	No.	%
Equity shares of RS. 10/-(Previous year Rs.1/-) each fully paid up				
Vinod S Gupta	683900	6.15	6839000	6.15
Sharda Advisory Services Private Limited	750000	6.75	7500000	6.75
Padmesh Deodatta Gupta	1500000	13.50	15000000	13.50
Govinddas Govardhandas Daga	1000000	9.00	10000000	9.00
Sudha Devi Govinddas Daga	740000	6.66	7400000	6.66
Gordhandas Narsingdas Daga (HUF)	555000	4.99	5550000	4.99

As per records of the Company , including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest , the above shareholding represents both legal and beneficial ownership of shares.

During the year company consolidated its Equity shares from Rs.1/- to Rs.10/- each. Fractional shares arising out of this consolidation were given to a director to hold and sell the same in the market in trust on behalf of the company.

Total fractional shares arising out of above exercise were consolidated into 147 shares of Rs.10/- each and were sold . Sale proceed of Rs.6804.39/- (Net of expenses) , is lying in the bank account of director.



Notes to financial statements for the year ended 31st march, 2013

	31.3.2013	31.3.2012
2. RESERVES AND SURPLUS		
Reserves		
Capital Reserve		
Amount forfeited on non exercise of option of conversion by the allottees of convertible warrants		
Balance as per last financial statement	9,705,000	9,705,000
Add: Amount forfeited during the year	2,425,000	—
	12,130,000	9,705,000
Capital Investment Subsidy		
Received during the year	1,500,000	—
	13,630,000	9,705,000
Securities Premium account		
Balance as per last financial statement	43312000	17850000
Add; Received during the year on issue of Equity shares and conversion of convertible warrants	—	25462000
	43312000	43312000
General Reserve		
Balance as per last financial statement	6,048,744	6048744
Surplus in the statement of Profit and loss		
Balance as per last financial statements	-40527925	469531
Profit for the year	-7307912	-40997456
Net Surplus in the statement of profit and loss	-47835837	-40527925
TOTAL RESERVE AND SURPLUS	15,154,907	18,537,819
3.MONEY RECEIVED AGAINST SHARE WARRANTS		
Against (Previous year 2000000) 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	NiL	1050000



Notes to financial statements for the year ended 31st march, 2013

	Non Current portion		Current maturities*	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
4. LONG TERM BORROWINGS				
SECURED				
Term Loans from banks				
Punjab National Bank Limited				
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 & 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.8lacs to 21.25 lacs from 1.4.2013 carrying interest @15.5% p.a.	—	28,892,353	28,787,066	—
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 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 20 quarterly instalments of Rs.2.2 lacs from 1.10.2011 carrying interest @15% p.a.	—	3,098,085	3,549,256	880,000
3. Working capital term loan against hypothecation of all stocks and book debts, 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	—	10,063,800	10,063,800	—



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

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 72 monthly instalments of Rs.100417/- to 178417/- from 1.4.2013 carrying interest @15.5% p.a.

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.

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.
(All above loans have been recalled by Bank).

Term loan from SIDBI

1. Against hypothecation of all movable assets 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.

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 monthly rests. (After adjustment of subsidy, instalment amount is 11800/-)

(Both the loans from SIDBI have since been recalled by the lender)

As Loans have been recalled these are included in current maturities under current liabilities.

TOTAL

Amount of current maturities is disclosed under the head " other current liabilities" (Note No. 7)

	1,030,837	2,194,837	1,164,000	—
	173,924	282,596	166,800	—
	3,243,920	3,243,920	—	—
	—	43,258,999	48,121,475	5,454,720
	48,121,475	5,454,720		



5. SHORT TERM BORROWINGS

SECURED

Cash credit from banks

Punjab National Bank

-Cash credit facility against hypothecation of all stocks and book debts and 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 on demand carrying interest ranging from 14.5% to 15% p.a.

- Letter of credit facility -Usance period not exceeding 90 days

Security as mentioned above in cash credit facility

State Bank of Hyderabad

Against first charge on current assets 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.

(Facilities have been recalled by the Bank.)

UNSECURED

From Related Parties

a. From Bodies Corporate
repayable on demand, interest free

b. From directors
repayable on demand, interest free

TOTAL

6. TRADE PAYABLES

Amount of principal and interest due/paid to micro and small enterprises under MSMED Act, 2006

7. OTHER CURRENT LIABILITIES

Current maturities of long term borrowings(Note No. 4)

VAT/TDS /PF/ESI /Bonus and other statutory obligations

Refundable convertible warrant money

Expenses and other payables

Bank book overdrafts

8. SHORT TERM PROVISIONS

Provision for employee benefits - gratuity and accumulated leaves

2,66,52,880	21,187,820
17,09,036	–
3,83,64,332	3,83,64,332
6,67,26,248	5,95,52,151
–	16,00,000
39,42,707	26,06,292
39,42,707	42,06,292
7,06,68,955	6,37,58,443
99,71,672	1,07,38,267
NIL	NIL
4,81,21,475	54,54,720
22,99,688	20,28,914
–	13,75,000
47,35,380	58,41,187
–	54,192
5,51,56,543	1,47,54,012
8,77,771	6,88,718
8,77,771	6,88,718



Notes to financial statements for the year ended 31st March, 2013

9. TANGIBLE ASSETS

	Freehold Land		Leasehold land		Building		Plant and Machinery		Office Equipments		Computers		Vehicles		Furniture/fixtures		Total		
	31.3.2013	31.3.2012	31.3.2013	31.3.2012	31.3.2013	31.3.2012	31.3.2013	31.3.2012	31.3.2013	31.3.2012	31.3.2013	31.3.2012	31.3.2013	31.3.2012	31.3.2013	31.3.2012	31.3.2013	31.3.2012	
Gross Block																			
At beginning of the year	3678920	3678920	5227257	5227257	25304141	24655513	62594759	61182998	169293	169293	1144856	1085881	1534093	1638846	498924	601624	100152243	98240332	
Transactions during the year																			
Add: Additions					124475	648628	251948	1411761	19000		58975								
Less: Sale/disposal																			
As at the year end	3678920	3678920	5227257	5227257	25428616	25304141	62846707	62594759	188293	169293	1144856	1085881	1534093	1638846	498924	601624	100152243	98240332	
Accumulated Depreciation																			
At beginning of the year					1905215	1081721	9051866	6155369	43128	34947	991692	807819	378272	140383	113040	12650985	8571168		
Add: Charge for the year					620991	823494	1692302	2896497	11243	8181	91319	183873	142713	153154	31582	31582	2589550	4096781	
Less: Adjusted on sale/disposal																			
Depreciation at year end	0	0	0	0	2525606	1905215	10744168	9051866	54371	43128	1083011	991692	378272	140383	113040	12650985	8571168		
Net Block																			
	3678920	3678920	5227257	5227257	22903010	23398926	52102538	53542893	133972	126165	61845	153164	1015392	848927	326959	358541	85283379	87501259	

