



**ADVIK LABORATORIES LIMITED**

**SEVENTEENTH  
ANNUAL REPORT  
2010-2011**

**(Committed to Health Care)**

<b>Board of Directors</b>	Mr. V.K.Jain Mr. F. M. Banthiya Mr. Kishan Kumar Mr. A.P.Jain	-Managing Director -Director -Director -Director
<b>Company Secretary</b>	Ms. Sonali Maheshwari	
<b>Auditors</b>	VBR & Associates Chartered Accountants 205, Laxman Palace, 19, Veer Sawarkar Block Shakarpur, Delhi-110092.	
<b>Bankers</b>	Indian Overseas Bank HDFC Bank Punjab National Bank State Bank of India	
<b>Corporate Office</b>	B-4, Allied House, 1, L.S.C Complex Opp. Pushpa Bhawan, Madangir New Delhi-110 062(INDIA) Tel No.: 91-11-41649171-74 FAX : 91-11-41649173 E-Mail: <a href="mailto:mail@advikindia.com">mail@advikindia.com</a> Website: <a href="http://www.advikindia.com">www.advikindia.com</a>	
<b>Registered Office &amp; Works</b>	138, Roz-Ka-Meo, Industrial Area, Sohna, Distt. -Mewat (Haryana) INDIA Tel. No.: 0124-2362471	
<b>Share Transfer Agent</b>	Beetal Financial & Computer Services (P) Ltd. Beetal House, 3 <sup>rd</sup> Floor, 99, Madangir Behind Local Shopping Centre, Near Dada Harsukhdas Mandir New Delhi-110 062. Tel: 91-11-29961281/82 Fax: 91-11-29961284 E-mail: <a href="mailto:beetal@rediffmail.com">beetal@rediffmail.com</a>	

**NOTICE**

Notice is hereby given that the 17<sup>th</sup> (Seventeenth) Annual General Meeting of the Members of **ADVIK LABORATORIES LIMITED** will be held on Saturday, 29<sup>th</sup> October 2011 at 11.00 A.M at its Registered Office at 138, Roz- Ka - Meo, Industrial Area Sohna, Dist. Mewat-122 103 (Haryana) INDIA to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March 2011, the Profit & Loss account for the period ended on that date, Auditors Report and Directors Report thereon.
2. To appoint a Director in place of Shri A.P.Jain who retires by rotation and being eligible, offer himself for reappointment.
3. To consider and thought fit, to pass, with or without modification(s) the followings resolution as ordinary resolution

“RESOLVED THAT pursuant to the provisions of section 224(1) and other applicable provisions, if any, of the Companies Act, 1956, M/s VBR & Associates, Chartered Accountants, New Delhi , be and is hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors and/or any committee thereof.”

**By order of the Board of Directors  
For Advik Laboratories Limited**

**Sd/-**

**Sonali Maheshwari  
Company Secretary**

**Place: Sohna, Mewat  
Dated: 04.10.2011**

**NOTES:-**

- i. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- ii. The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the time of the meeting.
- iii. All documents referred to in the notice are open for inspection at the Registered Office of the Company between 11.00 a. m to 1.00 p.m. on any 10 (Ten) Working days prior to the date of the meeting and also at the meeting.
- iv. The Register of Members of the Company and Share Transfer Books shall remain closed from 27<sup>th</sup> October 2011 to 29<sup>th</sup> October, 2011 (both days inclusive)

- v. The members are requested to: -
- i) Notify change in their address, if any.
  - ii) Send their queries, if any, at least 7 days in advance of the meeting so that the information can be made available at the meeting.
  - iii) Members/proxies should bring the attendance slip duly filled in for attending the meeting.
  - iv) Bring their copy of Annual Report while coming to attend the meeting.
- vi. Members holding shares in the same names under different folios are requested to apply for consolidation of such folios and send relevant share certificates.
- vii. Since the Shares of the Company are under Compulsory Demat form and hence those members are requested whose shares are under physical form to demat their shares.
- viii. The Ministry of Corporate affairs , Government of India, has taken a “ Green Initiative” by allowing paperless compliances by companies and has issued a circular No. 17/2011 dated 21<sup>st</sup> April 2011 and 18/2011 dated. 29<sup>th</sup> April 2011 stating that service of documents by a company can be made to its shareholders through electronic mode. This “Green Initiative” of the Government is commendable and will go a long way in protecting environment on sustainable basis. Your company accordingly supports this initiative of Government and already sent a communication to the members to register at their email ID with the RTA. For achieving this objective of green initiative, members are requested to register their email ID with the company/RTA on email ID [investors@advikindia.com](mailto:investors@advikindia.com) and [beetelrta@gmail.com](mailto:beetelrta@gmail.com).

## **DIRECTOR'S REPORT**

To

The Members of Advik Laboratories Limited,

Your Directors have great pleasure in presenting the **17<sup>th</sup> Annual Report** of the Company along with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2011, and Auditors report thereon.

<b>1. <u>FINANCIAL RESULTS</u></b>	<b>(Rs. in Lacs)</b>	
	<b>2010-11</b>	<b>2009-10</b>
Gross Sales	2210.15	1879.14
Other Income	62.97	81.31
Gross profit/ (Loss) before interest & dep.	66.56	86.93
Interest	75.63	31.54
Depreciation	51.54	40.25
Net profit/ (Loss) for the year	(60.61)	15.14

### **2. EXTENSION FOR HOLDING ANNUAL GENERAL MEETING OF THE COMPANY**

On the application of the company the Hon'ble Registrar of companies , NCT of Delhi and Haryana has granted an extension of 1 (One) month vide its letter dated 12.09.2011 for Holding Annual General meeting of the company beyond the period as envisaged under section 166/210 of the Companies Act,1956.

### **3. REVIEW OF OPERATIONS**

During the year under review, although the turnover of the company has gone up by 18% as compared to the previous year, but due to higher cost of Raw Materials, labours & other inputs company has incurred a cash loss of around 9.00 lacs. As communicated through last Annual report, the company was under modernization work for WHO-GMP certification. The modernization work got completed during the year, but we got WHO-GMP certification only for Non Beta-Lactum sections that also in the month of Dec., 2010, and hence we could not make any exports during the year. Most of sales has come from Institutional Supplies & also we bought finished goods from outside & sold in local market, where the margin of profit is very low. Further also, due to higher rate of interest on term loan & cash credit the company has incurred this loss.

### **4. FUTURE OUTLOOK**

The company was able to get renewal of its WHO-GMP certification of non beta lactum section in the month of December 2010, hence we could not make any export due to reason that we had yet to register our products & company in overseas market first, after that only we would be able to export the medicines. Accordingly, we have registered our company in Sri Lanka successfully & we are in the process of registering our products by the end of November 2011 hopefully & after that we can proceed for export to Sri Lankan market as well as Govt. of Sri Lanka supplies through SPC & RES tenders of the Govt. of Sri Lanka in the bigger way. Also company is planning to register itself in Vietnam &

Cambodian markets as our Sri Lankan Distributor/agent have the good knowledge of both the countries having their branches & contacts. Company is also negotiating with some Russian buyers.

5. **FIXED DEPOSIT**

The company has not accepted any fixed Deposits within the meaning of Section 58 A of the Companies Act, 1956 and the rules made there under.

6. **DIRECTORS**

Mr. A.P.Jain is aged around 74 years and is a Post Graduate in Physics. He has retired as D.G.M. of Oil & Natural Gas Corporation Ltd.(ONGC). He is having a rich experience of more than 35 years in Corporate Matters i.e. Corporate Strategy formulation, financial matters & labour related issues..His continuation as the Board Member in the company would be worthful for the organization and would be in the interest of the company.

7. **AUDIT COMMITTEE**

During the year under review the Audit Committee of the company comprised three Non Executive Directors namely Mr. F. M. Banthiya, Kishan Kumar & A.P.Jain. Mr. F.M.Banthiya, Non Executive Independent Director is the Chairman of the Audit Committee. The Committee works as per the requirement of Section 292 A of the Companies Act, 1956 and the Clause-49 of the Listing Agreement on Corporate Governance. The Audit committee meets at periodic intervals to transact the business as per the terms of reference made to it in the light of requirements of Section 292 A of the Companies Act, 1956 and the clause-49 of the Listing Agreement on Corporate Governance.

