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COMPANY INFORMATION

Eighth Annual Report 2013-14

BOARD OF DIRECTORS

MR. JAGANNATH S. SHINDE	CHAIRMAN & MANAGING DIRECTOR
MR. VINAY S. SHROFF	DIRECTOR
MR. JASHAVANT P. PATEL	DIRECTOR
MR. R.B. PURI	DIRECTOR
MR. DEVESH A. PATHAK	INDEPENDENT DIRECTOR
MR. SUMANTA S. CHOUDHURY	INDEPENDENT DIRECTOR

CORPORATE INFORMATION

COMPANY SECRETARY

MS. SUVARNA SHUKLA

AUDITORS

P.H. SANGHAVI & CO.

Chartered Accountants
F – 9 , Level 1, Sej Plaza,
Marve Road, Near Nutan School,
Malad (W), Mumbai – 400 064
Tel : 91-22-66751190
Email :- pankaj.sanghavi@yahoo.co.in

ADVOCATES

LEGAL CATALYST

PRINCIPAL BANKERS

BANK OF INDIA
HDFC BANK
YES BANK

REGISTERED & CORPORATE OFFICE

6th Floor, Corporate Park – II,
V. N. Purav Marg, Chembur,
Mumbai – 400 071.
Tel : +91 022 67730000
Fax : +91 022 25273473

REGISTRAR AND SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.

C-13, Pannalal Silks Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai – 400 078.
Tel. (022) – 2596 3838
Email : www.linkintime.co.in

NOTICE

Notice is hereby given that the **Eighth Annual General Meeting** of the members of **ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED** will be held on **Tuesday, 30th day of September, 2014 at 12.30 P.M.** at Matunga Gujarati Club Limited, 4 Nathalal Parekh Marg, Near Arora Cinema, Matunga Central Railway, Matunga(East), Mumbai – 400 019 to transact the following businesses:

I. ORDINARY BUSINESS:

1. To consider and adopt the audited Accounts for the year ended 31st March, 2014, the balance sheet as on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. R.B. Puri, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s P.H Sanghavi & Co., Chartered Accountants, bearing Firm Registration Number 109111W with the Institute of Chartered Accountants of India (ICAI), be and are hereby re-appointed as Statutory Auditors of the Company for a period of three years from the financial year 2014-2015 to 2016-2017 to hold office from the conclusion of this Annual General Meeting till the conclusion of the 11th Annual General Meeting of the Company, subject to ratification by members at every Annual General Meeting, on such remuneration and other terms and conditions as may be fixed by the Audit Committee/Board of Directors.”

II. SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013(“Act”) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Devesh Pathak (DIN 00017515) a non-executive, Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation to hold office for another five consecutive years for a term up to 30th September, 2019.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013(“Act”) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sumanta Choudhury (DIN 00488565) who is appointed as Additional Non executive Director of the Company by the Board of Directors a of the Company, who holds office till the date of the AGM in terms of section 161 of Companies Act 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act 2013, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation to hold office for another five consecutive years for a term up to 30th September, 2019.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby severally authorized to do all acts, deeds and things as may be necessary to give full effect to this resolution."

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

"RESOLVED THAT in supersession of the earlier resolution(s) passed, the consent of the Company, be and is hereby accorded under Section 180(1)(a) and other applicable provisions if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) to the Board of Directors of the Company to mortgage and/or charge and/or hypothecate, on such terms and conditions and at such time or times, and in such form or manner, as it may think fit, the whole or substantially the whole of any one or more of the undertakings of the Company including the present and/or future properties whether movable or immovable, comprised in any existing undertaking or undertakings of the Company, as the case may be for the purpose of securing financial assistance upto an amount not exceeding at any point of time, five time of the aggregate of paid up capital of the Company and free reserves, by way of any of the following, namely, Term Loans in Indian Rupees and Foreign Currency, Export Credit, Leasing Credit Facilities or other facilities from the Financial Institutions and/or Bankers and/or any other parties together with interest thereon, commitment charges, liquidated damages, costs, charges, expenses and other moneys payable by the Company to the respective Financial Institutions and /or Bankers and/or other parties in terms of their respective Loan Agreements / Deeds of Agreements / Hypothecation Agreements / Letters of Sanction / Memorandum of terms and conditions entered into or to be entered into by the Company in respect of the said financial assistance, such security to rank pari passu with or second or subservient to the mortgages and/or charges and/or hypothecation already created or to be created in future by the Company or in such other manner as may be agreed to between the concerned parties and as may be thought expedient by the Board of Directors.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution."

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

"RESOLVED THAT in supersession of the earlier resolution(s) passed and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force)the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not exceed five time of the aggregate of paid up capital of the Company and free reserves of the Company.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution."

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

"RESOLVED THAT, the consent of the company be and is hereby accorded subject to the applicable provision of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) to the Board of Directors of the Company to enter, renew or modify the Leave & License Agreement with Maharashtra Safe Chemists And Distributors Alliance Limited for the premises situated at 6th Floor, Corporate Park II, V. N. Purav Marg, Chembur, Mumbai – 400071, for use of the same for the Company's head office."

RESOLVED FURTHER THAT the company be and is hereby ratifies and affirms each and every action undertaken, by or on behalf of the Company, in respect to Leave & License Agreement entered with Maharashtra Safe Chemists And Distributors Alliance Limited.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution”

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

“**RESOLVED THAT**, the consent of the Company be and is hereby accorded, subject to the applicable provisions of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) to the Board of Directors of the Company to share the utility expenses with group Company on actual basis.”

