

BOOK - POST

*If undelivered please return to*  
**Dr. Sabharwal's Manufacturing Labs Ltd.**  
Registered Office :  
26/19 East Patel Nagar,  
New Delhi - 110 008

**Dr. Sabharwal's Mfg. Labs. Ltd.**  
**26th. ANNUAL REPORT FOR THE YEAR 2008-2009**  
*All products have CE marking & GMP. Awarded thrice for  
excellence in exports through Ministry of Commerce.*

  
**Dr. Sabharwal's Mfg. Labs. Ltd.**  
Regd. Office : 26/19 East Patel Nagar, New Delhi - 110 008 India  
Tel. / Fax : +91-11-25881731  
Email : drsmpl@gmail.com sales@drsabharwal.com Website: drsabharwal.com

**ATTENDANCE SLIP**

To be handed over at the entrance of the Meeting Hall

Name of the attending Member(s)

(IN BLOCK LETTERS).....

Name of Proxy (IN BLOCK LETTERS),.....  
(To be filled in if the Proxy attends instead of the Member)

No. of Shares held.....

I hereby record my presence at the 26th ANNUAL GENERAL MEETING at the Regd. Office of the Company at 26/19 East Patel Nagar, New Delhi - 110 008 at 10.30 A.M. on Wednesday 29th September, 2010.

Member's/Proxy's Signature  
For Office use (To be signed at the time of handing over this slip)

FORM OF PROXY  
DR. SABHARWAL'S MANUFACTURING LABS LIMITED  
Regd. Office: 26/19 EAST PATEL NAGAR,  
NEW DELHI - 110 008

I/We.....of  
.....being a  
member(s) of the above named Company hereby appoint.....  
.....of.....or failing  
him.....  
of.....

as my / our proxy to vote for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held at 10.30 A.M. on Wednesday 29th September, 2010, and at any adjournment thereof.

Folio Number

Date.....

REVENUE  
STAMP OF  
Re. 1.00

- Note :
1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself.
  2. A proxy need not be a member.
  3. This form (Proxies) duly completed should be deposited at the registered office of the company at least 48 hours before the time of the meeting.

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2008**31-03-2009  
Amount  
Rs. P**A. CASH FLOW FROM OPERATING ACTIVITIES**Net Loss/Profit before Tax & extra ordinary items  
Adjustment for -3,74,680.703,74,680.70**i) Depreciation**

1035393.03

1035393.03

ii) Interest Paid

1057487.94

1057487.94

iii) (Profit) loss on Sales of Fixed Assets

4008140.03

4008140.03

iv) (Profit) Loss from Investment

—

—

v) Dividend received from mutual fund

(1300.00)

(1300.00)

Operating Profit before Working Capital Changes

64,74,401.6764,74,401.67

Adjusted for -

Trade and Other Receivables

(566614.12)

(566614.12)

Inventories

2310637.71

2310637.71

Other Loans &amp; Advances

(7053526.68)

(7053526.68)

Trade Payables

(1199124.66)

(317442.70)

Cash generated from operations activities

(34226.08)

1217101.22

Interest Paid

1057487.94

1134122.81

Direct Taxes Paid

106000.00

100000.00

Cash Flow before Extra Ordinary Items

(1197714.02)

(77021.59)

Sale of Fixed Assets

—

—

Net Cash Flow from Operating activities

(1197714.02)(77021.59)**B. CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of Fixed Assets

308700.00

(42354.00)

Dividend received from Mutual Fund

1300.00

600.00

Net Cash Used in Investing Activities.

310000.00

(41754.00)

**C. CASH FLOW FROM FINANCING ACTIVITIES**

Re-payment of Loan

168675.68

(2591968.37)

Dividend Paid

—

—

Dividend Tax Paid

168675.68

(2591968.37)

Net Increase (Decrease) in Cash and Cash Equivalents

(719038.34)

(2710743.96)

(A - B - C)

Cash &amp; Cash Equivalents as at 31st. March 2008

3143046.16

5853790.12

(Opening Balance)

2424007.82

3143046.16

Cash &amp; Cash Equivalents as at 31st March 2009

**Note :** Figures in Brackets represent cash outflow

Sd/-

**Dr. A.R. Sabharwal**

Managing Director

Sd/-

**MRS. A. SABHARWAL**

Director.

**AUDITORS' CERTIFICATE**

We have examined the above Cash Flow Statement of Dr. Sabharwal's Mfg. Labs Ltd. for the year ended 31st March, 2009. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with Stock Exchanges and is based on and in agreement with corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of July 28, 2009 to the Members of the Company.

**A.KAY MEHRA & CO.**

Chartered Accountants

Place : New Delhi  
Dated : 28th July, 2009.

(A.KAY.MEHRA) Partner

(M. No. 9963)

**Dr. Sabharwal's Manufacturing Labs Limited****Board of Directors**

Dr. A.R. Sabharwal

MBBS, DMRE, LLB.

*Chairman-Cum-Managing Director*

Mrs. Anjana Sabharwal

B.A., B.T.

*Director Administration & Sales*

Dr. Prem Nath.

MBBS.

Auditors

M/s A. Kay Mehra &amp; Co.

114(Basement) Mall Road

Kingsway Comp.

New Delhi - 110 009

Bankers

Punjab National Bank

Pandur Nagar, Kanpur - 208 005

Registered Office

26/19 East Patel Nagar

New Delhi - 110 008

Works

Bhawaniapur, G.T. Road,

Mandhana,

Kanpur - 209 217

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

**NOTICE**

NOTICE is hereby given that the 25th Annual General Meeting of Dr. Sabharwal's Manufacturing Labs Ltd. will be held on Wednesday 30th September, 2009 at 10.30 A.M. at the registered office of the Company at 26/19 East Patel Nagar, New Delhi - 110 008 to transact the following business :

- To receive, consider and adopt the Balance Sheet as at 31st March, 2009 and Profit and Loss Account for the year ended as on that date together with the Reports of the Board of Directors and Auditor's thereon.
- To appoint a Director in place of Dr. Prem Nath who retires by rotation and being eligible offers him self for re-appointment.
- To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

Place : New Delhi  
Dated : 20th August, 2009

*By Order of the Board*  
**Dr.A.R.SABHARWAL**  
Managing Director

**NOTES :**

- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not to be a member. Proxy form duly completed and signed should be deposited at the registered office of the Company atleast 48 hours before the commencement of the meeting.
- The Register of members and Share Transfer Books of the Company will remain closed from 29th September, 2009 to 30th September, 2009 both days inclusive.
- Members are requested to inform the change, if any, in their registered addresses to the Company at Company's Registered Office at 26/19 East Patel Nagar, New Delhi - 110 008.
- Member/Proxy should bring the attendance slip duly filled in for attending the meeting.