8. **AUDITORS**

M/s VBR & Associates New Delhi Chartered Accountants are the Auditors of the Company and they retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The company has received a certificate from the retiring auditors to the effect that the appointment, if made, will be in accordance with the limit as specified in Section 224(1B) of the Companies Act, 1956 & that he is not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

9. **BOARD'S COMMENT ON AUDITOR'S REPORT**

The company always strives to present an unqualified Financial Statement. There is no Audit qualification by Auditors in the Auditor's Report as to financial statements of the company for the year 2010-11.

10. **DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956**

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

- I. In the preparation of the annual accounts for financial year ended 31<sup>st</sup> March, 2011, the applicable Accounting Standards have been followed along with proper explanation relating to material departures. .

- II. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and of the profit of the Company for the year under review.
- III. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- IV. The Directors had prepared the annual accounts for financial year ended 31<sup>st</sup> March, 2011 on a '*going concern basis*'.

#### 11. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing agreement are annexed hereto, forming integral part of this report.

#### 12. **SAFETY & ENVIRONMENT**

The company continued to maintain a good safety record. The manufacturing facility of the company is environment friendly & the company maintains all safety majors.

#### 13. **PARTICULARS OF EMPLOYEES**

In terms of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, None of the employee is receiving remuneration above the limit therefore no particulars is required to be given.

#### 14. **REPORT ON CORPORATE GOVERNANCE**

Pursuant to Clause-49 of the Listing Agreement with the stock Exchanges, a report on Corporate Governance along with Auditor's Certificate on its compliance report is annexed hereto (Annexure-B) forming integral part of this report.

#### 15. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**

The Company lay focus on Conservation of energy with studies, discussions and analysis, which are undertaken regularly for further improvements.

In terms of requirement of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 the required information relating to, conservation of energy, technology absorptions and foreign exchange earnings and outgo are Annexed hereto as Annexure-A.

#### 16. **LISTING**

The Shares of your company continued to be listed at Bombay Stock exchange Limited and Ahmedabad Stock Exchange Limited. Listing fee of BSE has already been paid for the financial year 2010-11. Further Annual custodial fee has also been paid to CDSL.

**17. INDUSTRIAL RELATIONS**

During the period under review the industrial relation in the company was peaceful, harmonious & cordial.

**18. ACKNOWLEDGEMENTS**

The Board of Directors expresses its deep appreciation to all section of its employees in the company for their outstanding contribution to the growth of business during the year. The Board of Directors thanks officials of Central & State Government Authorities, Financial Institutions, Bankers, Suppliers & Customer for their continues support.

**On behalf of the Board of Directors  
For ADVIK LABORATORIES LTD.**

**Place: Sohna, Mewat  
Date: 04.10.2011**

**Sd/-  
( V.K.Jain)  
Managing Director**

**Sd/-  
(Kishan Kumar)  
Director**



**Auditor's Certificate on compliance with the condition of corporate governance under clause 49 of the Listing Agreement(s)**

**To the members of Advik Laboratories Ltd.**

We have examined the compliance of the conditions of Corporate Governance by Advik Laboratories Ltd. for the year ended 31<sup>st</sup> March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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 the opinion on the financial statement of the company.

In our opinion and to the best of our information and explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended March 31, 2011 no investor grievances are pending against the company as per the records maintained by the Registrar & Share Transfer Agent and the company and presented to the shareholders Grievances Committee.

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

**For VBR & Associates  
Firm Regn. No.:013174N  
Chartered Accountants**

**Sd/-  
(Vijay Bansal)  
Partner  
Membership No.: 88744**

**Place: New Delhi  
Date: 04.10.2011**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Indian Economy & Pharmaceutical Industry**

The fundamentals of the Indian economy continued to remain strong during FY 10-11. The GDP is estimated to have grown by 8.6% in 2010-11 as compared to 8% in 2009-10 which is remarkable considering the muted growth globally. This growth has been witnessed across all the major sub-sectors in the industry & services. Despite the sluggish growth in the global markets, the employment opportunities continued to show an upward trend in India. India is one of the fastest growing pharmaceutical markets in the world and its market size has nearly doubled since 2005. The Indian pharmaceutical market is expected to continue growing in double digits and establish its presence amongst the world's top ten markets. The domestic pharmaceuticals market grew by 15% in 2010-11 and reached a size of over Rs. 48000 crores. This was led by rising income levels, an increasing awareness about healthcare and higher government spending on healthcare. The pharmaceutical industry in India is extremely fragmented market with severe price competition & government price control. The pharma industry in India meets around 70% of the country's demand for bulk drugs, drug intermediaries, pharma formulations, tablets, capsules, orals & injectibles. There are approximately 250 large units which form the core of the pharma industry in India.

### **Opportunities and Threats**

As per new guidelines of WHO your company has started construction of another separate block in factory building for exclusive production of beta lactum drugs because the production of Beta lactum & Non beta lactum have been separated under the new guidelines . Many small players may not go for this separate block because of the finance involved and your company sees a big opportunity in getting the contract work in this plant for export. The competition is acute, input and establishment cost is becoming high day by day and the company is under pressure as far as the profitability is concerned. Because the company requires continues capital expenditure to meet the ever expanding increase volume to sustain in the market.

### **Segment wise or product wise performance**

As per the requirement of AS-17, the segment reporting is not applicable to the company, as there are no other segments in the company except manufacturing of medicines.

### **Outlook**

After getting the WHO-GMP certification of both the sections i.e. Beta Lactum & Non Beta-lactum, company will tie-up with some overseas buyers for the export of its products in their country. For the exporting of his products, company has Registered his profile in Sri Lanka, where the pharma market is very potential. Further company will expand the area of his branded market, where the margin of profit is high. At the same time also pushing ahead its generic products through various Govt. Institutions.

### **Internal Control System & Other Adequacy**

The Company has initiated adequate internal control procedure commensurate with the nature of its business and size of its operations. An Audit committee consisting of three independent non-executive directors is in place; Management continuously reviews the internal control system which covers all the key areas of operations. All significant audit observations and follow up actions thereon are reported to the audit committee. The audit committee met four times during the financial year under review.

**Human Resources**

Your Company's industrial relations continued to be harmonious during the year under review. Your Company is striving hard to retain the skilled manpower since the turnover has increased manifold in the industry. At Advik, we believe in offering, learning and development opportunities to allow people to realize their full potential, and we have created various processes that encourage employees in this direction.

**Cautionary Statement**

Statements in this Management Discussions and Analysis may be forward looking statements within the meaning of applicable laws & regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions in the government regulations, tax laws, other statutes and other incidental factors.

**ANNEXURE "A" TO THE DIRECTOR'S REPORT**

Information under Section 217(1)(e) of the Companies Act, 1956 read with the company (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March 2011.

**A) CONSERVATION OF ENERGY**

	Year Ended 31.03.2011	Year Ended 31.03.2010
<b>I) Power and Fuel Consumption</b>		
1.) Electricity		
a) Purchased Unit (kwh)	<b>71890</b>	71809
Total amount	<b>456460</b>	351862
Rate/ Unit (Rs/Kwh)	<b>6.35</b>	4.90
b) Own generation		
i) Through Diesel Generator		
Unit (Kwh)	<b>11130</b>	16054
Unit per litre of Diesel oil (Kwh)	<b>4.20</b>	4.17
Cost/Unit (Rs/ Kwh)	<b>8.89</b>	7.75
ii) Through Steam Turbine	----	----
Generator Unit (Lakh kwh)	----	----
Unit per tonne of fuel (kwh)	----	----
Cost/unit (Rs/kwh)	----	----
2.) Coal	----	----
3.) Furnace Oil	----	----
4.) Others/internal generation	----	----

**II) Consumption per unit of production:**

Product	Formulation	
Electricity (kWh)	<b>.002</b>	.002
Furnace oil (ltr)	nil	nil
Fuel (t)	nil	----

**B) TECHNOLOGY ABSORPTION**

I) Research & Development (R & D)	nil	nil
II) Technology absorption, adoption & Innovation	nil	nil

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

		Current Year 2010-11	Previous Year 2009-10
Foreign Exchange Earned	(Rs)	<b>Nil</b>	Nil
Foreign Exchange used	(Rs)	<b>Nil</b>	287000