10. INTANGIBLE ASSETS

	31.03.2013	31.03.2012
Gross Block		
At beginning of the year	31095	31095
Transactions during the year		
Add: Additions		
Less: Sale/disposal		
As at the year end	31095	31095
Accumulated Depreciation		
At beginning of the year	31094	31094
Add: Charge for the year		
Less: Adjusted on sale/disposal		
Depreciation at year end	31094	31094
Net Block	<u>1</u>	<u>1</u>

- a. In view of long term lease, no write off for land is considered necessary.
- b. Land and buildings 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.
- c. There was no impairment/reevaluation during the year



Notes to financial statements for the year ended 31st March, 2013

Particulars	March 31 , 2013	March 31 , 2012
11. INVESTMENTS		
Unquoted , Non Trade, at cost.		
10,000 Equity Shares of 1 HKD each of wholly owned foreign subsidiary Zyden Gentec Hong Kong Limited.	70,250	0
	70,250	0
12. LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Security Deposits with govt. departments/others	870,648	1,172,024
ITDS/FBT refundable/adjustable	86,570	158,680
	957,218	1,330,704
13. OTHER NON CURRENT ASSETS		
Unsecured, considered good		
Other bank balances(Refer note no.16)	1,621,201	425,201
Trade receivables - outstanding for a period exceeding six months from the date they are due for payment	0	17,513,499
Interest accrued on fixed deposits	56,508	56,508
	1,677,709	17,995,208
14. INVENTORIES		
At cost or net realisable value which ever is lower		
Raw Material	7,210,629	7,402,082
Work in Progress	1,477,494	9,910,336
Finished goods	3,706,591	7,837,147
Stores ,spares and consumable/packing material	269,999	107,286
	12,664,713	25,256,851
15. TRADE RECEIVABLES		
Unsecured, considered good		
outstanding for a period exceeding six months from the date they are due for payment	34,349,107	0
Others	12,844,833	21,459,027
	47,193,940	21,459,027



Notes to financial statements for the year ended 31st March, 2013

16.CASH AND BANK BALANCES	Current		Non Current*	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Cash and cash equivalents				
Balance with banks:				
on Current accounts	114,017	107,127		
Cash on hand	1,100,576	964,105		
	1,214,593	1,071,232	0	0
Deposits with original maturity for more than 12months and others (under lien as security)		0	1,621,201	425201
		0	1621201	425201
	1,214,593	1,071,232	1621201	425201

* Amount of non current balances is disclosed under non current assets (note no. 13)

17. SHORT TERM LOANS AND ADVANCES

Unsecured, considered good
 Advances recoverable in cash or in kind or for value to be received or pending adjustments
 Loans and advances to body corporates and others
 Loans and advances to related parties
 Advance to subsidiary
 Interest accrued but not due
 Cenvat receivable/adjustable
 Vat refundable/adjustable
 Prepaid expenses

	March 31 , 2013	March 31 , 2012
	459,558	168,037
	99,697,298	94,809,567
	9,451,165	8,752,236
	113,501	
	19,068	0
	4,082,375	4,608,294
	4,656	130,436
	64,424	77,405
	113,892,045	108,545,976

18. REVENUE FROM OPERATIONS

Sale of Products
 Job Work
 Other Operating revenue

	March 31 , 2013	March 31 , 2012
	81,272,956	101,123,650
	1,226,000	
	557,642	1,769,065
	83,056,598	102,892,715

Details of Products sold

Drug Intermediates

	81,272,956	101,123,650
	81,272,956	101,123,650

Details of Other operating revenue

Unspent liabilities /sundry balances written back(Net)
 Exchange gain
 Others

	108,867	850,978
	145,793	
	302,982	918,087
	557,642	1,769,065



Notes to financial statements for the year ended 31st March, 2013

Particulars	March 31 , 2013	March 31 , 2012
19. Other Income		
Interest income		
- on bank deposits	139,795	92,915
- on current loans and advances	9,220,178	975,647
	9,359,973	1,068,562
20. Cost of material consumed		
Opening Stock	7,402,082	18,879,711
Add: Purchases	52,122,660	64,737,393
Custom duty	346,247	203,718
Carriage Inward and import clearing expenses	878,756	1,224,882
	60,749,745	85,045,705
Less: Closing stock	7,210,629	7,402,082
	53,539,116	77,643,623
21.(Increase)/ Decrease in inventories of finished goods/work in progress		
Inventory at the end of year		
- Finished goods	3,706,591	7,837,147
- Work in progress	1,477,494	9,910,336
	5,184,085	17,747,483
Inventory at the beginning of the year		
- Finished goods	7,837,147	14,073,347
- work in progress	9,910,336	25,229,407
	-12,563,398	-21,555,271
22. Employee Benefits Expense		
Salaries,allowances and bonus	7,142,522	8,767,516
Contribution to provident and other funds	169,629	489,140
Gratuity	118,095	303,046
Staff Welfare expenses	217,042	294,011
	7,647,288	9,853,713
23. Finance Cost		
Interest	3,705,785	11,558,251
Other borrowing costs	209,524	516,243
	3,915,309	12,074,494