**1. Registration Details :**

Registration No.  State Code  (Refer Code List)

Balance Sheet Date

**II. Capital raised during the year (Amount in Rs. Thousand)**

Public Issue	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Right Issue	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issue	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Private Placement	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>		<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

**III. Position of Mobilisation and Development of Funds (Amount in Rs. Thousands)**

Total Liabilities	<input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="7"/>	Total Assets	<input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="7"/>
Source of Funds	<input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="7"/>	Reserves & Surplus	<input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="5"/>
Paid-up-Capital	<input type="text" value="8"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>	Unsecured Loans	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Secured Loans	<input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="9"/> <input type="text" value="2"/>	Investment	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

Application of Funds	<input type="text" value="9"/> <input type="text" value="9"/> <input type="text" value="4"/> <input type="text" value="8"/>	Deferred Tax Liability(Net)	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Net Fixed Assets	<input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="1"/>	Misc. Expenditure	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Net Current Assets	<input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="1"/>	Total Expenditure	<input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="4"/>

**IV. Performance of Company (Amount in Rs. Thousands)**

Accumulated Losses	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Profit/Loss after Tax	<input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="8"/>
Turnover	<input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="3"/> <input type="text" value="2"/>	Dividend Rate %	<input type="text" value="0"/> <input type="text" value="0"/>
Profit/Loss before Tax	<input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="3"/>		

Earning per Share in Rs.  (Please Tick Appropriate box + for Profit - for Loss)

Product : ADHESIVE TAPE USP  
Description   
Item Code No.   
(ITC Code)

Item Code No.   
(ITC Code)  
Product : PLASTER OF PARIS BANDAGE B.P.  
Description

**(D) RAW MATERIAL CONSUMED :**

2008-2009

2007-2008

S.No.	Description	Units	Quantity	Value	Quantity	Value
1.	FABRICS	Mtrs.	423289.200	7981296.62	452786.00	7590314.80
2.	ORGANIC SOLVENTS Kg.		96505.408	3971606.16	134538.74	5999270.02
3.	OTHERS (None of which individually account for more than 10% of total consumption)			5066080.99		5994111.85
				17018983.77		19583696.67

**(E) CONSUMPTION OF RAW MATERIAL :**

S.No.	Description	Percentage	Amount	Percentage	Amount
1.	Indigenous	100.00%	17018983.77	100.00%	19583696.67
2.	Imported	NIL	NIL	NIL	NIL
		100%	17018983.77	100%	19583696.67

**(F) CONSUMPTION OF PACKING MATERIAL :**

1.	Indigenous	100%	1408464.99	100%	2566909.96
2.	Imported	NIL	NIL	NIL	NIL
		100%	1408464.99	100%	2566909.96

**(G) EXPENDITURE IN FOREIGN CURRENCY DURING THE YEAR**

Licence & Fees	73119.00	(Previous year-)	—
Travelling Expenses	56185.00	(Previous year-)	233523.00)
Comm. on Sales	123550.00	(Previous year-)	29900.00)
Sales Promotion etc.	274175.00	(Previous year-)	83357.43)
Others	—	(Previous year-)	9254.00)
Subscription & Membership	47759.00	(Previous year-)	— )
	5,74,788.00		356034.43

**(h) Value of Imports calculated on CIF basis**

Raw material	NIL	(Previous year-)	NIL )
Capital Goods	NIL	(Previous year-)	NIL )
Material for Trading Goods	NIL	(Previous year-)	NIL )
Document Sale	NIL	(Previous year-)	NIL )
Advance for Raw Material	NIL	(Previous year-)	NIL )
	NIL		NIL )

**(i) Remittance in Foreign currency -**

Earning in Foreign Exchange on account of export sales	Rs. 11097281.00	(Previous year 6800526.00)	Rs. 518603.00	(Previous year 356034.43)
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10. Schedule 1 to 17 form integral part of the accounts for the year ended 31st March 2009.

**DIRECTORS' REPORT**  
TO, THE SHARE HOLDERS:  
Your Directors have pleasure in presenting the 25th Annual Report of the Company for the year ended 31st March, 2009.

**WORKING RESULTS :**

Despite recession in Pharmaceutical Industry and high input cost, during the year under report the Company has been able to increase its sales marginally and the loss from operations has significantly come down from Rs. 43.16 Lacs to Rs. 17.38 Lacs. However due to miscellaneous income amounting to Rs. 60.07 Lacs the company has been able to earn Net Profit of Rs. 43.82 lacs after Interest and Depreciation. The comparative results for the year and those of previous year are summarised below:-

	2008-2009	2007-2008
1. Operating Profit/Loss before Interest & Depreciation.	6475701.67	(526889.19)
2. Less : Interest	1057487.94	11,34,122.81
3. Profit/Loss before Depreciation	5418213.73	(16,60,412.00)
4. Less Depreciation	1035393.03	10,61,970.48
5. Profit/Loss after Depreciation and Interest	4382820.70	(27,22,382.48)
6. Less : Provision for Deferred Tax Liability	658571.50	(8,80,910.00)
7. Less : Provision for Taxation	106000.00	1,00,000.00
8. Net profit/Loss after Taxation	3618249.20	(19,41,472.48)
9. Balance brought forward from previous year	1333.55	2,806.03
10. Adjustment relating to previous year & Taxation	—	—
11. Loss/Profit available for appropriation	3619582.75	(19,38,666.45)
12. Transfer from General Reserve	—	—
13. Dividend	NIL	NIL

**DIVIDEND :** In order to conserve resources for future requirements, your Directors do not recommend any dividend for the financial Year ended on 31st March, 2009.