**ANNEXURE “B” TO THE DIRECTOR REPORT****CORPORATE GOVERNANCE AT ADVIK LABORATORIES LIMITED**

Corporate Governance is the system by which an organization is directed & controlled ethically within the process and procedures established by law. Corporate Governance structure specifies the relationship, distribution of rights & responsibilities among different participants in the organization, such as the Board, Managers, shareholders & Stakeholders & spell out the rules and procedures for making decisions on corporate affairs. It also provides the structure through which the Company objectives, the means of attaining these objectives & monitoring performance are set to be managed and controlled. The essence of Corporate Governance revolves around three basic inter related segments. Integrity & fairness, Transparency & Disclosure & Accountability & Responsibility. It is about commitment to values ethical business conduct, voluntary practices and companies with laws & regulations leading to effective control and management of the organization in achieving the objectives. In accordance with Clause 49 of the listing agreement with the stock exchange(s) on Corporate Governance, report on the practices & compliances by the company is given below:

**1. BOARD OF DIRECTORS**

As on 31.03.2011 there were 4 Directors on the Board. Out of these one is Executive Director whereas 3 are non-executive Independent Directors. The Non-Executive Directors Independent Directors constituted more than two third of the total strength of the Board of Directors. Three of the total four Directors were Independent non-executive Directors, which duly complied with requirement of the clause-49 of the Listing Agreement i.e Corporate Governance code. Further the independent directors do not have any material pecuniary relationship or transactions with the company, its promoters, its Directors and its senior management, which may affect their independence. All the non executive independent directors have understanding of business/profession /finance.

Directors bring to the Board the wide range of expertise and skills. The Board is primarily responsible to protect and enhance the shareholders value. The Board reviews the corporate performance periodically and it safeguards the interest of the shareholders.

The information on the Composition of Board of Directors, category of directors, their attendance at the Board meetings and at the last AGM held during the year financial year 2010-11 is given below:

<b>Name</b>	<b>Designation Status</b>	<b>No. of meetings attended</b>	<b>Other BoD's or Board Committees</b>	<b>Attendance at last AGM</b>	<b>No. of shares held</b>
Mr. V. K. Jain	Managing Director Executive Director	6	1	Yes	1055894
Mr. F. M Banthiya	Non- Executive Independent Director	4	N.A.	Yes	N/A
Mr. Kishan Kumar	Non- Executive Independent Director	6	N.A	Yes	N/A
Mr A.P. Jain	Non- Executive Independent Director	5	N.A.	N/A	N/A

There were total 6(six) Board Meetings held during the financial year 2010-11 on the following dates:

<b>S. No.</b>	<b>DATE OF BOARD MEETINGS</b>
1.	14.05.2010
2.	30.07.2010
3.	04.09.2010
4.	30.10.2010
5.	31.01.2011
6.	31.03.2011

### **Code of Conduct:**

The Board of Directors of the Company has laid down a code of conduct for all the members and senior management personnel of the company who have affirmed their compliance therewith. The same has been uploaded on the website [www.advikindia.com](http://www.advikindia.com)

### **Board Meeting & Procedures**

The Company holds at least four Board meeting in a year, one in each quarter to review the financial results and other items or the agenda and the gap between two Board meeting does not exceed four calendar months. Apart from the four schedules Board meeting, additional Board meetings are also convened to address the specific needs of the Company. In case of the business exigencies or urgency of matters, resolutions are also passed through circulations.

### **Holding and Subsidiary Company**

The company doesn't have any holding or subsidiary company.

## **2. AUDIT COMMITTEE**

The Audit Committee of the Board of Directors comprises of Mr. F. M. Banthiya, Mr. A.P.Jain and Mr. Kishan Kumar (All non-executive Independent directors). Mr. F. M. Banthiya being an independent director is the Chairman of the committee & he has rich experience in the field of finance & accounts. The other members of the audit committee are competent to read, understand and analyse the Profit & Loss account, Balance Sheet, Cash Flow statement.

During the financial year 2010-11 five Audit Committee meetings were held and the details of attendance by the members of the Audit committee are as under:-

<b>Name</b>	<b>Designation</b>	<b>No. of Meetings</b>
Mr. F. M Banthiya	Chairman	4
Mr. Kishan Kumar	Member	5
Mr. A.P.Jain	Member	4

The company Secretary acts as the secretary of the audit committee.

The terms of reference of the Audit Committee include the matters specified under clause-49 of the Listing Agreement entered into with the stock exchanges as well as those provided in Section 292A of the Companies Act, 1956 and inter-alia includes the following:-

1. Detailed overview of the company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and fixation of the audit fees.
3. Approval of the payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management the annual financial statements before submission to the Board, for approval, with particular reference to :
  - a) Matters required to be included in The Director's Responsibility Statement to be included in the Board's report in terms of Clause 2AA of Section 217 of the Companies Act., 1956.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments arising out of audit findings.
  - e) Compliance with listing agreement and legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualification in draft Audit report.
5. Reviewing with the management the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage of internal audit.
8. Discussion with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board.
10. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, if any, and shareholders (in case of non-payment of declared dividends) and creditors.
11. Discussion with statutory auditors before the audit commences about nature and scope of audit as well as the post audit discussion to ascertain any area of concern.
12. To review the functioning of the whistle blower mechanism, in case the same is existing in the organization.
13. To review the following mandatory requirements:-
  - I. Management Discussion and analysis of financial condition and results of operations.
  - II. Statement of significant related party transactions submitted by the management.
  - III. Management letters/ letters of internal control weaknesses issued by the statutory auditors.
  - IV. Internal audit reports relating to internal control weaknesses, and

- V. The appointment and removal of internal auditor of the company shall be subject to the review by the audit committee.

14. Carrying out any other function as is mentioned in the terms of reference of Audit Committee as amended from time to time by the Listing agreement and Companies Act, 1956.

### 3. REMUNERATION COMMITTEE

The remuneration committee of the Board of Directors comprises Mr. F. M. Banthiya as Chairman, Mr. Kishan Kumar as Member. Mr. A.P.Jain, Member. Chairman of the Committee is Non-executive independent Director.

Further Non – Executive Directors are not paid any remuneration.

A sitting fee of Rs. 2000/- per meeting is being paid to Non-executive Directors for attending the meeting of the Board of Directors of the company, as per the approval of the Remuneration committee.

Details of remuneration by way of salary and perquisites paid to Managing Director of the Company for the year 01.04.2010 to 31.03.2011 are as follows:

Particulars	Total Amount (Rs.)
Salary	600000.00
Perquisites	27405.00
<b>Total</b>	<b>627405.00</b>

Salary includes Basic Salary, House Rent Allowance and other allowances.

Perquisites includes re-imbursement of medical expenses of Rs. 27405.00

### 4. SHARE TRANSFER CUM SHAREHOLDERS' GRIEVANCE COMMITTEE

#### **Composition:**

Mr. V.K. Jain           - Chairman  
Mr. F.M.Banthiya      - Member  
Mr. A.P.Jain           - Member

The meeting of the Shareholder's Grievance & Transfer Committee takes place at periodic intervals to look into the matter of investors' grievances and transfer lodged during the period. Every grievance of the shareholder is paid a due heed and its proper redressal on time is ensured.

The Company confirms that there are no share transfers for more than 30 days from the date of lodgments.

Further there were no investor complaints pending on 31<sup>st</sup> March 2011.



## 5. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held on Registered Office of the Company. Date, time and attendance of directors at AGM during the last three financial years are as follows.

Year	Date of AGM	Time of AGM	Venue	Attendance of Directors	No. of SR Passed
2007-2008	29.09.08	11.30 A.M.	Registered Office: 138,Roz-Ka-Meo, Industrial Area, Sohna, Distt: Gurgaon-122103	Ashwani Talwar F.M.Banthyia Aditya Jain	S.R-0 O.R-3
2008-2009	30.09.2009	11.00 A.M.	Registered Office: 138,Roz-Ka-Meo, Industrial Area, Sohna, Distt: Gurgaon-122103	V.K.Jain F.M.Banthyia Kishan Kumar	S.R-0 O.R-3
2009-2010	30.09.2010	11.00 A.M.	Registered Office: 138,Roz-Ka-Meo, Industrial Area, Sohna, Distt: Gurgaon-122103	V.K.Jain F.M.Banthyia Kishan Kumar	S.R-0 O.R-4

“S.R” Means Special Resolution  
“O.R” means Ordinary Resolution

## 6. DISCLOSURES

### Related Party Transaction

The summary of the materially significant related party transaction are provided in the Notes to the Accounts forming part of this Annual Report. However, none of the related party transactions have potential conflict with the interest of the company at large, and all the transactions were entered into on arms-length basis.