Notes to financial statements for the year ended 31st March, 2013

Particulars	March 31 , 2013	March 31 , 2012
24. Depreciation		
on Tangible assets	2,589,549	4,096,781
on Intangible assets	0	0
	2,589,549	4,096,781
25. Other Expenses		
Consumption of stores and spares/packing material	1,242,766	3,103,830
Power and fuel	6,067,456	6,937,597
Rent	564,191	665,820
Repairs to Machinery	389,956	238,681
Repairs to Building	78,625	
Insurance	126,194	131,015
Printing and Stationery	105,718	155,514
Travelling and Conveyance	552,775	534,510
Vehicle Maintenance	829,362	793,911
Communication costs	339,387	495,446
Legal and Professional expenses	516,584	405,634
Payment to Auditors		
- As auditor		
Audit fee	50,000	50,000
Loss on sale of fixed Assets	8,751	92,989
Bank Charges	60,538	280,642
Exchange difference(Net)		48,415
Miscellaneous Expenses	241,045	647,379
Freight and forwarding	728,004	665,558
Commission , brokerage and discounts	0	296,249
	11,901,352	15,543,188



NOTES TO FINANCIAL STATEMENT

26. SUMMARY OF 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. 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.
3. 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.
4. Stock in trade is valued at lower of cost and net realisable value.
5. Sales Value is inclusive of Excise Duty but exclusive of VAT. Sale is recognised on removal of goods from factory.
6. 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 & 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 case may be.
7. Government grants are accounted for on its becoming reasonably certain that the ultimate collection will be made.
8. 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.
9. 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. OTHER EXPLANATORY INFORMATION

	31.3.2013	31.3.2012
1. Contingent Liability not provided for		
a. 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.		
b. ESI	210000	210000
2. Company has not provided interest on term loans and other facilities taken from Punjab National Bank, Kota from the date amounts were recalled by the bank. Management has initiated the process of settlement with bank and as such is hopeful of no liability other than that recorded in the books of accounts.		
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	31.3.2013	31.3.2012
Earnings		
FOB value of exports(including deemed exports)(Accrual basis)	29167208	16695220
Outgo		
CIF Value of imports - raw material (on accrual basis)	4190421	2489267
Foreign travelling	49862	0
6. Particulars in respect of raw material consumed		
Chemicals and solvents		
Imported	4569307	6062265
% to the total consumption	8.53	7.81
Indigenous	48969809	71581358
% to the total consumption	91.47	92.19
Total Consumption	53539116	77643623
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	31.3.2013	31.3.2012
Profit/(loss) after tax	-7307912	-40997456
Weighted average number of equity shares in calculating basic EPS	11112400	111124000
Weighted average number of equity shares in calculating diluted EPS	11112400	111124000
9. Major Component of deferred tax liability is depreciation. In view of brought forward losses & depreciation as well as current year's losses, deferred tax asset (Net of deferred tax liability) has not been recognized considering absence of virtual certainty.		
10. Previous year figures have been rearranged, recasted and regrouped wherever considered necessary.		
11. Sundry debtors, loans and advances are subject to confirmation.		



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

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

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

31.03.2013	31.03.2012
9500000	9500000
65912000	65912000

13. Related Party disclosures

- Related party where control exists

Wholly owned foreign subsidiary - Zyden Gentec Hong Kong Limited

a) Advances given (year ended converted value)

b) Investment in share capital (year ended converted value)

31.3.2013
113501
70250

- Key Managerial personnel - Shri Vinod S. Gupta, chairman/director

- Shri Venkata Kameshwararao Varanasi, Executive Director

- Enterprises owned or significantly influenced by Key management personnel or their relatives

Deepak Healthcare Private Limited

Sharda Advisory Services Private Ltd.

14. Loans given & repayment thereof

Deepak Healthcare Pvt Ltd

Year Ended	Op Balance	Loans Given	Repay recd	Interest	Amount
		/ Taken	/ Paid	Accrued	Owed
31.3.2012	4750973	3900857	562268	662674	8752236
31.3.2013	8752236	2989000	3290039	933700	9384897

15. Loans taken & repayment thereof

Sharda Advisory Services Pvt Ltd

Vinod S Gupta

31.3.2012	0	1600000	0	0	1600000
31.3.2013	1600000	0	1600000	0	0
31.3.2012	417396	5144197	3455301	0	2106292
31.3.2013	2106292	1962915	626500	0	3442707

16. Remuneration of Key managerial personnel/ relatives of them

-Shri Venkata Kameshwararao Varanasi, Executive Director

Year ended	Amount
31.3.2012	600000
31.3.2013	600000

17. Other transactions

a. Rent to SH. Vinod S. Gupta

b. Car rent paid to Deepak healthcare pvt ltd

31.3.2012	60000
31.3.2013	60000
31.3.2012	96000
31.3.2013	96000

18. Considering the fact that Hyderabad unit was not in operation during the year, no depreciation is provided on building and plant and machinery including equipments installed at Hyderabad unit.

19. Unhedged foreign currency exposure:

Export proceeds recoverable	3975USD	215962
Sundry Creditors(import) payable	31600USD	1716828

As per our annexed report of even date

For and on behalf of Board of Directors

For ANAND JAIN & CO.