**PERFORMANCE :** During the year under report despite stiff competition in the domestic as well as overseas market, the sales of your Company have increased marginally to Rs. 397.25 lacs as against Rs. 389.38 lacs during the previous years. The net loss from the operation has also significantly come down from Rs. 43.16 lacs to Rs. 17.38 lacs further due to misc. income amounting to Rs. 60.07 lacs, the Company has been able to earn a Net profit of Rs. 43.82 lacs as against net loss of Rs. 27.22 lacs during the previous year.

**FUTURE PROSPECTS :**

Your Directors are happy to announce that the Company after getting ISO 9001:2000 Certificate is maintaining the spirit of total quality management and is earning more by reducing rejections and failures. We hope to have more business and growth for the time to come.

**DIRECTORS :** Dr. Prem Nath, Director retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment. During the year under Report two independent Directors Viz. Shri Deepak Bhasin and Shri Kshitiz were also appointed as additional directors. However both of them have resigned due to their personal reasons.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 on the Directors' Responsibility Statement, it is hereby confirmed:

That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;

That the Directors selected such accounting Policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for that period.

That the Directors took proper and sufficient care to maintain adequate accounting records in accordance with the provisions of this Act, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

That the directors prepared the annual accounts on a going concern basis.  
**AUDITORS :** M/s A.Kay Mehra & Co., Chartered Accountants, retire at this Annual General meeting and being eligible offer themselves for re-appointment.

**Compliance certificate:** Provision to Sec. 383A of the Companies Act, 1956, Compliance certificate obtained from a practicing company secretary is enclosed.

**PARTICULARS OF DISCLOSURES UNDER SECTION 217 OF THE COMPANIES ACT, 1956:**  
 Information required under Section 217(2A) and 217(1)(e) of the Companies Act, 1956, are given in Annexure.

**Statement pursuant to section 217(2A) of the companies Act, 1956.**

Read with the companies (particulars of employees) Rule, 1975  
 Name, Qualification Designation Nature of duties Remuneration Experience Date of commencement of employment Last Employment & Age in years. Received

Dr. A.R. Sabharwal	Managing Director	Managerial & Administrative	Rs. 24,00,000.00	24 Years.	25.02.91	Self Employed as medical practitioner
MBBS, DMRE LLB, 70 Years	Director	Public Ltd. Co.				
Smt. A. Sabharwal B.A. B.T. 66 Years	Director Admn. & Sales	Managerial & Sales	Rs. 12,00,000.00	24 Years.	1.10.94	NIL
		Director of Public Ltd Co.				

**INDUSTRIAL RELATIONS:**

Directors are pleased to record their deep appreciation for the efforts put in and co-operation extended by the employees at each level. A spirit of team work and cordial relations existed throughout the year.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record their sincere appreciation for the continued support and accommodation extended by its bankers viz Punjab National Bank through out the year.

Place : New Delhi  
 Dated : 20th August, 2009

On behalf of the Board of Directors  
 Dr. A.R. SABHARWAL  
 (Chairman)

**ANNEXURE TO THE DIRECTORS' REPORT:**

(Additional information given in terms of Notification No. GSR-1029 of 31.12.88 issued by the Department of Company Affairs)

**CONSERVATION OF ENERGY:**

Our plant is not a big user of energy. The total cost of electricity generated during 2008-2009 is Rs. 33.75 lacs on which we achieved a turnover of Rs. 397.25 Lacs. The percentage of cost of energy in relation to turnover therefore comes to 8.50% only.

a) Energy Conservation measures taken:

We have 30 KVA, 45 KVA, 125 KVA and 160 KVA Gensets at our works, which are running satisfactorily. The generators are periodically serviced and turned and critical components replaced for efficiency.

The baby boiler is automatic energy saver. It automatically cuts off when steam pressure becomes sufficient. Thus it is very efficient energy saver. The boiler is descalded every 6 months.

b) We are ISO 9001:2000 Company. All our devices are latest with energy saving equipment. There is no further requirement of any energy saving device. Such as all the electric motors are with shunt.

**Notes to Accounts. Contd.**

**(B) DETAILS OF TURNOVER AND STOCK**

S.No	PARTICULARS	TURNOVER		OPENING STOCK		CLOSING STOCK	
		Quantity	Value	Quantity	Value	Quantity	Value
1.	ADHESIVE TAPE	NOS. 1042912 (743277)	Rs. p. 19076618.41 (12896464.68)	80695 (27460)	Rs. p. 2112754.50 (1021309.00)	4153 (80695)	Rs. p. 141157.10 (2112754.50)
2.	P.O.P BANDAGE	NOS. 758852 (830782)	17956050.02 (21166272.58)	12873 (6423)	499939.00 (225708.00)	1628 (12873)	83202.00 (499939.00)
4.	OTHERS	32215 (150967)	2692563.64 (4876077.24)	2085 (76)	291900.00 (7490.40)	— (2085)	— (291900.00)
	<b>TOTAL =</b>		39725232.07 (3,89,38,814.50)		2904593.50 (1254507.40)		224359.10 (2904593.50)

Figure in Brackets are for previous year.