RESOLVED FURTHER THAT the company be and is hereby ratifies and affirms each and every action undertaken, by or on behalf of the Company, in respect to Expense Sharing Agreement entered with Maharashtra Safe Chemists And Distributors Alliance Limited.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution”

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

“**RESOLVED THAT**, the consent of the Company be and is hereby accorded, subject to the applicable provisions of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) to the Board of Directors of the Company to enter into an agreement with AIOCD Pharmasofttech Awacs Private Limited

RESOLVED FURTHER THAT the company be and is hereby ratifies and affirms each and every action undertaken, by or on behalf of the Company, in respect to Management and Operations Agreement to be entered with AIOCD Pharmasofttech Awacs Private Limited

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution”

Registered Office:
6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Place : Mumbai

Date : 3rd September 2014

For and on behalf of the Board

Sd/-

(Jagannath S. Shinde)

Chairman & Managing Director

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.
- 2) A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER..
- 3) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 4) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 5) The relative Explanatory Statement as required under Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 6) Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Annual General Meeting.
- 7) Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company.
- 8) Members are requested to register their e-mail ID's and Bank account details with the Secretarial Department of the Company. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Secretarial Department of the Company.
- 9) Shareholders desirous of obtaining any information / clarification on the accounts and operations of the Company are requested to send in written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received, only at the meeting
- 10) In terms of Article 173 of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Mr. R.B. Puri, Director retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors of the Company recommends their respective re-appointments.
- 11) Members are requested to:
 - a) Intimate to the Company at the registered office address, changes, if any, at an early date.
 - b) Quote their folio number in all correspondence.
 - c) Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
- 12) Members may note that the Company's website is www.aiocdltd.com

Registered Office:

6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Place : Mumbai

Date : 3rd September 2014

For and on behalf of the Board

Sd/-

(Jagannath S. Shinde)

Chairman & Managing Director

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

Mr. Devesh Pathak is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in 17th July 2008 Mr. Devesh Pathak is the member of Nomination and Remuneration Committee.

Mr. Devesh Pathak is fellow member of Institute of Company Secretaries of India and has a vast experience in the field of Legal and Secretarial.

Mr. Devesh Pathak does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Devesh Pathak is a Director whose period of office is not liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

Mr. Devesh Pathak being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 30th September 2019 as per provisions of section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Devesh Pathak fulfills the conditions specified in the Companies Act, 2013, and rules made there under for his appointment as an Independent Director of the Company and are independent of management.

Copy of the draft letter for appointment of Mr. Devesh Pathak as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Devesh Pathak as an Independent Director.

The Board recommends the Resolution at **Item No. 4** of the accompanying Notice for approval by the Members of the Company.

Except Mr. Devesh Pathak being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution.

Item No. 5

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Sumanta Choudhury as an Additional Director of the Company with effect from 1st September 2014. In terms of the provisions of Section 161(1) of the Act Mr. Sumanta Choudhury would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Sumanta Choudhury for the office of Director of the Company. Mr. Sumanta Choudhury is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Sumanta Choudhury that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act possesses appropriate skills, experience and knowledge, inter alia, in the field of marketing management in pharmaceutical industry. He has experience in the said field in both international and domestic market for around 40 years.

In the opinion of the Board, Mr. Sumanta Choudhury fulfills the conditions for his appointment as an Independent Director as specified in the Act. Mr. Sumanta Choudhury is independent of the management.

Copy of the draft letter for appointment of Mr. Sumanta Choudhury as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to appoint and avail services of Mr. Sumanta Choudhury as an Independent Director.

The Board recommends the Resolution at **Item No. 5** of the accompanying Notice for approval by the Members of the Company.

Except Mr. Sumanta Choudhury, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution.

Item No. 6

As a part of future financial planning of the Company, the borrowings from the Banks, financial institutions or other parties might be secured by mortgaging or charging the moveable and/or immovable assets of the Company. This may attract the provisions of Section 180(1)(a) of the Companies Act, 2013 which requires Shareholders approval.

A special resolution under Section 180 (1) (a) of the Companies Act, 2013 is therefore proposed for approval by the members.

The Board recommends the Resolution at **Item No. 6** of the accompanying Notice for approval by the Members of the Company.

As on the date of the notice none of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

Item No. 7

The members of the Company at their Annual General Meeting held on 30th Septmeber, 2008 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not exceed five time of the aggregate of paid up capital of the Company and free reserves of the Company.

Pursuant to Section 180(1)© of the Companies Act, 2013 effective from 12th September, 2013 it is required that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)© and other applicable provisions of the Companies Act, 2013, as set out at Item No. 4 of the Notice, to enable to the

Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money any point of time which shall not exceed five times of the aggregate of paid up capital of the Company and free reserves of the Company

The Board recommends the Resolution at **Item No. 7** of the accompanying Notice for approval by the Members of the Company.

As on the date of the notice none of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution..

Item No. 8

The Board of Director in their meeting held on 3rd September, 2014 subject to the provisions of the Companies Act, 2013, any other applicable provisions and subject to approval of shareholders in general meeting has recommended to ratify the agreement between Company and MSCDA Limited for leave and license entered on 1st May, 2008 to comply with Companies Act 2013. Accordingly the Board has proposed to the Company to give effect to the above mentioned resolution and decided to keep the copy of the agreement and renewal thereof open for inspection at the venue of Annual General meeting. The license fees currently paid by the Company is Rs.1,29,480 [One Lakh Twenty Nine Thousand Four Eighty Only]

The Board recommends the Resolution at **Item No. 8** of the accompanying Notice for approval by the Members of the Company.

Except Mr.Jagannath S. Shinde, being common Director, none of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

Item No. 9

The Board of Director in their meeting held on 3rd September, 2014 subject to the provisions of the Companies Act, 2013, any other applicable provisions and subject to approval of shareholders in general meeting has recommended to ratify the agreement between Company and MSCDA Limited for Expense Sharing entered on 30th March 2012 to comply with Companies Act 2013.

Accordingly the Board has proposed to the Company to give effect to the above mentioned resolution and decided to keep the copy of the agreement and renewal thereof open for inspection at the venue of Annual General meeting. The expenses are shared on actual value of the bills received.

The Board recommends the Resolution at **Item No. 9** of the accompanying Notice for approval by the Members of the Company.

Except Mr.Jagannath S. Shinde, being common Director, none of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

Item No. 10

The Board of Director in their meeting held on 3rd September, 2014 subject to the provisions of the Companies Act, 2013, any other applicable provisions and subject to approval of shareholders in general meeting has recommended and accepted the proposal received from AIOCD Pharmasofttech Awacs Private Limited for management and operations agreement to consider and manage the services enlisted in the agreement. The fees to be charged for services during F.Y. 2014-15 on approval of the agreement will be Rs.2.60 Crores (Rupees Two Crores Sixty Lacs Only)

Accordingly the Board has proposed agreement to the Company to give effect to the above mentioned resolution and the draft agreement will be kept open for inspection at the venue of Annual General meeting.