Chartered Accountants

FRN001857C

Sd/-

Anand Prakash Jain

Proprietor M.No. 071045

Place: JAIPUR Date: 30/05/2013

Sd/-

V K Rao Varanasi

Whole Time Director

Sd/-

Niranjan Kumar Agrawal

Director

Sd/-

Mukesh Jiwnani

Company Secretary



Cash flow statement for the year ended 31st March,2013

Particluars	March, 2013	March, 2012
I Cash flows from operating activities		
Net profit before tax and extraordinary items	-7307912	-44578644
Adjustments for :		
Depreciation	2589549	4096781
(Profit)/Loss on sale of assets(Net)	8751	92989
Provision for short term employee benefits	189053	688718
Interest Income	-9359973	-1068562
Interest expense and other borrowing costs	3915309	11558251
Operating profit before working capital changes	-9965223	-29210467
Adjustments for :		
Trade and other receivables	-8221414	-14474586
Inventories(Increase)/Decrease	12592138	34610525
Other Current Liabilities	42527531	0
Trade and other payables	-766595	-8682711
Other Short Term loans and advances	373159	0
Other long term advances	373486	0
Miscellaneous r/off	4	0
Cash generated from operations	36913086	-17757239
Direct taxes paid	0	0
Net cash flow from operating activities	36913086	-17757239
II Cash flows from investing activities		
Purchase of fixed assets	-395423	-2119365
Capitl Investment subsidy	1500000	0
Sale of fixed assets	15000	97500
Interest	9359973	1068562
Loans to body corporate and others	-5605728	-63009241
Investment in subsidiary	-70250	0
Advance to subsidiary	-113501	0
Bank deposits including interest accrued	-1196000	-428727
Net cash flow from investing activities	3494071	-64391271
III Cash flows from financing activities		
Proceeds from issue of share capital / warrants/ Premium	0	80967000
Proceeds from short term borrowings(Net of Repayments)	6910512	-2369858
Proceeds from long term borrowings(Net of Repayments)	-43258999	13724879
Interest & other borrowing costs	-3915309	-11558251
Net cash flow from financing activities	-40263796	80763770



	March, 2013	March, 2012
Net increase /(decrease)in cash and cash equivalents	143361	-1384740
Cash and cash equivalents (opening)	1071232	2455972
Cash and cash equivalents (closing)	1214593	1071232
Components of Cash and Cash Equivalents		
Cash on hand	1100576	964105
Bank balances in current accounts	114017	107127
	1214593	1071232

Notes:

- 1.The above cash flow statement has been compiled from and is based on the balance sheet as at 31.03.2013 and the related statement of profit and loss for the year ended on that date.
- 2.The above cash flow statement has been prepared as per the indirect method as set out in Accounting Standard-3 on Cash flow statement as notified under section 211(3C) of the Companies Act,1956.
- 3.Cash and cash equivalents for the purpose of cash flow statement comprises cash at bank and short-term investments with an original maturity of three months or less.
4. Current maturities of long term borrowings are considered under other current liabilities.
5. Previous year figures have been regrouped and recasted.

As per our annexed report of even date
For ANAND JAIN & CO.,
Chartered Accountants
FRN 001857C

Sd/-

Anand Prakash Jain
Proprietor
M.No. 071045
Place: JAIPUR
Date: 30/05/2013

For and on behalf of Board of Directors

Sd/-

V K Rao Varanasi
Whole Time Director

Sd/-

Niranjan Kumar Agrawal
Director

Sd/-

Mukesh Jiwnani
Company Secretary



INDEPENDENT AUDITOR'S REPORT

To,

The Board of Directors of ZYDEN GENTEC LIMITED

We have audited the accompanying consolidated financial statements of ZYDEN GENTEC LIMITED ("the Company") and its subsidiary ZYDEN GENTEC HONKONG LTD which comprise the Consolidated Balance Sheet as at March 31st, 2013 and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of Significant accounting policies and other explanatory information.

Management's Responsibility for the consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the company in accordance with accounting policies generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based

on our audit. We conducted our audit in accordance with the Standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

for our audit opinion.

Opinion

In our opinion and to the best of our information



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiary as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Emphasis of the matter

We draw your attention to the following paras stated in Note No.26- other explanatory information:

- Paras No. 2 and 3 regarding not providing the interest payable in respect of Term loans and other facilities taken by the company from banks and other financial institutions who have recalled the Term loans and other facilities due to defaults by the company; and
- Para No.18 regarding not providing depreciation in respect of building and plant and machinery of Hyderabad unit due to its being not in operation .

Our opinion is not qualified in respect of these matters.

Other Matter

We did not audit the financial statements of subsidiary ZYDEN GENTEC HONKONG LIMITED, whose financial statements reflect total assets (net) of Rs.1160762 as at March 31,2013, total revenues of Rs.65355017 and net cash flow amounting to Rs.7 for the year then ended . These financial statements have been audited by other auditors whose reports have been furnished to us by the management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

**For ANAND JAIN & CO.,
Chartered Accountants
FRN 001857C**

**Sd/-
ANAND PRAKASH JAIN)
PROPRIETOR
M.NO. 071045**

Place: Jaipur
Date : 30/05/2013



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH ,2013

AS ON

	NOTES	March 31, 2013	March 31, 2012
Shareholders' funds			
Share Capital	1	111124000	111124000
Reserves and surplus	2	16245419	18537819
Money received against share warrants	3	0	1050000
		127369419	130711819
Non Current Liabilities			
Long Term borrowings	4	0	43258999
		0	43258999
Current Liabilities			
Short term borrowings	5	70668955	63758443
Trade payables	6	74040866	10738267
Other Current liabilities	7	55191493	14754012
Short term provisions	8	877771	688718
		200779085	89939440
TOTAL		328148504	263910258
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	9	85283379	87501259
Intangible Assets	10	1	1
Capital Work in progress		0	750000
Long Term loans and advances	11	957218	1330704
Other non current assets	12	1677709	17995208
		87918307	107577172
Current Assets			
Inventories	13	12664713	25256851
Trade Receivables	14	112572340	21459027
Cash and bank balances	15	1214600	1071232
Short term loans and advances	16	113778544	108545976
		240230197	156333086
TOTAL		328148504	263910258
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	25		
OTHER EXPLANATORY INFORMATION	26		

The accompanying notes 1 to 26 are an integral part of the financial statements.

