

# All Indian Origin Chemists & Distributors Limited



**AIOCO**

3rd Annual Report  
2008 - 2009

# AIOCD COLD CHAIN MANAGEMENT WAREHOUSE AT INDORE



## COMPANY INFORMATION

### BOARD OF DIRECTORS

MR. JAGANNATH S. SHINDE	CHAIRMAN CUM MANAGING DIRECTOR
MR. VINAY S. SHHOFF	DIRECTOR
MR. PARSAN KUMAR SINGH	DIRECTOR
MR. ARULKUMAR MANICKAM	DIRECTOR
MR. JASHWANT P. PATEL	DIRECTOR
MR. DEVESH A. PATHAK	DIRECTOR
MR. GOUTAM CHAND DHING	DIRECTOR
MR. RAVINDRAM. SAVANT	DIRECTOR
MR. RAVI BHUSHAN PURI	DIRECTOR

## CORPORATE INFORMATION

### AUDITORS

**P.H. SANGHAVI & CO.**  
*Chartered Accountants*  
4/95, Nityanand Nagar No. IV,  
Swami Nityanand Marg,  
Opp. Andheri Station (East),  
Mumbai – 400 069.

### SOLICITORS & ADVOCATES:

**YUSUFS & ASSOCIATES**

### PRINCIPAL BANKERS

**BANK OF INDIA**

### 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 Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai – 400 078.  
Tel. (022) – 2565 3838  
Email : [www.linkintime.co.in](http://www.linkintime.co.in)

### COMPANY SECRETARY

Mr. Suhas S. Borgaonkar

## NOTICE

NOTICE is hereby given that the Third Annual General Meeting of ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED will be held on Tuesday, the 29th day of September, 2009 at 5.30 p.m. at Kohinoor Mangal Karyalay, Kohinoor Park, Opp. Dadar Railway Station, Dadar (East), Mumbai – 400 014, to transact the following business:

**I. ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended March, 31, 2009 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Parsan Kumar Singh, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Arulkumar Manickam, who retires by rotation and, being eligible, offers himself for re-appointment.
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 Section 224 of the Companies Act, 1956, M/s P.H. Sanghavi & Co., Chartered Accountants, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on a remuneration to be fixed by the Board of Directors of the Company."

**II. SPECIAL BUSINESS:**

5. To consider and, if thought fit, to pass, with or without modification(s) if any, the following as an Ordinary Resolution:  
**"RESOLVED THAT** Shri Goutam Chand Dhing who was appointed as Additional Director by the Board to hold office up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and being eligible offers himself for appointment and in respect of whom a Notice under section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose, Shri Goutam Chand Dhing as a candidate for the office of the Director be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation."
6. To consider and, if thought fit, to pass, with or without modification(s) if any, the following as an Ordinary Resolution:  
**"RESOLVED THAT** Shri Ravindra Manohar Savant who was appointed as Additional Director by the Board to hold office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and being eligible offers himself for appointment and in respect of whom a Notice under section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose, Shri Ravindra Manohar Savant as a candidate for the office of the Director be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation."
7. To consider and, if thought fit, to pass, with or without modification(s) if any, the following as an Ordinary Resolution:  
**"RESOLVED THAT** Shri Ravi Bhushan Puri who was appointed as Additional Director by the Board to hold office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and being eligible offers himself for appointment and in respect of whom a Notice under section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose, Shri Ravi Bhushan Puri as a candidate for the office of the Director be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation."
8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution  
**"RESOLVED THAT** consent of the Company be and is hereby granted in terms of Section 293(1) (a) and all other applicable provisions, if any of the Companies Act, 1956 to the Board of Directors to Mortgage / Hypothecate / Create Charge, in such form and manner and with such ranking and at such time and on such terms as the Board may determine on all or any of the moveable and / or immoveable properties of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company in favour of the Banks, Financial Institutions, Bodies Corporate, Persons or any other Lending Institutions whether situated in India or abroad, agents and / or trustees for securing any Loans, Advances, Working Capital Facilities, Bill Discounting, or any other financial assistance, together with interest, further interest thereon, all other cost, charges and expenses payable by the Company, in terms of Section 293(1)(d) of the Companies Act, 1956, upto an amount not exceeding at any time, the aggregate of the paid up Capital of the Company and its free reserves ( that is to say reserves not set apart for any specific purpose) by a sum not exceeding five times of the paid up capital of the Company and its free reserves and the documents be finalized and executed by the Company in their favour and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors and the lenders / Trustees".
9. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution  
**"RESOLVED THAT** approval, be and is, hereby accorded to the amendment by way of insertion of new sub – clause 93 in Clause III C of the Memorandum of Association as follows:  
 (a) To carry on in India or elsewhere the business of developers, builders, contractors, designers, architects, decorators, furniture and constructions and brokers of all types of infrastructural facility including roads, dams, bridges, canals, and