Your company has a Related Party Transaction with ADVIK FINANCE & PROPERTIES (P) LTD., in which your Managing Director, Mr. V.K.Jain and his son Mr. Vivek Jain are Directors.

Suitable disclosure as required by Accounting Standard (AS-18) on Related Party Transactions has been made in the Annual Report.

Details of non-compliances, penalties, strictures by Stock Exchanges/SEBI/Statutory Authorities on any manner related to capital markets during the year 2010-11.

During the year under review the SEBI vide letter no. IVD/ID1/MS/BD/ALL/25242/2010 dated 01.11.10 debarred the company and its promoters from any kind of dealing in the capital market for period of 27.10.10 to 27.10.2011

## **7. MANAGEMENT DISCUSSIONS AND ANALYSIS FORMS PART OF THE ANNUAL REPORT.**

## **8. RISK MANAGEMENT**

The company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

## **9. MEANS OF COMMUNICATION**

The quarterly unaudited financial results and the annual audited financial results of the Company are sent to the stock exchanges. The un – audited financial results are also published as per the requirements of the Listing Agreement in one English (Business Standard)) and one Hindi (Business Standard) newspapers. The un-audited financial results are also sent to the shareholders on their request.

## **Auditor's Certificate**

Auditor's Report certifying that the condition of Corporate Governance as stipulated in Clause-49 of the Listing Agreement with the Stock Exchanges is annexed to the report.

The Certificate from the Statutory Auditor's would be sent to the Stock Exchanges along with the Annual Report of the company.

## **10. GENERAL SHAREHOLDER INFORMATION**

### **Date, Time and Venue of the Seventeenth Annual General Meeting:**

Saturday, 29<sup>th</sup> October 2011 at 11.00 A.M at Registered Office of the company at 138, Roz Ka Meo Industrial Area, Sohna – 122103 Mewat (Haryana).

**Book Closure Date:** 27<sup>th</sup> October 2011 to 29<sup>th</sup> October 2011 (Both Days Inclusive)

**Listing on Stock Exchange** : Stock Exchanges at Mumbai & Ahmadabad

**ISIN No allotted to Equity Shares** : INE537C01019

**Stock Code** : Stock Exchange, Mumbai-531686  
:Ahmedabad Stock Exchange-01636/ADVIK LABO (ASE)

**Market Price data**

: Monthly high & low quotations at BSE during each Month between April 01, 2010 to March 31, 2011 are given in the table below:

Month	High Price	Low Price	No. of Shares
April 2010	5.52	3.62	203621
May 2010	5.15	4.01	114317
June 2010	4.88	3.93	106109
July 2010	6.90	4.42	251926
August 2010	6.49	5.01	290027
September 2010	7.15	5.00	336285
October 2010	5.70	4.10	327323
November 2010	5.25	4.10	300172
December 2010	5.25	3.86	124921
January 2011	5.00	4.26	118573
February 2011	4.49	3.49	109912
March 2011	4.05	3.20	114298

**Share Transfer Agent**

Beetal Financial & Computer Services (P) Ltd.  
 Beetal House, 3<sup>rd</sup> Floor, 99, Madangir  
 Behind Local Shopping Centre,  
 Near Dada Harsukhdas Mandir  
 New Delhi-110 062.  
 Tel: 91-11-29961281/82  
 Fax: 91-11-29961284  
 E-mail: beetal@rediffmail.com

**Compliance Officer Name** : Mr. V.K.Jain, Managing Director

**E-mail id for Investors** : [investors@advikindia.com](mailto:investors@advikindia.com), [mail@advikindia.com](mailto:mail@advikindia.com)

**Share Transfer System:**

The Company has appointed M/s Beetal Financial & Computers Services (P) Limited as Shares Transfer Agents for both physical and Demat form of shares. Requisite and Regular meetings of the Share Transfer cum Shareholders' Grievance Committee is held to approve the transfers/ transmission etc. and to look into shareholder's grievances, if there is any. All the complete transfer documents, which are received till three days prior to the date of the meeting, are normally considered for approval in the meeting. As the shares of the Company are in compulsory demat mode, after approval an option letter is sent to the transferee giving him/ her option to receive either in the physical mode or in the demat mode, and as per the mode opted by the transferee the shares are transferred.

**Shareholding Pattern as on 31<sup>st</sup> March 2011**

Category of Shareholder	No. of Share-holders	% of Share-holders	No. of Share held	% of share holding
<b>Shareholding of Promoter &amp; Promoter Group</b>				
Indian	13	0.22	2484837	26.57
Foreign	0	0	0	0
Total	13	0.22	2484837	26.57
<b>Public Shareholding</b>				
Institutions	0	0	0	0
<b>Non Institutions</b>				
- Bodies Corporate	143	2.42	378621	4.05
- Individuals	5580	94.32	6251943	66.84
<b>- Others</b>				
- NRI	17	0.29	14424	0.15
- Clearing Member	6	0.10	1497	0.02
- HUF	157	2.65	222078	2.37
<b>Total</b>	<b>5903</b>	<b>99.78</b>	<b>6868563</b>	<b>73.43</b>
<b>GRAND TOTAL</b>	<b>5916</b>	<b>100.00</b>	<b>9353400</b>	<b>100</b>

**Distribution Schedule as on 31<sup>st</sup> March 2011**

Holding of Nominal value of Rs.	No. of Shareholders	%	No. of Shares	Amount in Rs.	% to total
Up to 5000	3904	65.99	995969	9959690	10.6482
5001 to 10000	1074	18.15	974884	9748840	10.4228
10001 to 20000	454	7.67	757201	7572010	8.0955
20001 to 30000	175	2.96	464940	4649400	4.9708
30001 to 40000	58	0.98	213382	2133820	2.2813
40001 to 50000	77	1.30	368824	3688240	3.9432
50001 to 100000	91	1.54	692500	6925000	7.4037
100001 & above	83	1.40	4885700	48857000	52.2345
<b>TOTAL</b>	<b>5916</b>	<b>100.00</b>	<b>9353400</b>	<b>93534000.00</b>	<b>100.00</b>

**Dematerialisation of Shares:**

As on 31<sup>st</sup> March 2011 the breakup of the equity capital in Physical and demat form is as follows.

	No. of Shares	Percentage
NSDL -	7300410	78.05
CDSL -	2042510	21.84
Physical -	10480	0.11

Further those members of the Company are requested whose shares are still in the physical mode to get their shares dematerialized at the earliest.

**Registered Office & Plant Location**

138, Roz ka Meo, Industrial Area, Sohna, Distt Mewat, Haryana -122 103

**Address of Communication**

Address: B4-Allied House. 1, LSC Madangir New Delhi 110062.

Telephone: 011 – 41649171-41649173, Telefax :011-41649174, email : [manoj@advikindia.com](mailto:manoj@advikindia.com)

**Compliance of Corporate Governance Code under Clause-49 of Listing Agreement**

As required by Clause-49 of the listing Agreement, certificate of Practicing Chartered accountant regarding compliance with the provisions of Corporate Governance forms part of the Director's Report.

**DECLARATIONS UNDER CLAUSE-49 I (D) (II) BY THE MANAGING DIRECTOR OF AFFIRMATION BY THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT OF COMPLIANCE WITH THE CODE OF CONDUCT**

To the Shareholders,

To the best of my knowledge and belief and information available with me, I hereby declare that all Board Members and Senior Management Personnel of M/s Advik Laboratories Limited have complied with Code of conduct during the financial year 2010-11 (as applicable on them).

Place: Sohna, Mewat  
Date : 04.10.2011

Sd/-  
(V.K.Jain)  
Managing Director

**MANAGING DIRECTORS'S CERTIFICATE**

I, V.K.Jain, Managing Director of Advik Laboratories Limited to the best of my knowledge and belief do certify that :

1. I have reviewed the balance sheet and profit and loss account and all schedules and notes to accounts as well as the cash flow statements and Directors report for the Financial year 2010-11.
2. Based on my knowledge and information, these statements do not contain any untrue statements 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 and other information included in this report present in all material respects, a true and fair view of the company's affairs and are in compliance with the existing accounting standards and /or applicable laws and regulations.
4. To the best of my knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or volatile of the company's code of conduct.
5. I am responsible for establishing and maintaining internal controls for financial reporting for the company and we have:
  - a. Designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial statements in accordance with generally accepted accounting principles.
  - b. Evaluated the effectiveness of the company's internal control systems pertaining to financial reporting and
  - c. Disclosed in this report any change in the company's internal control over financial reporting that has materially affected the company's internal control over financial reporting .
6. I have disclosed to the company 's auditors and the Audit committee of the company's Board of Directors ;

Deficiencies in the design or operation on internal control and steps taken/proposed to be taken to rectify the deficiencies, if any.