As per our annexed report of even date

For **ANAND JAIN & CO.,**

Chartered Accountants

FRN 001857C

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

Place: JAIPUR

Date: 30/05/2013

For and on behalf of Board of Directors

Sd/-

V K Rao Varanasi

Whole Time Director

Sd/-

Niranjan Kumar Agrawal

Director

Sd/-

Mukesh Jiwnani

Company Secretary



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

AS ON

	NOTES	March 31, 2013	March 31, 2012
Income			
Revenue from Operations	17	83056598	102892715
Less: Excise Duty		7568471	7772851
		75488127	95119864
Revenue from Operations- Traded Goods		65355017	0
Other Income	18	9359973	1068562
Total Revenue		150203117	96188426
Expenses			
Cost of material consumed	19	53539116	77643623
Purchase of Traded Goods		64046279	0
(Increase)/ Decrease in inventories of finished goods/work in progress	20	12563398	21555271
Employee benefits expense	21	7647288	9853713
Finance Cost	22	3915309	12074494
Depreciation	23	2589549	4096781
Other Expenses	24	12118202	15543188
		156419141	140767070
Profit before tax		-6216024	-44578644
Tax expense			
Deferred tax Liability written back		0	-3581188
Income tax for earlier years			
Total tax expense		0	-3581188
Profit for the year		-6216024	-40997456
Earnings per equity share			
Basic		-0.559	-0.369
Diluted		-0.559	-0.369
Weighted/ average number of Equity shares		11112400	111124000
Nominal value per equity share		10	1
* includes inter unit transfer of Rs. 114 93072 (THIS YEAR) & Rs. 30122839/-(PREVIOUS YEAR)			
** Not annualised			
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	25		
OTHER EXPLANATORY INFORMATION	26		

The accompanying notes 1 to 26 are an integral part of the financial statements.

As per our annexed report of even date

For ANAND JAIN & CO.,

Chartered Accountants

FRN 001857C

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

Place: JAIPUR

Date: 30/05/2013

For and on behalf of Board of Directors

Sd/-

V K Rao Varanasi

Whole Time Director

Sd/-

Niranjan Kumar Agrawal

Director

Sd/-

Mukesh Jiwnani

Company Secretary



Consolidated Notes to financial statements for the year ended 31st march, 2013

	31.3.2013	31.3.2012
1. Share Capital		
a. Authorised		
1,50,00,000 (Previous year 15,00,00,000) Equity shares of Rs.10/- (Previous year)Rs. 1/- each.	15,00,00,000	15,00,00,000
b. Issued, Subscribed and Fully paid up		
1,11,12,400 (Previous year 11,11,24,000) Equity shares of Rs. 10/- (Previous year Rs. 1/-)each.	11,11,24,000	11,11,24,000

c. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	31.3.2013		31.3.2012	
	Number		Number	
Equity shares at the beginning of the year	111124000	111124000	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.	11112400*	111124000	111124000	111124000

*(Consequent upon consolidation in Equity shares of Rs.10/-each)

d. Terms / Rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10/- 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. 10/-(Previous year Rs.1/-) each fully paid up	31.03.2013		31.03.2012	
	No.	%	No.	%
Vinod S Gupta	683900	6.15	6839000	6.15
Sharda Advisory Services Private Limited	750000	6.75	7500000	6.75
Padmesh Deodatta Gupta	1500000	13.50	15000000	13.50
Govinddas Govardhandas Daga	1000000	9.00	10000000	9.00
Sudha Devi Govinddas Daga	740000	6.66	7400000	6.66
Gordhandas Narsingdas Daga (HUF)	555000	4.99	5550000	4.99

As per records of the Company , including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest , the above shareholding represents both legal and beneficial ownership of shares.

During the year company consolidated its Equity shares from Rs.1/- to Rs.10/- each. Fractional shares arising out of this consolidation were given to a director to hold and sell the same in the market in trust on behalf of the company.

Total fractional shares arising out of above exercise were consolidated into 147 shares of Rs.10/- each and were sold . Sale proceed of Rs.6804.39/- (Net of expenses) , is lying in the bank account of director.



Consolidated Notes to financial statements for the year ended 31st March, 2013

	31.3.2013	31.3.2012
2. RESERVES AND SURPLUS		
Reserves		
Capital Reserve		
Amount forfeited on non exercise of option of conversion by the allottees of convertible warrants		
Balance as per last financial statement	9,705,000	9,705,000
Add: Amount forfeited during the year	2,425,000	
	12,130,000	9,705,000
Capital Investment Subsidy		
Received during the year	1,500,000	
	13,630,000	9,705,000
Securities Premium account		
Balance as per last financial statement	43312000	17850000
Add; Received during the year on issue of Equity shares and conversion of convertible warrants		25462000
	43312000	43312000
Foreign Fluctuation Reserve		
During the year on conversion at year end of figures from HKD to Indian Rupee of foreign subsidiary.	-1376	0
General Reserve		
Balance as per last financial statement	6,048,744	6048744
Surplus in the statement of Profit and loss		
Balance as per last financial statements	-40527925	469531
Profit for the year	-6216024	-40997456
Net Surplus in the statement of profit and loss	-46743949	-40527925
TOTAL RESERVE AND SURPLUS	16,245,419	18,537,819
3.MONEY RECEIVED AGAINST SHARE WARRANTS		
Against (Previous year 2000000) 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	NIL	1050000



Consolidated Notes to financial statements for the year ended 31st march, 2013

	Non Current portion		Current maturities*	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
4. LONG TERM BORROWINGS				
SECURED				
Term Loans from banks				
Punjab National Bank Limited				
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.8lacs to 21.25lacs from 1.4.2013 carrying interest @15.5% p.a.	—	28,892,353	28,787,066	—
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 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 20 quarterly instalments of Rs.2.2lacs from 1.10.2011 carrying interest @15% p.a.	—	3,098,085	3,549,256	880,000
3. Working capital term loan against hypothecation of all stocks and book debts, 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	—	10,063,800	10,063,800	—



Consolidated Notes to financial statements for the year ended 31st march, 2013

	Non Current portion		Current maturities*	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
immovable properties and pledge of shares held by them of co. Repayable in 72 monthly instalments of Rs.100417/- to 178417/- from 1.4.2013 carrying interest @15.5% p.a.				
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	—	1,030,837	2,194,837	1,164,000
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. (All above loans have been recalled by Bank).	—	173,924	282,596	166,800
Term loan from SIDBI				
1. Against hypothecation of all movable assets 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	—	—	3,243,920	3,243,920
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/-)				
(Both the loans from SIDBI have since been recalled by the lender.)				
As loans have been recalled, these are included in current maturities under current liabilities.				
TOTAL	—	43,258,999	48,121,475	5,454,720
Amount of current maturities is disclosed under the head " other current liabilities" (Note No. 7)	48,121,475	5,454,720		