**(C) DETAILS OF OPENING STOCK, PURCHASES, TURNOVER AND CLOSING STOCK IN RESPECT OF TRADING ITEMS :**

S.No.	Particulars of Goods	Unit	Opening Stock		Purchases		Sales		Closing Stock	
			Quantity	Value	Quantity	Value	Quantity	Value	Qty.	Value
1.	CREPE BANDAGE/COTTON RUBBER ELASTIC BANDAGE	NOS.	—	—	2300	73323.00	2300	80479.00	—	—
2.	ELASTIC ADHESIVE BANDG. ORTHOPAEDIC CAST PADD.& P.U.	NOS.	—	—	35415	1120139.72	35415	1150653.00	—	—
3.	SURGICAL DRESSING	NOS.	4937	548649.75	65352	340412.93	65352	566905.04	4937	548649.75
4.	GUM ROSIN		—	—	—	—	—	—	—	—
4.	SOLVANT		—	—	11080	616288.00	11080	616288.00	—	—
4.	OTHER		—	—	—	52146	—	69846.00	—	—
	(Not ascertainable due to its nature and various mix products)		—	—	—	(45180)	—	(54600.00)	—	—
	<b>CURRENT YEAR TOTAL</b>		548649.75	2202309.65	2484171.04	548649.75				
	<b>PREVIOUS YEAR TOTAL</b>		(1103649.75)	(1710101.00)	(2486336.63)	(548649.75)				

**SALES**

Own Manufacturing	3,72,41,061.03	3,64,52,477.87
Trading Items	24,84,171.04	24,86,336.63
	<u>3,97,25,232.07</u>	<u>3,89,38,814.50</u>

**Notes to the Account --- Contd.**

7. Rebate & Discount include a sum of Rs. 16,624.34 being value of material lost in transit (Previous year Rs. 84,411.76 )
8. Fixed deposit Amounting to Rs. 1546642.00 ( Previous year Rs.2155849.00) have been pledged with Bank / Government Departments as security and margin deposit.
9. Research & Development expenses incurred on revenue account Rs. NIL (Previous year Rs. NIL )
10. Pursuant to Department of company Affairs notification No. G.R.S. 129(E) dt. 22nd February 1999, details are given as under :
 

Total outstanding dues to Small Scale Industries	Rs. 348669.40
Total outstanding dues other than Small Scale Industries	RS. 2071066.94
<b>Total</b>	<b>Rs. 2419736.34</b>
11. Secured Loans from Punjab National Bank are collaterally secured against Land and Building of the Company.
12. In the opinion of board current assets. Loans & advances are approximately of the value stated and not in excess of the account considered reasonable.
13. Previous year's figures have been regrouped / rearranged wherever necessary to render them comparable with current year's figures.
14. Figures in ( ) represent deductions.
15. Additional information pursuant to the provisions of paragraph 3 & 4 of schedule VI to the Companies Act, 1956 in respect of goods manufactured.

**(A) CAPACITIES AND PRODUCTION**

S.No.	Class of Goods	Units	Licenced capacity	Installed capacity 31-03-09 Sq. Mtr.	Actual Production			
					31-03-2009 Sq. Mtr.	Pcs.	31-03-2008 Sq. Mtr. Pcs.	
1.	ADHESIVE TAPE	NOS.	NOT APPLICABLE	5.46 Lacs Per shift	266558.00	966370	219705.00	796512
2.	P.O.PBANDAGE	NOS.	NOT APPLICABLE	7.56 Lacs	208739.00	755167	233081.00	843232
3.	MICROPOROUS SURGICAL TAPE		NOT APPLICABLE	N/A		21445		139606

(As certified by the Managing Director and not verified by the Auditors being technical matter)

- c) Impact of the measures at a) & b) above for reduction of energy consumption and consequent impact on the cost of production.  
Our energy conservation efforts as described in a) above have kept the cost of production fairly low.
- d) Total energy consumption and energy consumption per unit of production are shown in Form "A" annexed hereto.

**TECHNOLOGY UPGRADATION**

Efforts made in technology upgradation as per Form "B" is annexed hereto.

**FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Information on Foreign Exchange Earnings and outgo is given hereunder. Efforts are being made to explore possibility of increasing export within the purview of the present policy.

Total Foreign Exchange used : .....	Rs. 5,18,603.00
Total Foreign Exchange earned .....	Rs. 1,10,97,281.00

**ANNEXURE - A**

**COMPLIANCE CERTIFICATE**

TO, THE MEMBERS, DR. SABHARWAL'S MANUFACTURING LABS. LTD.  
26/19 East Patel Nagar, New Delhi - 110 008

We have examined the registers, records, books and papers of M/s **Dr. Sabharwal's Manufacturing Labs Limited** (the company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the Financial Year ended on 31.3.2009 (Financial Year). In our opinion and to the best of our information and according to the examination carried out by us and explanations furnished to us by the company, its officers and agents, we report that in respect of the aforesaid Financial Year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Company Law Board or other Authorities under the Act and the rules made thereunder.
3. The company being a public limited company, comments are not required.
4. The Board of Directors duly met seven times during the year in respect of which meeting proper notices were given and the proceedings were properly recorded and signed including circular resolutions passed in the Minute Book maintained for the purpose.
5. The company has closed its Register of Members from 29.9.2008 TO 30.09.2008 and complied with the provisions of the act.
6. The Annual General Meeting for the Financial Year ended on 31st March, 2008 was held on 30.09.2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. One Extra ordinary General Meeting was held during the Financial Year after giving due notices to the Members and the Resolution passed thereat were duly recorded in the Minute Book kept for the purpose.

8. As per the information provided the Company has not advanced any loans to its directors or persons or firms or Companies referred to under section 295 of the Act.
9. As per the information provided the Company has not entered into any contract falling within the preview of Section 297 of the Act.
10. The company has made necessary entries in the Register maintained under Section 301 of the Act.
11. As per the information provided there was no instance falling within the purview of Section 314 of the Act., hence the Company has not obtained any approvals from the Board of Directors members or Central Government, as the case may be.
12. The Company has not issued any Duplicate Share Certificates during the Financial year.
13. The Company has :
  - i) there was no allotment of shares during the year.
  - ii) As per the information provided, since there was no amounts in unpaid dividend account, application money due for refunds, matured deposits, matured debentures and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years no amount has been transferred to Investor Education and Protection fund.
  - iii) Not posted any dividend warrant as no dividend was declared during the year.
  - iv) the company has not deposited any amount in a separate bank account as no dividend was declared during the year.
  - v) Duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Additional Directors, alternate Directors and Directors to fill the casual vacancies during the year under report was duly made.
15. The appointment of Managing Director / Whole Time Director during the year under scrutiny was duly made.
16. As per the information provided the company has not appointed any sole selling agents during the financial year.
17. As per the information provided, the company was not required to obtains any approvals of the central government / company law board/ regional director / Registrar of Companies and / or such authorities prescribed under the various provisions of the Act. during the financial year.
18. The director have disclosed their interest in other firms / companies to the Board of Director pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any shares during the financial year.
20. The company hasnot bought back any shares during the financial year.
21. There was no redemption of preference shares / debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. As per the explanations furnished the company has not invited / accepted any deposits falling within the purview of section 58A of the Companies Act, 1956.
24. The amount borrowed by the company is within the borrowing limits of the company.
25. As per the information provided the company has not made any loan or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.