Significant changes in the controls over financial reporting, if any, during the period covered by this report.

Significant changes in accounting policies during the year , if any, and that the same have been disclosed in the notes to the financial statements and

Instances of significant fraud of which I am aware, if any, that involves management or other employees who have a significant role in the company's internal controls system over financial reporting.

**Place: Sohna, Mewat**  
**Date: 04.10.2011**

**Sd/-**  
**(V.K.Jain)**  
**Managing Director**

**NON MANDATORY REQUIRMENTS UNDER CLAUSE -49 OF THE LSITING AGREEMENT**

The company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the stock exchanges. Further, compliance of non-mandatory requirements of the said clauses is provided below:

**I. Non –Executive Chairman’s office:**

The Company has not appointed any non executive chairman.

**II. Remuneration Committee**

The company has constituted the remuneration committee to approve the payment of remuneration to the executive directors. Non executive directors are not entitled to any remuneration except sitting fees.

**III. Shareholder’s rights**

The quarterly financial results of the company are published in English language newspaper having nationwide circulation and also in regional language newspaper of the registered office of the company. Annual Reports containing the detailed balance Sheet and Profit and Loss a/c is also sent to individual shareholders of the company.

**IV. Audit Qualifications**

The company always strives to present an unqualified Financial Statement. There is no audit qualification by the Auditors for financial year 2010-11.

**V. Training of the Board members**

The board of directors of the company is continuously briefed with the developments and performance of the company so as to enable them to monitor the same at regular intervals. Reports on risk assessment and minimization process and new initiatives proposed by the company are also presented to them for suggestions and up gradation.

**VI. Whistle Blower policy**

The company intends to promote a policy for employees to have and open access to the respective Functional heads, Managing Director so as to ensure ethical and fair conduct of the business of the company.

**For and behalf of the Board of Directors**

**Place: Sohna, Mewat  
Dated: 04.10.2011**

**Sd/-  
( V. K. Jain)  
Managing Director**

**Sd/-  
( Kishan Kumar)  
Director**

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**AUDITOR'S REPORT**

The members of **Advik Laboratories Limited**

1. We have audited the attached Balance Sheet of **ADVIK LABORATORIES LIMITED** as at 31st March, 2011, and the related Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto, which we have signed under reference to this. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit include examining, on test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004(together the Order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate & according to the information and explanations given to us, we give in the Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above read together with notes on accounts, we report that: -
  - a. We have obtained all the information an 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 Company's Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account & returns.
  - d. In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement complies with the mandatory Accounting Standards referred in Section 211(3C) of the Companies Act, 1956;
  - e. On the basis of the written representations received from the Directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being



appointed as a Director in term of clause (g) of Sub -section (1) of Section 274 of the Companies Act,1956.

- f. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true & 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, 2011;
  - b) in the case of the Profit & Loss Account 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.

**For VBR & ASSOCIATES**  
**Firm Regn. No. 013174N**  
**Chartered Accountants**

**Sd/-**  
**(VIJAY BANSAL)**  
**Partner**  
**M. No. 88744**

**Place : New Delhi**  
**Dated : 04.10.2011**

**Advik Laboratories Limited****ANNEXURE TO THE AUDITOR'S REPORT**

(Referred to in paragraph 3 of the Auditor's Report of even date to the members of Advik Laboratories Limited on the financial statements for the year ended March 31, 2010)

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) Fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed.
  - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by Company during the year.
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 3.(a) The company has not granted any loans, secured or unsecured to companies firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of clause (iiib), (iiic) and (iiid) of paragraph 4 of the order are not applicable.
  - (b) The company has taken interest free unsecured loans from one company and three other parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.106.77 lacs and the yearend balance was Rs.92.66 lacs.
  - (c) In our terms and conditions on which these unsecured loans are taken are not, prima facie, prejudicial to the interest of the company.
4. In our opinion and according to the information and explanations given to us there is an adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of Inventory and fixed assets and for the sale of goods and services. There is no continuing failure to correct major weakness in internal control system.
5. According to information and explanations given to us, we are of the opinion that during the year, particulars of contracts or arrangements referred to in section 301 of the Companies Act have been entered in the register required to maintain under that section.

6. In our opinion & according to the information and explanations given to us, the Company did not accept any deposits from the public as envisaged under Section 58A and 58AA or any other relevant provisions of the of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules,1975.
7. In our opinion, the company has the adequate internal audit system, but it need to be strengthen with the size & nature of its business.
8. The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the Company's business.
9. (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, Service tax custom duty, excise duty, cess and other statutory dues applicable to it except disputed liabilities.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Sales tax, wealth tax, Service tax, customs duty and excise duty were outstanding, as at March 31, 2011 for a period of more than six months from the date they became payable.  
(c) According to the records of the company, there are no dues of sales tax, Income Tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
10. The accumulated losses of the Company are not more than fifty percent of its net worth. The company has incurred cash loss of Rs. 9.07 lacs during the financial year. In the immediately preceding financial year the company has not incurred cash losses.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
12. According to information and explanations given to us and based on the records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
14. In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
15. According to information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.

16. In our opinion, on the basis of information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except core (permanent) working capital.
18. Based on our examination of records and the information provided to us by management we report that the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. During the period covered by our audit report, the company has not issued any debentures. The question of creation of any security does not arise.
20. The company has not made any public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

**For VBR & ASSOCIATES  
Firm Regn. No. 013174N  
Chartered Accountants**

**Sd/-  
(VIJAY BANSAL)  
Partner  
M. No. 88744**

**Place : New Delhi  
Dated :04.10.2011**

**Balance Sheet as at March 31, 2011**

	Schedule	As at 31.03.11 (Rs.)	As at 31.03.10 (Rs.)
<b>SOURCES OF FUNDS</b>			
Share Holders Funds			
- Share Capital	1	93,534,000	93,534,000
- Reserves & Surplus	2	13,822,461	18,031,197
		<b>107,356,461</b>	111,565,197
Loan Funds			
- Secured Loans	3	77,267,960	45,752,501
- Unsecured Loans	4	10,898,417	10,187,814
		<b>88,166,377</b>	55,940,315
Deferred Tax Liability		5,801,092	7,653,369
<b>Total</b>		<b>201,323,930</b>	175,158,881
<b>APPLICATION OF FUNDS</b>			
Fixed Assets	5		
- Gross Block		146,460,206	112,393,020
- Less: Depreciation		48,324,024	43,171,249
Net Block		<b>98,136,182</b>	69,221,771
Investments	6	9,877,256	9,810,152
Current Assets, Loans & Advances			
- Inventories	7	59,946,040	54,395,526
- Sundry Debtors	8	50,568,272	44,798,504
- Cash & Bank Balances	9	3,015,788	1,090,961
- Loans & Advances	10	24,717,545	22,650,446
		<b>138,247,645</b>	122,935,437
Less : Current Liabilities & Provisions <sup>11</sup>	11		
- Current Liabilities		44,100,664	25,799,253
- Provisions		836,489	1,009,226
		<b>44,937,153</b>	26,808,479
Net Current Assets		<b>93,310,492</b>	96,126,958
<b>Total</b>		<b>201,323,930</b>	175,158,881
Notes to the Accounts	17		