Consolidated Notes to financial statements for the year ended 31st march, 2013

	Non Current portion		Current maturities*	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
5. SHORT TERM BORROWINGS SECURED				
Cash credit from banks Punjab National Bank				
Cash credit facility against hypothecation of all stocks and book debts and 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 on demand carrying interest ranging from 14.5% to 15% p.a.	26,652,880	21,187,820		
Letter of credit facility -Usance period not exceeding 90 days Security as mentioned above in cash credit facility	1,709,036			
State Bank of Hyderabad				
Against first charge on current assets 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. (Facilities have been recalled by Bank).	38,364,332	38,364,332		
	66,726,248	59,552,151		
UNSECURED From Related Parties				
a. From Bodies Corporate repayable on demand, interest free	3,942,707	1,600,000		
b. From directors repayable on demand, interest free	3,942,707	2,606,292		
	3,942,707	4,206,292		
TOTAL	70,668,955	63,758,443		



Consolidated Notes to financial statements for the year ended 31st march, 2013

	Non Current portion		Current maturities*	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
6. TRADE PAYABLES	74,040,866	10,738,267		
Amount of principal and interest due/paid to micro and enterprises under MSMED Act, 2006 small	NIL	NIL		
7. OTHER CURRENT LIABILITIES				
Current maturities of long term borrowings (Note No. 4)	48,121,475	5,454,720		
VAT/TDS/PF/ESI/Bonus and other statutory obligations	2,299,688	2,028,914		
Refundable convertible warrant money		1,375,000		
Expenses and other payables	4,770,330	5,841,187		
Bank book overdrafts		54,192		
	55,191,493	14,754,012		
8. SHORT TERM PROVISIONS				
Provision for employee benefits - gratuity and accumulated leaves	877,771	688,718		
	877,771	688,718		



Consolidated Notes to financial statements for the year ended 31st March, 2013

Particulars	March 31 , 2013	March 31 , 2012		
11. LONG TERM LOANS AND ADVANCES				
Unsecured, considered good				
Security Deposits with govt. departments/others	870,648	1,172,024		
ITDS/FBT refundable/adjustable	86,570	158,680		
	957,218	1,330,704		
12. OTHER NON CURRENT ASSETS				
Unsecured, considered good				
Other bank balances(Refer note no.15)	1,621,201	425,201		
Trade receivables - outstanding for a period exceeding six months from the date they are due for payment	0	17,513,499		
Interest accrued on Security deposits	0	0		
Interest accrued on fixed deposits	56,508	56,508		
	1,677,709	17,995,208		
13. INVENTORIES				
At cost or net realisable value which ever is lower				
Raw Material	7,210,629	7,402,082		
Work in Progress	1,477,494	9,910,336		
Finished goods	3,706,591	7,837,147		
Stores ,spares and consumable/packing material	269,999	107,286		
	12,664,713	25,256,851		
14. TRADE RECEIVABLES				
Unsecured, considered good outstanding for a period exceeding six months from the date they are due for payment	34,349,107	0		
Others	78,223,233	21,459,027		
	112,572,340	21,459,027		
15. CASH AND BANK BALANCES				
	Current	Non Current*		
Cash and cash equivalents	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Balance with banks:				
on Current accounts	114,017	107,127		
Cash on hand	1,100,583	964,105		
	1,214,600	1,071,232	0	0



Consolidated Notes to financial statements for the year ended 31st March, 2013

Deposits with original maturity for more than 12 months and others (under lien as security)	0	1,621,201	425201
	0	1621201	425201
	1,214,600	1,071,232	1621201
			425201

* Amount of non current balances is disclosed under non current assets (note no. 12)

16. SHORT TERM LOANS AND ADVANCES

Unsecured, considered good

Advances recoverable in cash or in kind or for value

to be received or pending adjustments	459,558	168,037
Loans and advances to body corporates and others	99,697,298	94,809,567
Loans and advances to related parties	9,451,165	8,752,236
Interest accrued but not due	19,068	0
Cenvat receivable/adjustable	4,082,375	4,608,294
Vat refundable/adjustable	4,656	130,436
Prepaid expenses	64,424	77,405
	113,778,544	108,545,976

17. REVENUE FROM OPERATIONS

March 31, 2013 **March 31, 2012**

Sale of Products	81,272,956	101,123,650
Job Work	1,226,000	
Other Operating revenue	557,642	1,769,065
	83,056,598	102,892,715

Details of Products sold

Drug Intermediates	81,272,956	101,123,650
	81,272,956	101,123,650

Details of Other operating revenue

Unspent liabilities /sundry balances written back(Net)	108,867	850,978
Exchange gain	145,793	
Others	302,982	918,087
	557,642	1,769,065

18. Other Income

Interest income		
- on bank deposits	139,795	92,915
- on current loans and advances	9,220,178	975,647
	9,359,973	1,068,562



Consolidated Notes to financial statements for the year ended 31st March, 2013

19. Cost of material consumed

Opening Stock	7,402,082	18,879,711
Add: Purchases	52,122,660	64,737,393
Custom duty	346,247	203,718
Carriage Inward and import clearing expenses	878,756	1,224,882
	<u>60,749,745</u>	<u>85,045,705</u>
Less: Closing stock	7,210,629	7,402,082
	<u>53,539,116</u>	<u>77,643,623</u>

20. (Increase)/ Decrease in inventories of finished goods/work in progress

Inventory at the end of year

- Finished goods	3,706,591	7,837,147
- Work in progress	1,477,494	9,910,336
	<u>5,184,085</u>	<u>17,747,483</u>

Inventory at the beginning of the year

- Finished goods	7,837,147	14,073,347
- work in progress	9,910,336	25,229,407
	<u>-12,563,398</u>	<u>-21,555,271</u>

21. Employee Benefits Expense

Salaries, allowances and bonus	7,142,522	8,767,516
Contribution to provident and other funds	169,629	489,140
Gratuity	118,095	303,046
Staff Welfare expenses	217,042	294,011
	<u>7,647,288</u>	<u>9,853,713</u>

22. Finance Cost

Interest	3,705,785	11,558,251
Other borrowing costs	209,524	516,243
	<u>3,915,309</u>	<u>12,074,494</u>

23. Depreciation

on Tangible assets	2,589,549	4,096,781
on Intangible assets	0	0
	<u>2,589,549</u>	<u>4,096,781</u>