The Board recommends the Resolution at **Item No.10** of the accompanying Notice for approval by the Members of the Company

Except Mr.Jagannath S. Shinde, being common Director, none of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

For and on behalf of the Board

Registered Office:

6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Place : Mumbai

Date : 3rd September 2014

Sd/-

(Jagannath S. Shinde)

Chairman & Managing Director

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses with the Company.

DIRECTORS' REPORT

To,

Dear Members,

Your Directors have pleasure to present the 8th Annual Report together with the audited accounts of the Company for the Financial Year ended 31st March, 2014.

Financial Results

The financial performance of the Company for the Financial Year ended 31st March, 2014 is summarized below:

(Rs. In Lacs)

	2013-2014	2012-2013
Profit/(Loss) before tax and depreciation	(102.40)	72.09
(Less): Depreciation	(31.83)	(34.82)
Profit/ (Loss) Before Tax	(134.23)	37.26
(Less): Exceptional Items	0.33	-----
Add/(Less):- Deferred tax assets/ Liabilities	11.42	8.19
Excess provision for tax	-----	1.44
Profit / (Loss) After Tax for the year	(122.48)	46.89
Add/ (Less) Amount b/f from previous year	(1168.44)	(1215.33)
Balance carried to Balance Sheet	(1290.92)	(1168.44)

Results of Operations

During the year, turnover of the Company has increased to Rs. 1358.95 Lacs as against Rs. 689.01 Lacs in the previous year. Revenue from operations is increased by Rs. 1269.31 Lacs from Rs.585.46 Lacs in the previous year.

Company has provided for doubtful debts of Rs.39.16 Lacs in line with prudent accounting policy as against Rs. 29.07 Lacs provided in the previous year.

Company has carried forward accumulated losses of Rs.1290.73 Lacs.

Dividend

In view of the carried forward losses your Directors do not recommend any dividend.

Deposits

The Company has not accepted or renewed any deposits within the meaning of the Companies (Acceptance of Deposits) Rules, 1975 during the year under review.

Directors

Mr. R.B. Puri Director of the Company retires by rotation and being eligible; offer himself for re-appointment at the ensuing Annual General Meeting. Your Board has recommended his re-appointment.

During the period under purview Mr. Ravindra Savant and Mr. M. Arulkumar tendered their resignation to the Board. Your Board places on record its deep sense of appreciation for the contribution made by Mr. Ravindra Savant and Mr. M. Arulkumar during their tenure as Director of the Company

During the year under review, your Board inducted Mr. Sumanta Choudhury as an Additional Directors of the Company in the category of Independent Directors. As per the provisions of Companies Act, 2013 it is proposed to appoint Mr. Sumanta Choudhury as an Independent Director not liable to retire by rotation for a period of 5 years until 30 September, 2019. Your Board recommends the said appointment.

As per the provisions of Companies Act, 2013, Independent Directors are required to be appointed for a term of maximum of 5 (five) consequent years and Independent Directors shall not be liable to retire by rotation. Accordingly, Mr. Devesh Pathak, Director, who was earlier appointed as an Independent Director liable to retire by rotation and retiring at the ensuing AGM as per the terms of his earlier appointment, is proposed to be appointed as an Independent Director not liable to retire by rotation for a period of 5 years until 30th September, 2019. Your Board recommends the said appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts for the year ended 30 September, 2013, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied 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 31st March, 2013 and of the loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Auditors

M/s. P.H. Sanghavi & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such reappointment within the meaning of Section 141 of the said Act, as also indicated their willingness to be re-appointed.

Auditors' Report

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Particulars of Employees:

Since there was no employee drawing remuneration of Rs. 5,00,000 p.m. for part of the year or Rs. 60,00,000 p.a. or more, no particulars as specified in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are furnished.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Company does not fall under any of the industries covered by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988. Hence the requirements of disclosure in relation to the Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo are not applicable to it. The Company has not imported any technology during the year. There were no foreign exchange earnings and outgo during the year.

Acknowledgments

Your Directors wish to place on record their sincere appreciation for assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

Registered Office:

6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Place : Mumbai

Date : 3rd September 2014

For and on behalf of the Board

Sd/-

(Jagannath S. Shinde)

Chairman & Managing Director

INDEPENDENT AUDITORS' REPORT

To the Shareholders, All Indian Origin Chemists & Distributors Limited

Report on the Financial Statements

We have audited the accompanying financial statements of All Indian Origin Chemists & Distributors Limited, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India.. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit/loss for the year ended on that date;

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government Of India in terms of Section 227 4(A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs in 4 & 5 of the said Order.
2. Further to our Comment referred to above, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet and the statement of Profit and Loss dealt with by this report are in compliance with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - e. Based on representations made by all the Directors of the Company and the information and explanations as made available, Directors of the Company do not prima facie have any disqualification as referred to in clause (g) of sub-section (1) of Section 274 of the Act.
 - f. Since the central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company

**For P.H.Sanghavi & Co.
Chartered Accountants**

**Pankaj Sanghavi
Proprietor
Membership No. : - 41290
Firm Registration No.:109111W**

**Place : Mumbai
Date : 3rd September, 2014.**

Annexure to Auditor's Report

Re: **All Indian Origin Chemists & Distributors Limited**

Referred to in paragraph 3 of our report of even date,

- (I) (a) In our opinion and according to the information and explanation given to us, the Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
- (b) In our opinion and according to the information and explanation given to us, the 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 regards to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) In our opinion and according to the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. In our opinion and according to the information and explanation given to us, the company is maintaining proper records of Inventory
- (iii) (a) In our opinion and according to the information and explanation given to us, the Company has not granted any loans secured or unsecured to companies, firm or other parties covered under section 301 of the Companies Act, 1956. Therefore in our opinion, the clauses 4 (iii) (a), 4 (iii) (b), 4 (iii) (c) and 4 (iii) (d) of the Companies (Auditors Report) Order, 2003 are not applicable.
- (b) In our opinion and according to the information and explanation given to us, the Company has not taken any loans secured or unsecured from companies, firm or other parties covered under section 301 of the Companies Act, 1956. Therefore in our opinion, the clauses 4 (iii) (e), 4 (iii) (f), and 4 (iii) (g) of the Companies (Auditors Report) Order, 2003 are not applicable.
- (iv) In our opinion and according to the information and explanation given to us, internal controls procedures needs to be strengthened to commensurate with the size of the company and the nature of its business with regards to purchase of inventory, fixed assets and with regards to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) In our opinion and according to the information and explanation given to us, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanation given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at the prices which are reasonable having regards to the prevailing market prices at the relevant time.(vi)In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public. Therefore in our opinion, the clause 4 (vi) of the Companies (Auditors Report) Order, 2003 is not applicable
- (vii) In our opinion and according to the information and explanation given to us, the Company has an internal audit system that is commensurate with its size and nature of its business.
- (viii) In our opinion and according to the information and explanation given to us, the Company is not engaged in production, processing, manufacturing or mining activities, hence Company is not required to maintain cost records under section 209(1) (d) of the Companies Act, 1956. Therefore in our opinion, the clause 4 (viii) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (ix) (a) In our opinion and according to the information and explanation given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues pertaining to Income Tax, Sales Tax, Service Tax etc. applicable to it
- (b) In our opinion and according to the information and explanation given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, custom duty, excise duty, cess were in arrears, as at 31st March 2013 for the period of more than six month from the date they became payable.