**B. Contingent Liabilities :**

- i) In respect of Bank Guarantee Rs. NIL (Previous year Rs. NIL )
- ii) Against pending sales tax cases Rs. NIL (Previous year Rs. NIL )

**C. Notes on Accounts :**

1. The company has provided depreciation on all Fixed Assets on Straight line method in accordance with the provisions of section 205 (2) (b) and section 350 of the Companies Act, 1956 as amended by the companies (Amendment) Act: 1988 at the rates prescribed in schedule XIV of the said Act. and as revised vide notification G.S. R. 756 (E) dated 16.12.93 of Department of company affairs, Government of India and on prorata basis on additions during the year.
2. Managerial Remuneration under section 198 of the Companies Act, 1956  
 Managing Director Rs. 24,00,000.00 (Previous year Rs.24,00,000.00)  
 Director Rs. 12,00,000.00 (Previous year Rs.12,00,000.00)
3. SEGMENT REPORTING : With reference to Accounting Standard 17 (AS-17) the company has one segment i.e. manufacture of Surgical Dressings.
4. Related Party Disclosures  
 Pursuant to Accounting Standard 18 (AS-18). The company has identified all related parties and details of transactions are given below :
  1. Relationship
    - (a) Key management personnel and their relatives Dr. Ajit Rai Sabharwal, Mrs. Anjana Sabharwal.
    - (b) Other related Parties :
      - i. Ajit Rai Sabharwal HUF, Mrs. Kriti Sabharwal, A.D. Traders.
      - ii. Dr. Sabharwal's Medicals Pvt. Ltd., Dr. Sabharwal's Wound Care
  2. Transactions with parties mentioned above :-
 

Sl.No.	Name of the Transacting Related Party.	Relationship	Nature of transactions	Amount in Rs.	Amount outstanding as on 31.3.09
1.	Dr. Ajit Rai Sabharwal	M.D.	Remuneration	2400000.00	—
2.	Mrs. Anjana Sabharwal	Director	Remuneration	1200000.00	—
3.	Ajit Rai Sabharwal HUF	Associates	Rent	360000.00	—
4.	Dr. Sabharwal's Medicals Pvt. Ltd.	Associates	Sales	33,30,456.33	—
5.	-do-	-do-	Purchase	11,34,198.30	—
6.	Dr. Ajit Rai Sabharwal	M.D.	Loan	16887592.00	16887592.00
7.	Mrs. Kriti Sabharwal	Associates	Rent	360000.00	—
8.	Mrs. Anjana Sabharwal	Director	Rent	156000.00	—
9.	Dr. Sabharwal's Wound Care	Associates	Rent	156000.00	—
			Sales	1261059.94	—
			Purchase	834519.07	—
				2007-2008	—
				<b>Rs.36,18,249.20</b>	<b>Rs. (19,41,472.48)</b>
5. EARNING PER SHARE :  
 Net Profit/Loss for the period attributable to Equity Share Holders **Rs.8,00,000**  
 No. of Equity shares Basic & diluted earning per share **Rs. 4.52**  
 Face Value Rs. 10/- EACH.
6. Deferred Tax Liability  
 Pursuant to Accounting Standard (AS-22). Accounting for taxes on Income the company has revised its Deferred Tax Liability upto 31-03-2009. Further the impact of net deferred tax Asset of Rs. 658571.50 for the year ended 31st March 2009 has been debited to Profit & Loss Account.



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

**A. Significant Accounting Policies :**

1. **SYSTEM OF ACCOUNTING :** The financial statements have been prepared in accordance with applicable accounting standards and relevant presentational requirements of the Companies Act, 1956 and are based on the historical cost convention as adopted consistently by the company. The company follows mercantile system of accounting.
2. **SALES :** Sales are inclusive of duty, if any and net of return and usual trade discounts.
3. **FIXED ASSETS :** Fixed Assets are capitalised at cost, inclusive of all direct expenses attributable to such assets.
4. **DEPRECIATION :** The Depreciation on all assets is provided on a straight line basis at rates specified in schedule XIV to the Companies Act, 1956.
5. **INVENTORIES :** The Raw materials, Packing materials, Deisel & Trading Goods are valued at cost determined on FIFO basis. The Finished & Semi Finished Goods are valued at lower of cost and net realisable value arrived at on the basis of selling price less percentage of gross profit margin included therein.
6. **INVESTMENT :** The investment in quoted shares are being stated at cost. The earning on Investment are recognised on receipt basis.
7. **EMPLOYEES BENEFITS :** For Gratuity/Liability the policy of life Insurance corporation is being taken and premium for the year is being paid. The liability for earned leave is being charged to Profit & Loss Account every year. The companies contribution to Provident Fund & Family Pension fund are charged against revenue of every year.
8. **INSURANCE CLAIMS :** The insurance claims are being accounted for on actual realisation of amount claimed.
9. **FOREIGN CURRENCY TRANSACTIONS :** The foreign currency transactions are accounted for at the rate of exchange prevailing at the date of transactions and subsequent gains and losses are being properly accounted for.
10. **Duty Entitlement Credit on export sales under DEPB (Duty Entitlement Pass Book Scheme) is being accounted for in the year of actual credit claimed and received.**
11. **RESEARCH & DEVELOPMENT :** The Research & Development Cost (other than cost of fixed assets acquired) are charged as an expenses in the year in which these are incurred.
12. **GOVERNMENT GRANTS :**
  - i) Revenue grants are recognised as income in the period in which it becomes receivable.
  - ii) Capital grants, if any, have been credited to capital reserve.
13. Contingencies which can be reasonably ascertained are provided for.
14. **PROVISION FOR CURRENT & DEFERRED TAX :** Provision for current tax is made on the basis of estimated taxable income for the current Accounting year and in accordance with the provision of the Income Tax Act, 1961. Deferred Tax resulting from 'timing difference' between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted as on Balance Sheet date.
15. **PROVISION FOR INCOME TAX :**
  - a) No provision of Income Tax has been made because of carried forward losses of previous year.
  - b) No provision for MAT has been made because of the fact that net profit for the year includes profit of Rs. 40,08,140.00 on sale of Agriculture Land.