**As per our report attached  
for VBR & Associates  
Firm Regn. No.: 013174N  
Chartered Accountants**

**For and on behalf of the Board**

**Sd/-  
(Vijay Bansal)  
Partner  
M.No.: 88744**

**Sd/-  
(Sonali Maheshwari)  
Company Secretary**

**Sd/-  
(V.K.Jain)  
Managing Director**

**Sd/-  
(Kishan Kumar)  
Director**

**Place: Sohna, Mewat  
Date: 04.10.2011**

**Profit and Loss Account for the year ended March 31, 2011**

	Schedule	As at 31.03.11 (Rs.)	As at 31.03.10 (Rs.)
<b>INCOME</b>			
Gross Sales		221,210,111	187,913,850
Less : Excise Duty		195,517	333,778
Net Sales		221,014,594	187,580,072
Other Income		6,297,324	8,130,640
<b>Total</b>		<b>227,311,918</b>	<b>195,710,712</b>
<b>EXPENDITURE</b>			
Manufacturing Expenses	12	212,916,081	177,164,589
Payment to & Provision for Employees	13	3,086,726	4,060,537
Administrative & other Expenses	14	3,753,437	4,527,512
Selling & Distribution Expenses	15	899,619	1,264,139
Interest & Finance Charges	16	7,563,068	3,153,882
Depreciation		5,154,000	4,025,971
		<b>233,372,931</b>	<b>194,196,630</b>
Profit/Loss before tax for the year		(6,061,013)	1,514,082
Less: Provision for Income Tax(MAT)		-	337,680
Deferred Tax liabilities/(assets) during the year		(1,852,277)	720,772
Profit after tax		(4,208,736)	455,630
Surplus as per last Balance Sheet		18,031,197	17,575,567
Balance Carried forward to Balance Sheet		<b>13,822,461</b>	<b>18,031,197</b>

Notes to the Accounts

17

**As per our report attached  
for VBR & Associates  
Firm Regn. No.: 013174N  
Chartered Accountants**

**For and on behalf of the Board**

Sd/-  
(Vijay Bansal)  
Partner

Sd/-  
(Sonali Maheshwari)  
Company Secretary

Sd/-  
(V.K.Jain)  
Managing Director

Sd/-  
(Kishan Kumar)  
Director

Place: Sohna, Mewat

Date: 04.10.2011

Schedule forming part of the Accounts	As at 31.03.11 (Rs.)	As at 31.03.10 (Rs.)
<b>1 SHARE CAPITAL</b>		
Authorised 1,20,00,000/- Equity Shares of Rs. 10/- each	<b>120,000,000</b>	120,000,000
	<b>120,000,000</b>	120,000,000
Issued Subscribed and Paid - up 93,53,400 Equity Shares of Rs. 10/- each	<b>93,534,000</b>	93,534,000
	<b>93,534,000</b>	93,534,000
<b>2 RESERVES AND SURPLUS</b>		
Profit & Loss Account (As per last Balance Sheet)	<b>18,031,197</b>	17,575,567
Add: Profit during the year	<b>(4,208,736)</b>	455,630
Total Reserve & Surplus carried forwarded to Balance Sheet	<b>13,822,461</b>	18,031,197
<b>3 UNSECURED LOANS</b>		
- Inter Corporate Loans	<b>5,714,796</b>	5,294,836
- Director	<b>3,550,808</b>	2,972,998
- Others	<b>1,632,813</b>	1,919,980
	<b>10,898,417</b>	10,187,814
<b>4 SECURED LOANS</b>		
<b>Working Capital Loan</b>	<b>35,724,754</b>	26,448,935
Indian Overseas Bank (Secured by first charge on stocks of Finished Goods, Raw Materials. W.I.P & Sundry Debtors)		
<b>Term Loan</b>	<b>41,543,206</b>	19,303,566
Indian Overseas Bank ( Secured by first charge on Building, Plant & Machinery)	<b>77,267,960</b>	45,752,501

**5. FIXED ASSETS**

(Amount in Rupees)

Description	Gross Block				Depreciation				Net Block	
	As at 01.04.10	Additions during the year	Adjustments during the year	As at 31-Mar-11	Upto 31-Mar-10	During the Year	Sales/ Adjustments	As at 31-Mar-11	As at 31-Mar-11	As at 31-Mar-10
Land	4,840,000	-	-	4,840,000	-	-	-	-	4,840,000	4,840,000
Building	44,887,828	5,004,635	-	49,892,463	13,725,469	1,550,225	-	15,275,694	34,616,769	31,162,359
Plant & Machinery	62,411,909	29,021,416	-	91,433,325	29,299,598	3,579,829	-	32,879,427	58,553,898	33,112,311
Furniture & Fixture	221,684	-	-	221,684	137,237	16,849	-	154,086	67,598	84,447
Computer & Printer	24,279	42,360	-	66,639	2,245	6,711	-	8,956	57,683	22,034
EPABX	6,095	-	-	6,095	5,475	386	-	5,861	234	620
Cycle	1,225	-	1,225	-	1,225	-	1,225	-	-	-
This Year	112,393,020	34,068,411	1,225	146,460,206	43,171,249	5,154,000	1,225	48,324,024	98,136,182	69,221,771
Previous year	92,817,414	21,227,566	1,651,960	112,393,020	40,435,184	4,025,971	1,289,906	43,171,249	69,221,771	52,382,230



Schedule forming part of the Accounts	As at 31.03.11 (Rs.)	As at 31.03.10 (Rs.)
<b>6 INVESTMENTS</b>		
<b>Shares of Un-quoted Companies:</b>		
25000 equity shares of A.G.Fats Ltd. of Rs. 100/- per share	2,500,000	2,500,000
50000 equity shares of Braham Hosiery Pvt. Ltd. of Rs. 10/- per share	500,000	500,000
100000 equity Shares of R.N.Knitfab (P) Ltd. of Rs. 10/- per share	850,000	850,000
5,38,000 equity Shares of India Securities Ltd. of Rs. 10/- per share	5,380,000	5,380,000
<b>Others:</b>		
Gold Coins	647,256	580,152
	<b>9,877,256</b>	<b>9,810,152</b>
<b>7 INVENTORIES</b>		
(As valued and certified by the Management at lower of cost or net realizable value)		
Raw Materials & Packing Materials	24,632,902	19,739,121
Finished Goods	27,147,268	28,009,235
Work in Process	8,165,870	6,647,170
	<b>59,946,040</b>	<b>54,395,526</b>
<b>8 SUNDRY DEBTORS</b>		
(Unsecured and considered Good)		
Exceeding Six months	14,613,939	16,242,216
Less than Six months	35,954,333	28,556,288
	<b>50,568,272</b>	<b>44,798,504</b>
<b>9 CASH AND BANK BALANCES</b>		
Cash in hand	160,706	320,355
Balance with scheduled Banks		
- in Current Accounts	753,082	50,606
- Margin Money with IOB	2,102,000	720,000
	<b>3,015,788</b>	<b>1,090,961</b>
<b>10 LOANS AND ADVANCES</b>		
(Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received	22,114,194	20,789,590
Excise Duty Deposit A/c	852,125	518,323
Tax Deducted at Source	345,947	580,254
Minimum Alternative Tax	454,000	454,000
Security Deposit	951,279	308,279
	<b>24,717,545</b>	<b>22,650,446</b>

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<b>Schedule forming part of the Accounts</b>	<b>As at 31.03.11 (Rs.)</b>	<b>As at 31.03.10 (Rs.)</b>
<b>11 CURRENT LIABILITIES AND PROVISIONS</b>		
Current Liabilities		
- Sundry Creditors	<b>40,549,355</b>	23,212,746
- Other Current Liabilities	<b>3,551,309</b>	2,586,507
	<b>44,100,664</b>	<b>25,799,253</b>
Provisions		
- Provision for MAT	-	337,680
- Provision for Gratuity & Leave Encashment	<b>836,489</b>	671,546
	<b>836,489</b>	<b>1,009,226</b>

Schedule forming part of the Accounts	As at 31.03.11 (Rs.)	As at 31.03.10 (Rs.)
<b>12 MANUFACTURING EXPENSES</b>		
Material Consumed		
Opening Stock	19,739,121	9,630,222
Add: Purchases	217,433,489	183,093,707
Less: Closing Stock	24,632,902	19,739,121
<b>A</b>	<b>212,539,708</b>	<b>172,984,808</b>
Opening Stock		
- Finished Goods	28,009,235	31,770,091
- Work in Progress	6,647,170	5,972,200
	<b>34,656,405</b>	<b>37,742,291</b>
Less: Closing Stock		
Finished Goods	27,147,268	28,009,235
Work in Progress	8,165,870	6,647,170
	<b>35,313,138</b>	<b>34,656,405</b>
<b>Stock Adjustments</b>	<b>B (656,733)</b>	<b>3,085,886</b>
Consumables	26,218	38,931
Power & Fuel	555,407	477,250
Repair & maintenance to building	184,649	272,319
Repair & maintenance to Plant & Machinerics	87,240	143,908
Testing charges	179,592	161,487
<b>C</b>	<b>1,033,106</b>	<b>1,093,895</b>
<b>TOTAL (A + B + C)</b>	<b>212,916,081</b>	<b>177,164,589</b>
<b>13 SALARY, WAGES &amp; OTHER ALLOWANCES</b>		
Salary & Wages	1,960,244	2,408,916
Other allowance & benefits to employees	869,975	1,427,891
Employer contribution to PF & ESI	94,810	100,283
Staff welfare	134,292	67,442
Medical expenses	27,405	56,005
	<b>3,086,726</b>	<b>4,060,537</b>