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

- (x) In our opinion and according to the information and explanation given to us, the Company is registered for the period of more than five years; Its accumulated losses at the end of FY 2013-14 are not less than 50% of its net worth. It has incurred cash losses in FY 2013-14 but had not incurred cash losses in the immediately preceding FY 2012-2013.
- (xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loan obtained from any financial institution or bank. The Company has not issued any debentures.
- (xii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore in our opinion, the clause 4(xii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xiii) In our opinion and according to the information and explanation given to us, the company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, in our opinion the clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.(xiv)In our opinion and according to the information and explanation given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Therefore in our opinion, the clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xv) In our opinion and according to the information and explanation given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions; Therefore in our opinion, the clause 4(xv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xvi) In our opinion and according to the information and explanation given to us, the Company has not taken any term loan. Therefore in our opinion, the clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xvii) In our opinion and according to the information and explanation given to us, and on the basis of overall examination of the Balance Sheet of the Company, we report that no fund 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 permanent working capital.
- (xviii) In our opinion and according to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore in our opinion, the clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xix) In our opinion and according to the information and explanation given to us, the Company has not issued any debenture. Therefore in our opinion, the clause 4(xix) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xx) In our opinion and according to the information and explanation given to us, the Company has not raised any money by way of public issue. Therefore in our opinion, the clause 4(xx) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xxi) In our opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For P.H.Sanghavi & Co.
Chartered Accountants**

**Proprietor
Pankaj Sanghavi
Membership No.: 41290
Firm Registration No.:109111W**

**Place : Mumbai
Date : 3rdSeptember, 2014**

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED
Balance Sheet As At 31st March, 2014
(Amount in Rs.)

	Note No	As at 31st March, 2014	As at 31st March, 2013
(I) EQUITY & LIABILITIES			
1) Shareholder`s Fund			
a) Share Capital	1	159,788,800	159,788,800
b) Reserves and Surplus	2	(129,073,579)	(116,844,657)
2) Non-Current Liabilities			
a) Long Term Borrowings		-	-
b) Deferred Tax Liability (Net)		2,000,455	3,142,652
c) Other long Term Liabilities	3	-	-
d) Long Term Provisions	4	587,433	434,489
3) Current Liabilities			
a) Short Term Borrowings	5	50,064,743	31,829,046
b) Trade Payables		28,239,987	22,194,889
c) Other Current Liabilities	6	24,701,236	14,536,305
d) Short Term Provisions	7	874,361	481,524
Total Equity and Liabilities		137,164,567	115,563,048
II) ASSETS			
1) Non-Current Assets			
a) Fixed Assets	8		
i) Tangible Assets		2,625,314	3,877,201
ii) Intangible Assets		9,807,409	11,963,245
iii) Capital Work-in-Progress		-	107,806
iv) Intangible Assets Under Development		-	-
b) Non-Current Investment	9	9,750,000	9,750,000
c) Deferred Tax Assets (Net)		-	-
d) Long Term Loans and Advances	10	14,870,693	13,067,584
e) Other Non-Current Assets	11	3,916,587	6,632,117
2) Current Assets			
a) Current Investment		-	-
b) Inventory	12	5,617,402	16,120,470
c) Trade Receivables	13	68,186,349	31,512,872
d) Cash and Cash-Equivalents	14	19,898,767	20,065,719
e) Short Term Loans and Advances	15	1,716,071	1,122,080
f) Other Current Assets	16	775,974	1,343,953
Total Assets		137,164,567	115,563,048

The Notes referred to above are an integral part of the Balance Sheet
As per our attached report of even date

For P.H.Sanghavi & Co.

Chartered Accountants

Sd/-

Pankaj Sanghavi
Proprietor

Membership No.: 41290 FRN :- 109111W

 Date : 3rd September, 2014 Place : Mumbai

For and on behalf of the Board

Sd/-

Jagannath S. Shinde
Chairman & Managing Director

Sd/-

Manoj Gajendragadkar
CFO

Sd/-

Suvarna Shukla
Company Secretary

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

Statement of Profit and Loss for the year ended 31st March, 2014

(Amount in Rs.)

	Note No	For the year As at 31st March, ended 31st March,2014	For the year As at 31st March, ended 31st March,2013
I) Income			
I) Income from Operations	17	126,931,373	58,546,185
II) Other Income	18	8,964,533	10,355,366
III) Total Revenue (I+II)		135,895,906	68,901,551
IV) Expenses :			
Purchase of Stock-in-Trade		79,201,378	47,236,448
Changes in Inventory of Stock-in-Trade	19	10,503,067	6,211,946
Employee benefit expenses	20	16,809,509	12,155,975
Finance Costs	21	4,786,557	4,213,465
Depreciation and amortization Expenses	22	3,182,796	3,482,360
Other Expenses	23	34,835,554	(8,125,300)
Total Expenses (IV)		149,318,861	65,174,894
V) Profit/(Loss) Before exceptional and extraordinary items and tax (III-IV)		(13,422,955)	3,726,657
VI) Exceptional Items			
Profit on Sale of Fixed Asset		32,968	-
VII) Profit/(Loss) before extraordinary items and tax (V-VI)		(13,389,987)	3,726,657
VIII) Profit/(Loss) before Tax		(13,389,987)	3,726,657
IX) Tax Expenses			
i) Current Tax		-	-
ii) Deferred Tax		1,142,197	818,821
iii) Excess Provision for Taxation		-	143,547
X) Profit/(Loss) from Continuing Operations (VIII-IX)		(12,247,791)	4,689,025
XI) Profit/(Loss) for the period		(12,247,791)	4,689,025
XII) Earnings per Shares			
1) Basic		(0.77)	0.29
2) Diluted		(0.77)	0.29

The Notes referred to above are an integral part of the Balance Sheet
As per our attached report of even date

For P.H.Sanghavi & Co.