**AUDITORS' REPORT**

**TO**  
**THE SHAREHOLDERS,**

**DR. SABHARWAL'S MANUFACTURING LABS. LIMITED.**

We have audited the attached Balance Sheet of Dr. Sabharwal's Manufacturing Labs Limited as at 31<sup>st</sup> March' 2009 and the annexed Profit & Loss Account and Cash flow statement of the Company for the year ended on that date. These Financial Statements are the responsibility of the company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

**A)** We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amount and disclosure in the Financial Statement. 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 a reasonable basis for our opinion.

**B)** We report that:

- a) We have obtained all the information & 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 the books.
- c) The Balance Sheet, Profit & Loss Account and Cashflow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub sec. (3C) of sec. 211 of the companies Act, 1956.
- e) On the basis of the written representation received from the directors and taken on record by Board of Directors, we report that none of the Director is disqualified as on 31<sup>st</sup> March' 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Company Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us the accounts give the information required by the companies Act, 1956 in the manner so required and give a true and fair view:
  - a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March' 2009, and
  - b) In the case of Profit & Loss Account, of the Loss for the year ended on that date.
  - c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.
- g) Further as required by the companies (Auditors' Report) Order 2003 issued by the Central Government in terms of Sec. 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate, we have to state that:
  - i) In respect of its Fixed Assets:
    - a) The Company has maintained proper records to show full particulars including quantitative details and situation of its Fixed Assets.
    - b) The Fixed Assets of the Company have been physically verified during the year by the management in phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
    - c) In our opinion, the Company has not disposed of substantial part of Fixed Assets during the year and the going concern status of the Company is not affected.
  - ii) In respect of its inventories:
    - a) The inventory of the Company have been physically verified by the management at reasonable intervals during the year.
    - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
    - c) The Company has maintained proper records of inventory. The discrepancies between physical stocks and the book stocks, which have been properly dealt with, were not material.
  - iii) The Company has not taken any loan secured or unsecured to / from companies, firms or other parties covered in the register u/s 301 of the Companies Act, 1956. However the company has granted unsecured Loan of Rs. 168.87 Lacs (Previous Year Rs. 99.42 Lacs) to Dr. Sabharwal's Medicals Pvt. Ltd., on such rate of interest and terms & conditions which are not prejudicial to the interest of the company.
  - iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of Inventory, Fixed Assets and also for the sale of goods. During the course of our audit we have not observed any major weaknesses in internal controls.
  - v) In respect of transactions covered under section 301 of the Companies Act, 1956:



As on  
31-03-09  
Amount  
Rs. P.

As on  
31-03-08  
Amount  
Rs. P.

**BALANCE SHEET AS AT 31ST MARCH, 2009**

Schedule

**Dr. Sabharwal's Mfg. Labs. Ltd.**

31-03-09  
Amount  
Rs. P.

31-03-08  
Amount  
Rs. P.

**SCHEDULE - 10 : INCREASE (DECREASE) IN FINISHED GOODS**

**OPENING STOCK**

Finished Goods 29,04,593.50  
Semi Finished & Stock in Process 5,48,649.75  
Trading (Microporous Surgical) 50,85,153.00

12,54,507.40  
11,03,649.75  
45,25,482.39

68,83,639.54

**CLOSING STOCK :**

1. Finished Goods 2,24,359.10  
2. Trading (Microporous Surgical) 5,48,649.75  
3. Semi Finished & Stock in Process 52,69,938.20

29,04,593.50  
5,48,649.75  
0,85,153.00

85,38,396.25

**INCREASE (DECREASE) IN FINISHED GOODS**

(24,95,449.20)

16,54,756.71

**SCHEDULE - 11 : PACKING MATERIAL CONSUMED**

**OPENING STOCK :**

Add : Purchases During the year 24,33,802.64  
Less : VAT Claimed 1,31,621.00  
74,219.00  
Less : Modvate Excise Duty 22,27,962.64  
1,72,175.80

17,47,472.62  
51,971.37  
64,462.00

27,06,191.36

Add : Freight & Cartage

24,00,138.44

16,31,039.25

18,19,382.90

Less : Closing Stock

29,50,337.75

1,88,343.65

45,29,574.26

**PACKING MATERIALS CONSUMED**

14,08,464.99

25,66,909.96

**SCHEDULE - 12 : MANUFACTURING EXPENSES**

Repair & Maintenance - Building 2,45,902.00  
Repair & Maintenance - Plant & Machinery 1,91,455.50  
Power & Fuel 33,75,073.16  
Standardisation Expenses 46,630.00  
Other Expenses 17,854.28  
Consumable Store 85,007.00  
Excise Duty 4,42,501.00

1,95,041.00  
4,39,933.50  
31,76,309.80  
—  
21,463.27  
57,972.00  
9,14,020.02

1,95,041.00  
4,39,933.50  
31,76,309.80  
—  
21,463.27  
57,972.00  
9,14,020.02

TOTAL

44,04,422.94

48,04,759.59

**SCHEDULE - 13 : EMPLOYEES' REMUNERATION & BENEFITS**

Wages Salaries & Allowances 19,97,848.00  
Contribution to PF, FPF, ESI, EDLI Fund 2,15,286.00  
(Including Administration Charges)  
Directors' Remuneration 36,00,000.00  
Bonus 2,66,981.00  
Gratuity 21,459.00  
Staff & Labour Welfare 67,876.00