Consolidated Notes to financial statements for the year ended 31st March, 2013

24. Other Expenses

Consumption of stores and spares/packing material	1,242,766	3,103,830
Power and fuel	6,067,456	6,937,597
Rent	564,191	665,820
Repairs to Machinery	389,956	238,681
Repairs to Building	78,625	
Insurance	126,194	131,015
Printing and Stationery	105,718	155,514
Travelling and Conveyance	664,288	534,510
Vehicle Maintenance	829,362	793,911
Communication costs	339,387	495,446
Legal and Professional expenses	516,584	405,634
Payment to Auditors		
- As auditor		
Audit fee	84,938	50,000
Loss on sale of fixed Assets	8,751	92,989
Bank Charges	60,538	280,642
Exchange difference(Net)		48,415
Miscellaneous Expenses	311,444	647,379
Freight and forwarding	728,004	665,558
Commission , brokerage and discounts	0	296,249
	<u>12,118,202</u>	<u>15,543,188</u>



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE

NOTE NO. 25. SUMMARY OF 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. A) In respect of foreign subsidiary, being non integral foreign operation, revenue items are consolidated at the average rate prevailing during the period. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.

B) Further consolidation has been done on line by line basis by adding together the book values arrived at as mentioned above of like items of assets, liabilities, income and expenses after full eliminating intra group balances and unrealised profits/losses on intragroup transactions.

C) The consolidated financial statements include results of subsidiary as per following details:

Name	Country of Incorporation	% shareholding	consolidated as
Zyden Gentec Hong kong Limited	Hong kong	100	Wholly owned subsidiary

D) The financial statement of the subsidiary are for the period from 04/02/2013 to 31/03/2013

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. Accumulated leaves being short term compensated leaves are provided for in the year of . becoming due

26. OTHER EXPLANATORY INFORMATION

31.3.2013 31.3.2012

1. Contingent Liability not provided for

a. Drug Control Administration has seized material worth Rs.20lacs(approx.) which is included in inventory. The matter is under litigation with the concerned judicial authorities.

b. ESI 210000 210000

2. Company has not provided interest on term loans and other facilities taken from Punjab National Bank, Kota from the date amounts were recalled by the bank. Management has initiated the process of settlement with bank and as such is hopeful of no liability other than that recorded in the books of accounts.

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. Manangement 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

31.3.2013 31.3.2012

Earnings

FOB value of exports(including deemed exports)(Accrual basis)

29167208	16695220
----------	----------

Outgo

CIF Value of imports - raw material (on accrual basis)

4190421	2489267
---------	---------

Foreign travelling

49862	0
-------	---



6. Particulars in respect of raw material consumed

Chemicals and solvents

Imported

% to the total consumption

Indigenous

% to the total consumption

Total Consumption

4569307	6062265
8.53	7.81
48969809	71581358
91.47	92.19
53539116	77643623

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

Profit/(loss) after tax

Weighted average number of equity shares in calculating basic EPS

Weighted average number of equity shares in calculating diluted EPS

31.3.2013	31.3.2012
-6216024	-40997456
11112400	111124000
11112400	111124000

9. Major Component of deferred tax liability is depreciation. In view of brought forward losses & depreciation as well as current year's losses deferred tax asset (Net of deferred tax liability) has not been recognized considering absence of virtual certainty.

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

Balance to be utilised

31.03.2013	31.03.2012
9500000	9500000
65912000	65912000

13. Related Party disclosures

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

14. Loans given & repayment thereof

Deepak Healthcare Pvt Ltd

Year Ended	Op Balance	Loans Given	Repay recd	Interest	Amount
		/ Taken	/ Paid	Accrued	Owed
31.3.2012	4750973	3900857	562268	662674	8752236
31.3.2013	8752236	2989000	3290039	933700	9384897



15. Loans taken & repayment thereof

Sharda Advisory Services	31.3.2012	0	1600000	0	0	1600000
Pvt Ltd	31.3.2013	1600000	0	1600000	0	0
Vinod S Gupta	31.3.2012	417396	5144197	3455301	0	2106292
	31.3.2013	2106292	1962915	626500	0	3442707

16. Remuneration of Key managerial personnel/ relatives of them

- Shri Venkata Kameshwararao Varanasi , Executive Director

Year ended	Amount
31.3.2012	600000
31.3.2013	600000

17. Other transactions

a. Rent to SH. Vinod S. Gupta

31.3.2012	60000
31.3.2013	60000

b. Car rent paid to Deepak healthcare pvt ltd

31.3.2012	96000
31.3.2013	96000

18. Considering the fact that Hyderabad unit was not in operation during the year, no depreciation is provided on building and plant and machinery including equipments installed at Hyderabad unit.

19. Unhedged foreign currency exposure:

Export proceeds recoverable	3975USD	215962
Sundry Creditors(import) payable	31600USD	1716828

As per our annexed report of even date

For and on behalf of Board of Directors

For ANAND JAIN & CO.,

Chartered Accountants

FRN 001857C

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

Place: JAIPUR

Date: 30/05/2013

Sd/-

V K Rao Varanasi

Whole Time Director

Sd/-

Niranjan Kumar Agrawal

Director

Sd/-

Mukesh Jiwnani

Company Secretary



Consolidated Cash flow statement for the year ended 31st March,2013

Particulars	March, 2013	March, 2012
Cash flows from operating activities		
Net profit before tax and extraordinary items	-6216024	-44578644
Adjustments for :		
Depreciation	2589549	4096781
(Profit)/Loss on sale of assets(Net)	8751	92989
Provision for short term employee benefits	189053	688718
Interest Income	-9359973	-1068562
Interest expense and other borrowing costs	3915309	11558251
Operating profit before working capital changes	-8873335	-29210467
Adjustments for :		
Trade and other receivables	-73599814	-14474586
Inventories(Increase)/Decrease	12592138	34610525
Other Current Liabilities	42562481	0
Trade and other payables	63302599	-8682711
Other Short Term loans and advances	373159	0
Other long term advances	373486	0
Miscellaneous r/off	4	0
Cash generated from operations	36730718	-17757239
Direct taxes paid	0	0
Net cash flow from operating activities	36730718	-17757239
Cash flows from investing activities		
Purchase of fixed assets	-395423	-2119365
Capitl Investment subsidy	1500000	0
Sale of fixed assets	15000	97500
Interest	9359973	1068562
Loans to body corporate and others	-5605728	-63009241
Foreign exchange gain on consolidation of subsidiary co's results	-1376	0
Advance to subsidiary		0
Bank deposits including interest accrued	-1196000	-428727
Net cash flow from investing activities	3676446	-64391271