Chartered Accountants

Sd/-

Pankaj Sanghavi

Proprietor

Membership No.: 41290 FRN :- 109111W

Date : 3rd September, 2014 Place : Mumbai

For and on behalf of the Board

Sd/-

Jagannath S. Shinde

Chairman & Managing Director

Sd/-

Manoj Gajendragadkar

CFO

Sd/-

Suvarna Shukla

Company Secretary

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Amount in Rs.)

	Note No	As at 31st March, 2014	For the year As at 31st March
Note - 1 Share Capital			
Authorized Capital			
2,00,00,000 Equity Shares of Rs 10/- each		200,000,000	200,000,000
		200,000,000	200,000,000
Issued, Subscribed and Paid up Capital			
1,59,78,880 Equity share of Rs. 10/- each Fully Paid in Cash (P.Y 1,59,78,880 of Rs 10 each Fully Paid in Cash)		159,788,800	159,788,800
	Total	159,788,800	159,788,800

Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particular	Equity Share Capital			
	As at 31.03.2014		As at 31.03.2013	
	No. Of Shares	Amount of Share Capital	No. Of Shares	Amount of Share Capital
No of shares at the beginning of the year	15,978,800	159,788,000	15,978,800	159,788,000
Add : Shares Issued during the year	-	-	-	-
No. of Shares at the end of the year	15,978,800	159,788,000	15,978,800	159,788,000

The Company has only one class of shares referred to as equity shares having a par value of Rs 10 per Share. Each holder of equity shares is entitled to one vote per share

Details of Share Holders Holding more than 5% shares as on the balance sheet date

Sr. No.	Name of Share holder	No. of Shares Held	
		As at 31.03.2014	As at 31.03.2013
1	Maharashtra Safe Chemists and Distributors Alliance Ltd	2,017,500	1,499,500

No other shareholders hold more than 5% of the shareholding of the company.

Note - 2 Reserves and Surplus

Profit & Loss A/c

Opening Balance	(116,844,657)	(121,533,682)
Add: Additions During the year	(1,22,47,791)	4,689,025
Less: Utilizations during the year		-
Closing Balance	(12,90,92,448)	(116,844,657)

Total (12,90,92,448) (116,844,657)

Note - 3 Other Long term Liabilities

Total - -

Note - 4 Long Term Provisions

Provisions for Employee Benefits	587,433	434,489
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Total 587,433 434,489

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Amount in Rs.)

	Note No	As at 31st March, 2014	For the year As at 31st March,
Note - 5 Short Term Borrowings			
Short Term Loan Payable on Demand			
i) From Banks		50,064,743	31,829,046
The Bank Over Draft from Bank of India is Secured against a) the Fixed Deposit of the Company and b) The Guarantee and Lien marked on the Fixed Deposits of Maharashtra Safe Chemists and Distributors Alliance Ltd.			
Total		50,064,743	31,829,046
Note - 6 Other Current Liabilities			
Payable to Employees		1,562,624	277,465
Non Trade Creditors		20,264,587	10,019,522
Interest Accrued but Not Due on Bank OverDraft		66,039	46,372
Salary / Wages Payable		1,541,408	1,186,798
Employees Contribution To Provident Fund Payable		75,597	48,118
ESIC Liability Payable		3,865	2,659
Duties & Taxes Payable		549,232	1,546,639
Advance From Customers		337,884	1,108,731
Security Deposits from Consignee Agents Repayable within a year		300,000	300,000
Total		24,701,236	14,536,305
Note - 7 Short Term Provisions			
Provisions for Employee Benefits		874,361	481,528
Total		874,361	481,528

Note - 8 Fixed Assets

(Amount in Rs.)

Sr. No.	Particulars	Rate	Gross Block			Depreciation				Net Block		
			Value as on 01.04.2013	Addition During the year	Deletion During the Year	Value as on 31.03.2014	Depreciation as on 01.04.2013	Addition During the year	Deletion During the Year	Depreciation as on 31.03.2014	WDV as on 31.3.2014	WDV as on 31.3.2013
(A)	Tangible Assets											
	Office Equipment	13.91%	85,527		-	85,527	26,099	8,266	-	34,365	51,162	34,734
	Plant and Machinery	13.91%	3,415,164			3,415,164	1,008,656	334,745		1,343,401	2,071,762	2,737,653
	Computer	40%	11,184,742	423,174	9,250,355	2,357,561	9,819,277	659,409	8,601,949	1,876,737	480,824	2,203,112
	Software	40%	444,121	17,906	349,038	112,989	398,325	24,540	331,442	91,423	21,566	76,326
	Sub Total (A)		15,129,553	441,080	9,250,355	5,971,240	11,252,357	1,026,961	8,933,391	3,345,927	2,625,314	5,051,826
(B)	Intangible Assets											
	SAP License	10 Years	21,558,355	-	-	21,558,355	9,595,111	2,155,836		11,750,946	9,807,409	14,119,080
	Sub Total (B)		21,558,355	-	-	21,558,355	9,595,111	2,155,836	-	11,750,946	9,807,409	14,119,080
(C)	Capital Work-in-Progress											107,806
	Sub Total (C)		-	-	-	-	-	-	-	-	-	107,806
	Total (A+B+C)		36,687,908	441,080	9,250,355	27,529,596	20,847,468	3,182,796	8,933,391	15,096,873	12,432,723	19,278,712
	Previous year		36,536,008	151,900	-	36,687,908	17,365,103	3,482,360	-	20,847,463	15,948,252	19,278,712

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014

(Amount in Rs.)