22,29,444.00  
2,55,598.00  
36,00,000.00  
1,68,000.00  
10,50,322.00  
89,010.00

22,29,444.00  
2,55,598.00  
36,00,000.00  
1,68,000.00  
10,50,322.00  
89,010.00

TOTAL

61,69,450.00

73,92,374.00

**1. SOURCES OF FUNDS**

**(i) Share Holders' Funds :**

(a) Share Capital 80,00,000.00  
(b) Reserves & Surplus 3,11,24,748.23

80,00,000.00  
2,75,06,499.03  
3,55,06,499.03

**(ii) Loan Funds :**

(a) Secured Loans (Bank)

69,92,551.56

68,23,875.885

TOTAL

4,61,17,299.79

4,23,30,374.91

**2. APPLICATION OF FUNDS**

**(i) Fixed Assets :**

(a) Gross Block 2,40,06,034.67  
(b) Less : Depreciation 1,40,57,253.61  
(c) Net Block 99,48,781.06

2,43,14,734.67  
1,30,21,860.58  
1,12,92,874.09

**(ii) Investment :**

5

3,100.00

3,100.00

**(iii) Current Asset, Loans and Advances: 6**

Less : Current Liabilities & Provisions

7

4,47,12,828.57

4,01,22,363.82

**(iv) Deferred Tax Liability**

Note No. 6 Schedule No. 17

TOTAL

3,70,80,629.23

3,12,91,039.82

Significant Accounting Policies & Notes  
to Accounts & Contingent Liabilities

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AUDITORS REPORT : AS PER OUR REPORT OF EVEN DATE ATTACHED.

For A. KAY MEHRA & COMPANY  
CHARTERED ACCOUNTANTS

For Dr. Sabharwal's Manufacturing Labs Limited

PLACE : NEW DELHI  
DATED : 28th July, 2009

(A.KAY MEHRA)  
PARTNER  
(M. No. 9963)

(DR. A.R. SABHARWAL)  
MANAGING DIRECTOR  
(MFS. A. SABHARWAL)  
DIRECTOR.

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009****Dr. Sabharwal's Mfg. Labs. Ltd.**

Schedule		31-03-09	31-03-08
		Amount	Amount
		Rs.	P.
<b>INCOME :</b>			
Sales	8	3,97,25,232.07	3,89,38,814.50
Miscellaneous Income		60,07,184.45	15,93,792.95
		<b>4,57,32,416.52</b>	<b>4,05,32,607.45</b>
<b>EXPENDITURE :</b>			
Raw Materials Consumed	9	1,70,18,983.77	1,95,83,696.67
(Increase) Decrease in stock of Finished / Semi Finished Goods	10	24,95,449.20	(16,54,766.71)
Packing Materials Consumed	11	14,08,464.99	25,66,909.96
Purchases for Trading		22,02,309.65	17,10,101.00
Manufacturing Expenses	12	44,04,422.94	48,04,759.59
Employees Remunerations & Benefits	13	61,69,450.00	73,92,374.00
Administration & Other Expenses	14	44,14,361.87	48,76,881.13
Selling & Distribution Expenses	15	12,57,626.43	17,78,931.00
Interest	16	10,57,487.94	11,34,122.81
Depreciation on Fixed Assets		10,35,393.03	10,61,970.48
		<b>4,14,63,949.82</b>	<b>4,32,54,989.93</b>
Add/Less Expenses relating to previous year written back		42,68,466.70	(27,22,382.48)
Loss/ Profit Before taxation		1,14,354.00	—
Less: Provision for Taxation		43,82,820.70	(27,22,382.48)
Provision for Fringe Benefits Tax		—	—
		<b>1,06,000.00</b>	<b>1,00,000.00</b>
Add/Less Adjusted on a/c, Deferred Tax Liability		42,76,820.70	(28,22,382.48)
Loss/ Profit after Taxation		6,58,571.50	(8,80,910.00)
Balance Brought Forward from Previous Year		36,18,249.20	19,41,472.48
LOSS/ PROFIT AVAILABLE FOR APPROPRIATIONS		1,333.55	2,806.03
Transfer to / from General Reserve		36,19,582.75	(19,38,666.45)
Surplus Transferred to Balance Sheet	Total	36,19,582.75	19,40,000.00
		—	1,333.55
Earning per Share (As per Note 5 of Notes to the Accounts)		4.52	(—)2.43

Significant Accounting Policies & Notes to Accounts & Contingent Liabilities - 17  
**AUDITORS REPORT : AS PER OUR REPORT OF EVEN DATE ATTACHED.**

For A. KAY, MEHRA & COMPANY  
 CHARTERED ACCOUNTANTS  
 (A.KAY, MEHRA)  
 PARTNER  
 (M. No. 9963)

For Dr. Sabharwal's Manufacturing Labs Limited  
 (Dr. A.R. SABHARWAL)  
 MANAGING DIRECTOR  
 (MRS. A. SABHARWAL)  
 DIRECTOR.

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**SCHEDULE - 7 : CURRENT LIABILITIES & PROVISIONS**

		As on	As on
		31-03-08	31-03-08
		Amount	Amount
		Rs.	P.
<b>1. CURRENT LIABILITIES :</b>			
Sundry Creditors		56,41,593.88	59,70,223.89
Advance from customers		7,06,391.46	3,15,722.11
Gratuity Payable		8,12,755.00	8,12,755.00
		<b>71,60,740.34</b>	<b>70,98,701.00</b>
<b>2. PROVISIONS :</b>			
Provision for Taxation		4,50,000.00	16,50,000.00
Provision for Gratuity		21,459.00	82,623.00
Provision for Fringe Benefits Tax		—	—
		<b>4,71,459.00</b>	<b>17,32,623.00</b>
<b>TOTAL</b>		<b>76,32,199.34</b>	<b>88,31,324.00</b>