**Consolidated Cash flow statement for the year ended 31st March,2013**

Particluars	March, 2013	March, 2012
Cash flows from financing activities		
Proceeds from issue of share capital / warrants/ Premium	0	80967000
Proceeds from short term borrowings(Net of Repayments)	6910512	-2369858
Proceeds from long term borrowings(Net of Repayments)	-43258999	13724879
Interest & other borrowing costs	-3915309	-11558251
Net cash flow from financing activities	-40263796	80763770
Net increase /(decrease)in cash and cash equivalents	143368	-1384740
Cash and cash equivalents (opening)	1071232	2455972
Cash and cash equivalents (closing)	1214600	1071232
Components of Cash and Cash Equivalents		
Cash on hand	1100583	964105
Bank balances in current accounts	114017	107127
	1214600	1071232

Notes:

- 1.The above cash flow statement has been compiled from and is based on the balance sheet as at 31.03.2013 and the related statement of profit and loss for the year ended on that date.
- 2.The above cash flow statement has been prepared as per the indirect method as set out in Accounting Standard-3 on Cash flow statement as notified under section 211(3C) of the Companies Act,1956.
- 3.Cash and cash equivalents for the purpose of cash flow statement comprises cash at bank and short-term investments with an original maturity of three months or less.
4. Current maturities of long term borrowings are considered under other current liabilities.
5. Previous year figures have been regrouped and recasted.

As per our annexed report of even date

For ANAND JAIN & CO.,
Chartered Accountants
FRN:001857C

Sd/-

Anand Prakash Jain
Proprietor
M.No. 071045
Place: JAIPUR
Date: 30/05/2013

For and on behalf of Board of Directors

Sd/-

V K Rao Varanasi
Whole Time Director

Sd/-

Niranjan Kumar Agrawal
Director

Sd/-

Mukesh Jiwnani
Company Secretary



Statement pursuant to the section 212 of the Companies Act, 1956

1. Name of the Subsidiary Company	Zyden Gentec Hong Kong Limited
2. Financial year of the Subsidiary Company	04.02.2013 to 31.03.2013
3. Share of Subsidiary Company held by Zyden Gentec Limited	
I. No. of Shares	10000
II. Face Value	1 HKD
III. Paid Up Value (At Converted Value)	Rs. 70,250/-
IV. Extent of Holding	100 %
4. Net Aggregate amount of Profit / (Loss) of the Subsidiary Company so far as it concerns the members of Zyden Gentec Limited not dealt with in the accounts of the Zyden Gentec Limited.	
For the Subsidiary Company's financial year ended 31.03.2013. (It became subsidiary on 04.02.2013 itself.)	Rs. 10,91,888/-
5. Net Aggregate amount of Profit / (Loss) of the Subsidiary Company so far as it concerns the members of Zyden Gentec Limited dealt with in the accounts of the Zyden Gentec Limited.	NIL
6. Holding Company's interest as at March 31, 2013 Incorporating changes since close of the financial year of the subsidiary company.	No Change

As per our annexed report of even date

For ANAND JAIN & CO.,

Chartered Accountants

FRN:001857C

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

Place: JAIPUR

Date: 30/05/2013

For and on behalf of Board of Directors

Sd/-

V K Rao Varanasi
Whole Time Director

Sd/-

Niranjan Kumar Agrawal
Director

Sd/-

Mukesh Jiwnani
Company Secretary



Financial Information of Subsidiary Companies pursuant to the section 212 of the Companies Act, 1956

1. Name of Wholly Owned Subsidiary	Zyden Gentec Hong Kong Limited
2. Share Capital including Share Application Money	10,000 (HKD)
3. Reserves & Surplus	Rs. 1090512
4. Total Assets (Non Current + current except investments)	Rs. 6,53,78,407/-
5. Total Liability (Non Current + Current)	Rs. 6,42,17,645/-
6. Investments	Nil
7. Turnover including other income	Rs. 6,53,55,017/-
8. Profit / (Loss) before Taxation	Rs. 10,91,888/-
9. Provision for Taxation Debited / Credited to Statement of Profit and Loss	Nil
10. Profit / (Loss) after Taxation	Rs. 10,91,888/-

As per our annexed report of even date

For ANAND JAIN & CO.,

Chartered Accountants

FRN:001857C

Sd/-

Anand Prakash Jain

Proprietor

M.No. 071045

Place: JAIPUR

Date: 30/05/2013

For and on behalf of Board of Directors

Sd/-

V K Rao Varanasi
Whole Time Director

Sd/-

Niranjan Kumar Agrawal
Director

Sd/-

Mukesh Jiwnani
Company Secretary



ZYDEN GENTEC LIMITED

19th Annual Report, 2012-2013

ZYDEN GENTEC LIMITED

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 19th Annual General Meeting of the Company held on Saturday, 28th September, 2013 at 4:00 P.M. at Plot No. 13, Industrial Area, Jhalawar Road, Bhimpura, Kota, Rajasthan 325003

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.....

of.....being 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 19th Annual General Meeting of the Company to be held on Saturday, 28th September 2013 at Plot No. 13, Industrial Area, Jhalawar Road, Bhimpura, Kota, Rajasthan 325003 (Rajasthan) or at any adjournment there of.

Signed this.....day of2013

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.

FORM A
Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	ZYDEN GENTEC LIMITED
2.	Annual financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Matter of Emphasis
4.	Frequency of observation	Repetitive
5.	<p>To be signed by-</p> <p>CEO/Managing Director </p> <p>Auditor of the company </p> <p>Audit Committee Chairman <i>Niranjn Agrawal.</i></p>	