	As at 31st March, 2014	For the year As at 31st March,
Note - 9 Non-Current Investments		
Investment in Unquoted Equity Shares 5, 40,000 (P.Y. 5,40,000) Equity shares of Rs.10/- each fully paid up in Maharashtra Safe Chemists And Distributors Alliance Limited.	5,450,000	5,450,000
5,000 (P.Y. 5,000) Equity shares of Rs.10/- each fully paid up in AIOCD Pharmasofttech AWACS Pvt. Ltd.		
Investment in Preference Shares 4, 30,000 (P.Y. 4, 30,000) 8% Non Cumulative Redeemable Non-Convertible Preference shares of Rs.10/- each fully paid up in Maharashtra Safe Chemists And Distributors Alliance Limited.	4,300,000	4,300,000
Total	9,750,000	9,750,000
Note - 10 Long Term Loans and Advances		
Security Deposits (Unsecured, Considered Good)	473,000	578,000
Other Loans and advances		
Balance With Authorities	1,695,745	4,889,741
Advance Tax & TDS	12,701,949	7,599,843
Total	14,870,693	13,067,584
Note - 11 Other Non Current Assets		
Long term Trade Receivables		
i)Secured,Considered Good		
ii) Unsecured, Considered Good	7,833,174	9,539,353
iii) Doubtful		
iv) Due By Directors,Partners,etc		
Less : Provision for doubtful debts	3,916,587	2,907,236
Total	3,916,587	6,632,117
Note - 12 Inventory (As taken, Valued and Certified by the Management)		
Finished Goods	5,617,402	16,120,470
Less : Reduction in value due to lower NRV	-	-
Closing Value of Finished Goods	5,617,402	16,120,470
Total	5,617,402	16,120,470
Note -13 Trade Receivables		
<u>Trade Receivables (Less than Six Months)</u>		
i)Secured,Considered Good	-	-
ii) Unsecured, Considered Good	55,161,073	24,778,224
iii) Doubtful	-	-
iv) Due By Directors,Partners,etc	-	-
<u>Trade Receivables (More than Six Months)</u>	13,025,277	6,734,648
<u>Less : Provision for doubtful debts</u>	-	-
Total	68,186,349	31,512,872

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014

(Amount in Rs.)

	As at 31st March, 2014	For the year As at 31st March,
Note - 14 Cash and Cash Equivalent		
Balance With Bank	761,207	2,472,405
Cash on Hand	55,254	23,317
Bank Deposits with less than 12 months maturity (Encumbered)	18,965,640	17,569,997
Bank Deposits with More than 12 Months maturity (Encumbered)	116,666	-
Total	19,898,767	20,065,719
Note - 15 Short Term Loans and Advances		
Other loans and advances		
Balance With Authorities	520,520	-
Prepaid Expenses	1,195,551	1,122,080
Total	1,716,071	1,122,080
Note -16 Other Current Assets		
Advance to Employees	251,550	34,941
Advance to Suppliers	518,375	105,151
Other Current Assets		
From Related Parties	-	1,200,000
Others	6,049	3,861
Total	775,974	1,343,953

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
(Amount in Rs.)

	As at 31st March, 2014	For the year As at 31st March,
Note - 17 Income From Operation		
Sale of Products	91,099,280	43,181,612
Sale of Services	35,832,093	15,364,573
	126,931,373	58,546,185
Less : Excise Duty	-	-
Total	126,931,373	58,546,185
Note - 18 Other Income		
Interest Income	1,751,461	3,413,498
Dividend Income	452,000	-
Other Non-Operating Income	4,974,592	6,941,868
Sundry Balances written back	1,786,480	-
Total	8,964,533	10,355,366
Note - 19 Changes in Inventory of Finished Goods, Work-In-Progress and Stock-in-Trade		
Closing Stock	5,617,402	16,120,470
Opening Stock	16,120,470	22,332,416
Total	(10,503,067)	(6,211,946)
Note - 20 Employee Benefit Expenses		
Salaries to Employees	15,649,280	11,293,632
Contribution to Provident and other funds	1,035,055	748,834
Staff Welfare Expenses	125,174	113,509
Total	16,809,509	12,155,975
Note - 21 Finance Cost		
Interest Expenses	4,786,557	4,213,465
Total	4,786,557	4,213,465
Note - 22 Depreciation and Amortization Expenses		
Depreciation	3,182,796	3,482,360
Total	3,182,796	3,482,360

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014

(Amount in Rs.)

	As at 31st March, 2014	For the year As at 31st March,
Note - 23 Other Expenses		
Power and Fuel	823,814	690,207
Rent	2,004,563	2,157,168
Insurance	532,704	469,814
Rates and Taxes	81,432	659,136
Bad Debts	-	-
Add: Provision for doubtful debts	3,916,587	2,907,236
Less: Last Year Provision for doubtful debts	(2,907,236)	(36,700,000)
	1,009,351	(33,792,764)
Miscellaneous Expenditure		
C & F Expenses	12,296,178	10,334,458
Postage & Communication Expenses	436,274	309,450
Office Expenses	213,577	174,977
Stationery, Printing, Media Essentials Etc	107,624	232,751
Information Technology Expenses	2,620,258	3,570,972
Professional And Legal Expenses	583,175	262,060
Repairs And Maintenance of Machinery	99,256	79,088
Travel & Conveyance Expenses	4,130,631	2,768,439
Selling & Distribution Expenses		
Freight	2,028,515	2,361,973
Discounts / Commission paid	877,751	174,234
Sales Promotion	33,098	579,234
Discount Due to Rate Difference	5,074,242	-
Business Development Expenses	675,259	121,841
Directors' Sitting Fees	120,000	120,000
Payment To Auditors	161,104	148,824
Recruitment Expenses	292,500	238,922
Training Expenses	316,000	182,502
Other Miscellaneous Expenses	318,248	31,416
Total	34,835,554	(8,125,300)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014.

24. Company was incorporated on 5th February, 2007 and obtained certificate of Commencement of Business on 13th June 2007

24.1 SIGNIFICANT ACCOUNTING POLICIES

A. System of Accounting :

- I. The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
- II. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- III. The Company, generally, follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- IV. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

B. Fixed Assets :

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable cost including borrowing costs of bringing the asset into existence and working condition at the locations for its intended use.

C. Intangible Assets :

Acquisition of the software licenses satisfying the criteria laid down under Accounting Standard 26 is recognized as intangible assets and the relevant disclosure are made in the financial statements and notes to accounts

D. Depreciation :

Depreciation on the fixed assets are provided on "Written Down Value Basis" as per the rates specified in Schedule XIV of the Companies Act, 1956. Proportionate depreciation is charged for additions/deletions during the year. Individual asset costing less than Rs 5000 each is depreciated in full in the year of purchase.