**SCHEDULE - 8 : MISCELLANEOUS INCOME**

<b>INTEREST RECEIVED :</b>			
i) On Fixed Deposits with Banks		1,22,350.05	1,47,905.95
ii) From Parties		12,65,847.00	11,16,621.00
Sales of DEPB		1,66,249.00	64,845.00
MDA Grant Subsidy		80,000.00	—
Duty Draw Back Received		47,187.00	13,364.00
Dividend Received from Mutual Funds		1,300.00	600.00
Income Tax Refund		—	2,50,457.00
Difference in Exchange		3,14,111.40	—
Profit From Sales of Agriculture Land		40,08,140.00	—
		<b>60,07,184.45</b>	<b>15,93,792.95</b>
<b>TOTAL</b>		<b>60,07,184.45</b>	<b>15,93,792.95</b>

**SCHEDULE - 9 : RAW MATERIAL CONSUMED**

<b>OPENING STOCK :</b>			
<b>OPENING STOCK DIESEL</b>			
Add : Purchases During the year		1,64,55,390.61	44,86,199.91
Less : Transfer for Trading		6,68,434.00	1,92,107.65
Less : Vat Claimed		1,37,710.00	1,79,71,374.90
Less : Moderate Excise Duty		1,25,828.00	4,42,612.00
Add : Freight & Carriage		1,55,23,418.61	38,391.63
Less : Closing Stock		6,88,708.20	3,90,081.02
		<b>1,62,12,121.81</b>	<b>1,71,00,290.25</b>
		<b>2,08,90,423.37</b>	<b>7,53,374.63</b>
		<b>38,71,445.60</b>	<b>1,78,59,664.88</b>
			<b>2,42,62,004.23</b>
			<b>46,78,307.56</b>
<b>RAW MATERIALS CONSUMED</b>		<b>1,70,18,983.77</b>	<b>1,95,83,696.67</b>

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**SCHEDULE - 5 : INVESTMENTS**

**INVESTMENT :**  
(iii) 100 Equity Shares of Punjab National Bank  
Market Value Rs. 45000.00( Previous Year  
Rs. 38700.00)

	As on 31-03-09 Amount Rs. P.	As on 31-03-08 Amount Rs. P.
	3,100.00	3,100.00
<b>TOTAL</b>	<b>3,100.00</b>	<b>3,100.00</b>

**SCHEDULE - 6 : CURRENT ASSETS, LOANS & ADVANCES**
**1. CURRENT ASSETS :**
**A. CLOSING STOCK :** (As per inventory taken, valued & certified by the management)

(i) Raw Materials	35,68,975.10	44,86,199.91
(ii) Packing Materials	29,50,337.75	19,58,664.30
(iii) Finished Goods Manufactured	2,24,359.10	29,04,593.50
(iv) Trading Goods	5,48,649.75	5,48,649.75
(v) Semi Finished & Stock in Process	52,69,938.20	50,85,153.00
(vi) Diesel	3,02,470.50	1,92,107.65
	<b>1,28,64,730.40</b>	<b>1,51,75,368.11</b>

**B. SUNDRY DEBTORS ( Unsecured, unconfirmed and considered Good)**

(i) Debts outstanding for a period exceeding six months	15,64,490.04	22,50,275.07
(ii) Others	64,62,014.59	52,09,615.44
	<b>80,26,504.63</b>	<b>74,59,890.51</b>

**C. CASH & BANK BALANCE**

(i) Cash in hand as per Cash Book	29,099.07	2,09,818.28
(ii) With Scheduled Banks in:		
a. Current Accounts	7,92,445.75	3,79,313.93
b. Fixed Deposit A/C.	15,46,642.00	21,55,849.00
(iii) Interest Accrued on fixed deposit.	55,821.00	3,98,064.95
	<b>24,24,007.80</b>	<b>31,43,046.16</b>

**2. LOANS & ADVANCES (Unsecured, Unconfirmed & Considered Good)**

(i) Advances Recoverable in cash or in kind or for value to be received.	1,85,21,095.72	1,06,04,974.04
(ii) Prepaid Expenses	10,400.00	20,577.00
(iii) Security Deposits	12,00,770.00	9,01,959.00
(iv) Advance Tax	16,65,320.00	28,16,549.00
	<b>2,13,97,585.72</b>	<b>1,43,44,059.04</b>
<b>TOTAL</b>	<b>4,47,12,828.57</b>	<b>4,01,22,363.82</b>

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**SCHEDULE - 1 : SHARE CAPITAL**
**AUTHORISED CAPITAL :**

15,00,000 Equity Shares of Rs. 10/- each

As on 31-03-09 Amount Rs. P.	As on 31-03-08 Amount Rs. P.
1,50,00,000.00	1,50,00,000.00

**ISSUED, SUBSCRIBED & PAID UP CAPITAL :**

8,00,000 Equity Shares of Rs. 10/- each fully paid up

80,00,000.00	80,00,000.00
<b>TOTAL</b>	<b>80,00,000.00</b>

**SCHEDULE - 2 : RESERVES & SURPLUS**
**A. RESERVES :**
**(i) CAPITAL RESERVE :**

(a) CENTRAL INVESTMENT SUBSIDY :  
Balance as per last Balance sheet.

18,40,000.00

(b) GENERATOR SET SUBSIDY  
Balance as per last Balance Sheet.

1,58,400.00

(c) SHARE FORFEITURE ACCOUNT  
Balance as per last Balance sheet

45,500.00

(ii) OTHER RESERVES :

(a) GENERAL RESERVE :  
Balance as per Last Balance sheet

2,54,61,265.48

Less Transferred To Profit & Loss Account

—

2,54,61,265.48

2,54,61,265.48

(b) SURPLUS  
Balance of Profit & Loss Account

36,19,582.75

**TOTAL**

**3,11,24,748.23**

**2,75,06,499.03**

**SCHEDULE - 3 : SECURED LOANS**
**FROM PUNJAB NATIONAL BANK**
**1. CASH CREDIT LOANS :**

(i) Secured by hypothecation of stock of Raw Materials, Packing Materials, Finished goods and personal guarantee of Managing Director & One of the Directors

69,92,551.56

68,08,927.82

**2. VEHICAL LOAN**

ICICI BANK CAR LOAN

—

14,948.06

**TOTAL**

**69,92,551.56**

**68,23,875.88**

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