Schedule forming part of the Accounts	As at 31.03.11 (Rs.)	As at 31.03.10 (Rs.)
<b>14 ADMINISTRATIVE &amp; OTHER GENERAL EXPENSES</b>		
Bank Charges	241,212	565,217
Rent	116,000	100,724
Printing & Stationery	55,269	112,133
Vehicle expenses	246,497	312,543
Conveyance expenses	7,363	9,522
Telephone expenses	154,676	179,500
General repair & maintenance	313,034	191,343
Postage & telegram	10,289	27,877
Director Travelling expenses	86,389	593,311
Legal & Professional expenses	1,172,431	354,011
Audit fee	70,000	70,000
Rates & Taxes & other fee's	413,486	94,687
Insurance (Key Man)	-	705,451
Insurance(others)	150,413	253,900
Travelling expenses	1,803	35,412
Miscellaneous expenses	34,149	136,516
AGM exps.	48,421	91,095
Diwali Expenses	152,458	133,368
Books, Newspapers & Periodicals	38,740	5,508
Water & Electricity	102,140	232,565
Security Service	338,667	175,775
Loss on Sale of Vehicle	-	147,054
	<b>3,753,437</b>	<b>4,527,512</b>
<b>15 SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement	43,399	52,623
Business Promotion Expenses	448,765	448,849
Packing & Forwarding Expenses	222,000	383,633
Selling & Distribution expenses	24,984	217,000
Commission	160,471	162,034
	<b>899,619</b>	<b>1,264,139</b>
<b>16 INTEREST &amp; OTHER FINANCE CHARGES</b>		
Interest on Working Capital Loan	4,998,214	2,859,947
Interest on Term Loans	2,467,578	-
Others	97,276	293,935
	<b>7,563,068</b>	<b>3,153,882</b>

**Cash Flow Statement for the year ended March 31, 2011**

Particulars	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
<b>A. Cash Flow from operating activities</b>		
Net profit before tax and extraordinary items	<b>(6,061,013)</b>	1,514,082
Add: Adjustment for Depreciation	<b>5,154,000</b>	4,025,971
Provision for Gratuity	<b>97,211</b>	437,438
Provision for Leave Encashment	<b>67,732</b>	234,108
Loss on sale of Assets	-	147,054
	<b>(742,070)</b>	6,358,653
Operating profit before working capital changes		
Adjustment for		
Trade & other payable	<b>18,301,411</b>	(29,978,559)
Trade & other Receivables	<b>(7,836,867)</b>	33,306,080
Inventories	<b>(5,550,514)</b>	(7,023,013)
Direct Tax Debited	<b>(337,680)</b>	-
Net Cash from operating activities	<b>3,834,280</b>	2,663,161
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed Assets	<b>(34,068,411)</b>	(21,012,566)
Purchase of Investment	<b>(67,104)</b>	150,000
Net cash used	<b>(34,135,515)</b>	(20,862,566)
<b>C. Cash Flow from financing activities</b>		
Proceeds from issue of share capital	-	-
Proceeds from Share Forfeiture	-	-
Proceeds from short term borrowings	<b>32,226,062</b>	17,467,811
Proceeds from long term borrowings	-	-
Net cash used in financial Activities	<b>32,226,062</b>	17,467,811
Net Increase in cash (A+B+C)	<b>1,924,827</b>	(731,594)
Cash & Cash Equivalents (Opening balance)	<b>1,090,961</b>	1,822,555
Cash & Cash Equivalents (Closing balance)	<b>3,015,788</b>	1,090,961

**As per our report attached  
for VBR & Associates  
Firm Regn. No. 013174N  
Chartered Accountants**

**For and on behalf of the Board**

**Sd/-  
(Vijay Bansal)  
Partner  
M.No. 88744**

**Sd/-  
(Sonali Maheshwari)  
Company Secretary**

**Sd/-  
(V.K. Jain)  
Managing Director**

**Sd/-  
(Kishan Kumar)  
Director**

**Place: Sohna, Mewat  
Date: 04.10.2011**

**SCHEDULE--17****(ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS)****1. SIGNIFICANT ACCOUNTING POLICIES**

- I. Financial Statements: The Financial Statements are prepared to comply in all material aspects with applicable accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956 and are in consonance with generally accepted accounting principles.
- II. Fixed Assets: All Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. In case of fixed assets acquired for new project/expansions, interest cost on borrowings and other related expenses incurred upto the date of completion of project are capitalized.
- III. Depreciation: Depreciation is provided pro-rata to the period of use on the Straight Line method at the rates prescribed under Schedule XIV to the Companies Act, 1956 on fixed assets used for the purpose of business. No Depreciation is provided if there is any deletion of assets during the year.
- IV. Impairments of Assets: The Company assesses at each Balance sheet whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.
- V. Inventories: Inventories are valued at lower of cost or net realizable value (Cost is determined on weighted average basis). The Cost of work-in-progress and finished goods comprises of raw materials, direct labour, other direct costs and related production overheads & Excise duty as applicable. Net realizable value is the estimate of the selling price in the ordinary course of business as applicable.
- VI. Employee Benefits:- Short Term Employee benefits- All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short term employee benefits expected to be

paid in exchange for the services rendered by employees are recognized as an expenses during the months.

Long Term employee benefits plans: Provident Fund contributions are made to Employee Provident Fund Organization framed by Govt. of India in the year 1952. The company & eligible employees make monthly contributions to the Provident Fund Organization equal to specified percentage of the covered employee's salary. The Interest rate payable by the Provident Fund organization to the beneficiaries every year is being notified by the Government. The Company contributes to Employee's State Insurance Fund & Employee's Pension Scheme 1995 & has no further obligation to the plan beyond its monthly contribution.

Gratuity & Leave encashment plan: The Company has Defined Benefits Plan comprising of Gratuity Fund & Leave Encashment Fund. The Liability for the Gratuity & Leave Encashment plan is determined on the basis of an independent actuarial valuation done at the year end. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method. The obligations are measured as the present value of estimated future cash flows discounted at rates reflecting the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors. Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

- VII. Income Tax & Deferred Tax : Provision for Tax is made on the basis of taxable income for the year at current rates. Tax represents the amount of Income Tax payable in respect of the taxable income for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.
- VIII. Investments: Long term investments are stated at cost as reduced by amounts written off/provision made for diminution in value. Current investments are stated at cost or fair value, whichever is lower.
- IX. Revenue Recognition: Sales are recognized upon delivery of products and are recorded exclusive of sales tax, excise duty & net of returned.
- X. Contingent Liability: The Company recognizes a provision when there is a present obligation as a result of a past event that probably required and outflow of resource & a reliable estimate can be made of the amount of the obligations. A disclose for a contingent liability is made when there is a possible obligation or a present obligation that may, but

probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood or outflow of resources' is remote, no provisions or disclosure is made.

#### NOTES ON ACCOUNTS.

	Current year	Previous year
1. <u>Contingent Liabilities not provide for</u>		
Performance Guarantees issued to Government Authorities as on date	<b>16,95,800</b>	37,06,740
2. Amount paid to Auditors (exclusive of service tax):		
	Current year (Rs.)	Previous year (Rs.)
a) Audit Fee	<b>50,000</b>	50,000
b) Tax Audit Fee	<b>20,000</b>	20,000
3. Remuneration paid to Managing Director:-		
Salary	<b>6,00,000</b>	6,00,000
Perquisites	<b>27,405</b>	56,005
4. Employee Benefits: The Disclosure required as per the revised AS-15 are as under:		

Brief description of the Plans: The Company has various schemes for long term benefits such as Provident Fund, Gratuity, Leave Encashment & Pension Scheme. In case of funded schemes, the funds are recognized by the Income Tax Authorities. The Company's defined contribution plans are Provident Funds, Employee's State Insurance Fund & Employee's Pension Scheme (under the provision of Provident Funds & Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions. The Company's defined benefit plans include Gratuity & Leave Encashment Plan. In accordance with the applicable Indian Laws, the company provides for gratuity for all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employee's last drawn salary & for the years of employment with the Company. The amounts charge to Profit & Loss Account based on Gratuity Plan as required under Accounting Standard ("AS") 15 (Revised) are as under:-

Particulars	Gratuity A/c (Rs. In lacs)	Leave Encashment A/c
Obligation as on 31.03.2011	0.97	0.68

5. Rs. 21,02,000/- showing in Margin Money with Bank is relates to the issuance of bank guarantee's to Govt. Departments & letter of credit to parties.