E. Amortization Method :

The useful life of the software license being the class of Intangible assets is estimated at 10 years. Amortization method adopted is straight line method.

F. Investments :

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is recognized if it is other than temporary

G. Inventories :

The Inventories are valued at lower of Cost or Net Realisable value. Inventories are verified, valued and certified by the management.

H. Preliminary Expenses :

Preliminary Expenses is written off over a period of 5 years commencing this from the current accounting period. The expenses pertaining to increase in authorized capital of the Company and allotment of shares have been charged in Profit & Loss Account.

I. Revenue Recognition :

Interest income is recognized on time proportion basis.

Revenue from Sales is recognized when all significant risks and rewards of the ownership have been transferred to buyer. Revenue from Services rendered is recognized on accrual basis as per agreement / arrangement with the parties. Dividend Income is recognized on the basis of the declaration the dividend.

J. Employee Benefits :

- a. **Gratuity:** The Company has provided Gratuity liability as on the date of the Balance sheet which is calculated on the basis of last salary drawn (and not on actuarial valuation,).
- b. **Leave Encashment:** Leave encashment benefit is provided on the basis of actual liability (i.e. Leave entitled) as on Balance sheet date, which is calculated on the basis of last salary / wages drawn.(and not on actuarial valuation,)
- c. **Provident Fund and Other Funds:** The Company's contribution to Provident Fund is charged to Profit and Loss Account.

K. Income Tax :

Tax expense comprises both current and deferred taxes. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

L. Provisions :

A provision is recognised when an enterprise has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability is not recognized in the financial statements but is disclosed.

24.2 CONTINGENT LIABILITY NOT PROVIDED FOR:-

Bank guarantee of Rs 60.00 Lacs in favour of Sandoz Private Limited (P.Y. Rs.50 lacs)

- 24.1 There is no Micro, Small, and Medium Enterprises, to whom the company owes due, which are outstanding for more than 45 days at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

24.2 Payment to Directors :-

Directors' sitting Fees of Rs.1, 20,000/- (P.Y. Rs. 1, 20,000/-) paid to the independent directors during the year.

24.3 Deferred Tax :

The Company has recognized Deferred Taxes which result from the timing difference between the Book Profit/ (Loss) and Taxable Profit / (Loss) for the Financial Year 2013-14 as under:-

- 24.3 There is no Micro, Small, and Medium Enterprises, to whom the company owes due, which are outstanding for more than 45 days at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

24.4 Payment to Directors :-

Directors' sitting Fees of Rs.1, 20,000/- (P.Y. Rs. 1, 20,000/-) paid to the independent directors during the year.

24.5 Deferred Tax :

The Company has recognized Deferred Taxes which result from the timing difference between the Book Profit/ (Loss) and Taxable Profit / (Loss) for the Financial Year 2013-14 as under:-

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

Particulars	Balance as at 31-03-2013	For the year recognized in the Profit & Loss Account	Balance as at 31-03-2014
	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)
Deferred Tax Liabilities: -			
1. Effect of difference in amount of depreciation as per the Companies Act, 1956 and the Income Tax Act, 1961.	44,36,947	(7,74,341)	36,62,606
Deferred Tax Assets : -			
1. Effect of expenditure debited to Profit and Loss Account having reasonable certainty of being allowed in subsequent year as per Income Tax Act , 1961 .	(12,94,295)	(3,86,725)	(16,81 ,020)
Net Amount Deferred Tax Liabilities / (Assets) (Rs.)	31,42,652	(11,61,066)	19,81 ,586

24.1 Earnings Per Share :-

Sl. No.	Particulars	2013-2014	2012-2013
1.	Profit/ (Loss) before Prior Period Item for the Year attributable to Equity Shareholders	Rs. (1,22,16,789)	Rs. 52,61,720
2.	Profit/ (Loss) after Prior Period Item for the Year attributable to Equity Share holders	Rs. (1,22,47,791)	Rs. 46,89,025
3.	Weighted Average No. of Equity Shares of Rs. 10/ - each	1,59,78,880	1,59,78,880
4.	Basic Earnings Per Share Before Prior Period Item	Rs (0.76)	Rs 0.33
5.	Basic Earnings Per Share After Prior Period Item	Rs.(0.77)	Rs.0.29

Determination of Net Profit Attributable to Equity Shareholders

Sl. No.	Particulars	2013-14	2012-13
1.	Profit/ (Loss) for the Year attributable to Shareholders	Rs. (1,22,47,791)	Rs. 46,89,025
2.	Weighted Average Number of Equity Shares of Rs. 10/- each	1,59,78,880	1,59,78,880
3.	Basic Earning Per Share	Rs.(0.77)	Rs.0.29

Determination of Capital for Computation of Basic EPS:

	2013-14	2012-13
Total No. of Equity shares as on beginning of the year	1,59,78,880	1,59,78,880
Total No. of Equity shares issued & allotted during the year	Nil	Nil
Weighted Average Number of Equity Shares	1,59,78,880	1,59,78,880

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

- 24.1 Claims against the Company not acknowledged as Debts : Nil
- 24.2 The balances with parties are subject to confirmation.
- 24.3 Estimated amount of Contracts remaining to be executed on Capital Account and not Provided for – Rs.Nil Lacs (Previous year: Rs. Nil)

24.10 Lease :

Operating Lease - Lessee

Lease payments of Rs. 20, 04, 563/- (P.Y. 21, 57,168/-) has been recognized in the Profit & Loss Account for the year. There is no sub lease payment received or recognized in Profit and Loss account during the year.

24.11 Interest in Joint Venture

The Company has a 50% interest in the assets, liabilities, income and expenses of the AIOCD Pharmasofttech AWACS Private Limited, which is involved in market research and providing of data analysis pertaining to pharmaceutical products. The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity at 31st March 2014 as per unaudited provisional financial statement are as follows:-

Particulars	2013-14 Amt (Rs.)	2012-13 Amt (Rs.)
Assets	3,19,92,226	2,27,26,942
Liabilities	3,19,92,226	2,27,26,942
Revenue	5,86,89,353	3,87,90,002
Depreciation	17,18,725	14,19,459
Other Expenses	5,46,57,462	3,56,29,875
Profit / (Loss) before tax	23,13,166	17,40,668

24.12 Expenditure and Earnings in Foreign Currency :- Nil

24.13 Purchases and Sales:-

Sr. No.	Class of Product	Purchases in Rs. (in Lakhs)		Sales in Rs. (in Lakhs)	
		2013-2014	2012-2013	2013-14	2012-2013
1	Liquids	53.72	36.64	64.67	19.08
2	Tablets	605.16	360.74	693.84	373.91
3	Ointment	16.56	6.95	20.33	5.94
4	Capsules	60.05	36.20	67.11	8.29
5	Drops	3.73	4.84	5.19	5.12
6	Injection	52.79	26.03	58.95	34.03
7	Lotion	-	-	-	-
8	Surgical	-	0.01	-	0.01
9	Powder	-	0.95	0.90	2.04
		792.01	472.36	910.99	431.82

24.12 Payment to Auditors :-

Particulars		2013-14 Amt. (Rs.)	2012-13 Amt (Rs.)
a)	As Auditor	82,082	74,621
b)	As Adviser, or other capacity, in respect of :-		
i)	Taxation Matters	82,082	74,621
ii)	Other Services	-	-
c)	Reimbursement of Expenses	15,000	16,000

Note: - Above amount is inclusive of Service Tax.

24.12 Previous Year Comparatives

Previous year's figures have been regrouped where necessary to conform to the current years Classification.

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

24.12 Related Party Transactions:-

Particulars	Joint Venture		Enterprises that have a member of key management in common		Total	
	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
Face Value of the Fixed Deposits under encumbrance for guaranteeing Loan/Borrowing	0.00	0.00	400.00	0.00	400.00	0.00
Outstanding amount including interest of the Loan/Borrowing obtained by the Company by providing the lien on the Fixed Deposits of the Related Party	0.00	0.00	499.78	0.00	499.78	0.00
Refund of share application money recd	-	-	-	-	-	-
Interest Income	-	18.22	-	-	-	18.22
Payment made on our behalf	-	-	0.20	6.15	0.20	6.15
Payment made on their behalf	-	-	39.00	1.60	39.00	1.6
Payment recd on their behalf	-	-	28.64	7.76	28.64	7.76
Payment recd on our behalf	-	-	2.26	-	2.26	-
Expenses incurred on their behalf	-	-	-	0.01	-	0.01
Advance Paid	-	-	-	8.00	-	28.00
Advance Received	-	-	-	8.00	-	28.00
Payment Made	-	-	-	-	20.00	-
Payment Received	-	-	-	-	75.50	-
Rent expenditure	-	-	17.46	17.46	17.46	17.46
Service charges received for utilization IT environment	-	-	10.37	16.49	10.37	16.49
Management Fees	-	-	45.52	42.28	45.52	42.28
Promotional Income	260.29	37.99	-	-	260.29	37.99
Reimbursement of expenses incurred	-	-	12.59	9.72	12.59	9.72
Commission expense	-	-	-	-	-	-
Consignment sale	-	-	-	-	-	-
Sale of Asset	-	-	7.34	-	7.34	-
Purchase of Material	-	-	94.01	-	94.01	-
Sale of material	-	-	209.87	276.43	209.87	276.43
Balance Outstanding as on year end Receivable/(payable)	257.29	79.28	(145.86)	(38.33)	111.43	40.95

Names of related parties and description of relationship:

Relationship	Name of the Related Party
Joint Venture	AIOCD Pharmasofttech AWACS Pvt. Ltd.
Enterprises that have a member of key management in common with the reporting enterprise.	Maharashtra Safe Chemist and Distributors Alliance Limited.

24.17 Prior period item for the year is Rs.31,002/- (P.Y.5,72,695/-)

As per our attached report of even date

For P.H.Sanghavi & Co.

Chartered Accountants

Sd/-

Pankaj Sanghavi

Proprietor

Membership No.: 41290 FRN :- 109111W

Date : 3rd September, 2014 Place : Mumbai

For and on behalf of the Board

Sd/-

Jagannath S. Shinde

Chairman & Managing Director

Sd/-

Manoj Gajendragadkar

CFO

Sd/-

Suvarna Shukla

Company Secretary



ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LTD.

Registered office: - 6th Floor, Corporate Park II , V.N. Purav Marg, Chembur, Mumbai 400 071

ATTENDANCE SLIP

8th Annual General Meeting-30th September 2014 on Tuesday, at 12.30 P.M.

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Regd. Folio No:- _____
No. of Shares held :- _____
Name and Address of the Shareholder:- _____ _____

I hereby record my presence at the **EIGHTH ANNUAL GENERAL MEETING** of the Company held at Matunga Gujarati Club Limited, 4 Nathalal Parekh Marg, Near Arora Cinema, Matunga Central Railway, Matunga(East), Mumbai – 400 019

Signature of Shareholder / Proxy

NOTE: - 1. Member/ Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting.
2. Member/Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

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ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LTD.
Registered office: - 6th Floor, Corporate Park II , V.N. Purav Marg, Chembur, Mumbai 400 071

PROXY FORM 8th Annual General Meeting-30th September 2014 on Tuesday, at 12.30 P.M.

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) :
Registered address :
E-mail Id :
Folio No. / Client ID No. :
DP ID No.

I / We, being the member(s) of Shares of All Indian Origin Chemist & Distributors Limited, hereby appoint

1. Name:
E-mail Id:
Address:
.....

Signature:

or failing him

2. Name:
E-mail Id:
Address:
.....

Signature:

or failing him

3. Name:
E-mail Id:
Address:
.....

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the eighth Annual General Meeting of the Company to be held on Tuesday, September 30, 2014 at 12.30 p.m. Matunga Gujarati Club Limited, 4 Nathalal Parekh Marg, Near Arora Cinema, Matunga Central Railway, Matunga(East), Mumbai – 400 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2014.
2. Re-appointment of Mr. R.B. Puri as a Director of the Company.
3. Appointment of Auditors.
4. Appointment of Mr. Devesh Pathak as an Independent Director.
5. Appointment of Mr. Sumanta Choudhury as an Independent Director.
6. Creation of charges on the assets of the company
7. To Approve the Borrowing Limits of the Company
8. Approval of- Leave and License Agreement
9. Approval of - Expense Sharing Agreement
10. Approval of Operations Agreement

Signed this day of 2014

Signature of shareholder..... Signature of Proxy holder(s).....

Affix a Revenue Stamp of Re 1/-
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NOTES: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.