6. Balances in respect of loan & advances, debtors & creditors are subject to confirmation and consequential effect of which is not ascertainable at this stage, but in the opinion of the management are fully realizable to the extent stated.
7. The company has Cash Credit Limit of Rs. 400.00 lacs & Term Loan Limit of Rs. 525.00 lacs from Indian Overseas Bank. Against this sanctioned limit outstanding balance as on 31<sup>st</sup> March, 2011 is Rs. 357.25 lacs against Cash Credit & Rs. 415.43 lacs against Term Loan limits. The company is also having non fund based limit for Letter of Guarantee/Letter of Credit of Rs. 500.00 lacs. Non fund based limits utilized as on 31<sup>st</sup> March, 11 are Rs. 80.59 lacs.
8. Regarding the disclosure as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006, the Company has no information regarding the status of the service providers/suppliers as per the provisions of the said Act. In view of this the above disclosure relating to the amount unpaid as at the end of the year together with interest paid/payable has not been given.

9. Related Party Disclosures

Related party disclosures as required under Accounting Standard on " Related Party Disclosure" issued by the Institute of Chartered Accountants of India are given below:-

a) Key Management Personnel	i) Mr. V.K.Jain, Director		
b) Entities over which key management personnel are able to exercise significant influence	ii) Advik Finance & Properties Pvt. Ltd.		
c) Related Parties	iii) Mr. V.K.Jain, M.D. of Company		
d) Summary of Transactions		(Rs. in lacs)	
Transactions with entities of Key Management Personnel		2010-11	2009-10
- Loan taken (including previous balance)		79.24	52.99
- Loan repaid		22.10	0.05

10. **INVESTMENTS**

Company is going to sent legal notice to the various companies in which company has invested, due to the reason that neither they are sending duplicate shares nor are they replying the letters of the company, as company has misplaced/lost the share certificates during the shifting of records. As such these shares certificates are not physically held by the company as on 31<sup>st</sup> March, 2011.

**11. DEFERRED TAX ASSETS/(LIABILITY)**

Consequent to the adoption of Accounting Standard 22, Accounting for Taxes on Income issued by The Institute of Chartered Accountants of India tax expenses comprise of current tax and deferred tax. The deferred tax liabilities accumulated at the beginning of the year is Rs. 69,32,597/- and the current year effect has been charged to Profit & Loss A/c for the year.

	Deferred Tax Assets/ (Liability) as on 31.03.2011	Deferred Tax Assets/ (Liability) as on 31.03.2010
Difference between Book And Tax Depreciation	(98,41,190)	(89,43,395)
Brought forward business Losses and allowance	40,40,098	12,90,026
	-----	-----
Total	(58,01,092)	(76,53,369)
	=====	=====

12.. The company is dealing only in one type of product as such as per Accounting Standard-17 there is no segment reporting required.

13. The company has made some trading activities from its Delhi office, which includes in the Sales amount.

14. Earning per share as computed with the Accounting standard-20

	2010-11	2009-10
Net Profit after Tax( Rs. in lacs)	(42.09)	4.56
Number of equity shares	9353400	9353400
Basic & Diluted earnings per share	( 0.45)	0.05

15. Schedule 1 to 17 form an integral part of Balance Sheet and Profit and Loss Account.

16. Previous year figure have been regrouped, re-arranged or readjusted wherever deemed necessary to make them comparable with current year figures.

17. Disclosure pursuant to Clause 32 of the Listing Agreement:

- i) Loan & Advances in the nature of Loans to Subsidiaries/Associates: Nil
- ii) Investment by the loanee in the share of the Parent Company & Subsidiary Co.: Nil

## 18. Additional Information Pursuant to Provision of Paragraph 3, 4C &amp; 4D of Schedule VI of the Companies Act, 1956.

- i. Licensed Capacity: N.A.  
ii. Installed Capacity

Classes of Goods	Capacity (Per Shift/Day)	
	Unit	In Lacs
Tablets	Nos.	35.00 (35.00)
Capsules	Nos.	12.00 (12.00)
Dry Syrups	Nos.	0.12 (0.12)

- iii. Detail of Sales of finished goods

Class of goods	Unit	Quantity	Value(in lacs)
Tablets/Capsules	Thousand	38820.95	42.65
Purchase/sale of finished goods	Ton	236.65	2167.50

- iv. Detail of major Raw Materials Consumed (in thousands)

Description	Unit	Qty.(2010-11)	Qty.(2009-10)
Active Raw Materials	Kgs.	20.62	22.67

## 19. Expenditure in Foreign Currency

	(Rs. in lacs)	
	2010-11	2009-10
- On account of Travel	—	2.87
D. Earning in Foreign Exchange	--	--

As per our report attached  
for VBR & Associates.  
Firm Regn. No. 013174N  
Chartered Accountants

For and on behalf of the Board

Sd/-  
Vijay Bansal  
Partner  
M. No.: 88744

Sd/-  
Sonali Maheshwari  
Company Secretary

Sd/- V.K.Jain  
Managing Director

Sd/- Kishan Kumar  
Director

Place : Sohna, Mewat  
Date : 04.10.2011

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

## I. Registration Details

Registration No. L74899HR1994PLC038300Balance Sheet date 31.03.2011

## II. Capital Raised during the year (Amount in Rs.)

Public Issue NilRight Issue NilBonus Issue NilPrivate Placement Nil

## III. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

**Source of Funds**- Paid up Capital 9,35,34,000- Profit & Loss A/c 1,38,22,461- Secured Loans 7,72,67,960- Unsecured Loans 1,08,98,417- Deferred Tax Liabilities 58,01,092Total Liabilities 20,13,23,930**Application of Funds**- Net Fixed Assets 9,81,36,182- Investment 98,77,256- Net Current Assets 9,33,10,492Total Assets 20,13,23,930

## IV. Performance of Company (Amount in Rs.)

Turnover incl. other income 22,73,11,918Total Expenditure 23,33,72,921Profit/Loss Before Tax (60,61,013)Profit /Loss After Tax (42,08,736)Earning Per Share in Rs. (.45)Dividend (%) Nil

## V. Generic Names of Principle Products of Company

Item Code No.

(ITC Code) 30.04Product Description Formulation Products



**ADVIK LABORATORIES LIMITED**

Registered office: 138,Roz-K-Meo,Industrial Area ,Sohna ,Distt Mewat  
Haryana-122 103

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting venue)

DP Id\*:-  
Client Id\*:-

Regd.Folio No.-----  
No. of Shares held-----

Name & Address of the Shareholder(s)-----  
-----

Name of the Proxy-----

I/We hereby record my/our presence at the 17<sup>th</sup> Annual General Meeting of the company held on Saturday 29<sup>th</sup> October, 2011 at 11:00 A.M. at the registered office of the company.

\_\_\_\_\_  
Signature of Member/Proxy



**FORM OF PROXY**

DP Id\*:-

Client id\*:-

Regd.Folio No.-----

No. of Shares held-----

I/We -----R/o-----  
----- being a Member/Members of the Advik Laboratories Ltd. hereby appoint  
Mr./Ms.-----of ----- or failing him/her  
Mr./Ms.----- of----- as my/our proxy to attend  
and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on  
Saturday, 29<sup>th</sup> October, 2011 at 11:00 A.M at Registered Office of the Company.

Signed this..... day of ..... 2011

Signature Member .....

Signature Proxy.....

Affix revenue Stamp of 30 paise
--

\* Applicable to investors holding shares in electronic form. (Please sign across the stamp)

Note: Proxy Form must reach to the Company's Registered office not less than 48 hours before the Meeting. The proxy need not be a member of the Company.

**Notes:**

1. For the convenience of members, persons other than members/proxies will not be admitted.
2. Please bring your copy of Annual report at the Meeting.