buildings and structures including house, flats, apartments, offices, godowns, holiday resorts, shopping cum residential complexes, and to develop, erect, install, alter, improve, add, establish, recondition, protect, enlarge, repair, demolish, remove, replace, maintain, buy, sell, lease, let on hire, commercialize, handle and control all such infrastructure.

- (b) To purchase, exchange or otherwise acquire and develop or sub-let, lease or maintain real and personal property of all kinds.
- (c) To purchase, acquire, develop, consolidate, sub-divide, sub-let, lease, (properties including land whether for agricultural/non-agricultural/commercial, industrial or other purpose) in order to sell or otherwise dispose off the estate for purpose of resale/realization or otherwise.
10. To consider and if thought to pass with or without modification(s), following resolution as a Special Resolution:

**"RESOLVED THAT** the consent of the Company be and is, hereby accorded pursuant to section 149(2A) and other provisions applicable, if any of the Companies Act, 1956 to the commencement of all or any of the business specified in sub clause 93 of clause III C (other objects) of the Memorandum of Association of the Company."

By Order of the Board of Directors

**Registered Office:**

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

Sd/-  
(Jagannath S. Shinde)  
CHAIRMAN

Place : Mumbai

Date : 2nd September, 2009

**NOTES:**

1. The relative Explanatory statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/ proxies are requested to bring their Attendance Slip along with their copy of Annual Report to attend the Annual General Meeting.
5. 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.
6. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificate to the Company at 6th Floor, Corporate Park – II, V.N. Purav Marg, Chembur, Mumbai – 400 071 for consolidation into a single folio.
7. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days in advance of Annual General Meeting so as to enable the management to keep the information available at the Meeting.
8. Members are requested to immediately intimate the change, if any, to the registered office.

**Explanatory statement pursuant to the provisions of section 173 (2) of the Companies Act, 1956**

**ITEM NO. 5**

To broad base the Board of directors, Shri Goutam Chand Dhing, was appointed by the Board as an Additional Director in the category of Non-Executive Director of the Company w.e.f. 10th February, 2009 to hold office till the date of the ensuing Annual General Meeting.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Director of the Company. Shri Goutam Chand Dhing, having vast knowledge and experience in the field of Pharma Industry in distribution channel system, will be of immense benefit to the Company. The Board recommends for the appointment of Shri Goutam Chand Dhing as Director of the Company and proposes to pass the resolution as set out in item No. 5 of the Notice as an Ordinary Resolution. Except, Shri Goutam Chand Dhing, none of the directors of the Company are interested or concerned in the resolution. Your Directors recommend this resolution for your approval.

**ITEM NO. 6**

In order to have Independent Director on the Board, Shri Ravindra Manohar Savant, was appointed by the Board as an Additional Director w.e.f. 30th July, 2009 to hold office till the date of the ensuing Annual General Meeting.

The Company has received a notice under section 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Director of the Company. Shri Ravindra Manohar Savant, a Chartered Accountant having vast knowledge and experience in the field of Finance, will be of immense benefit to the Company. The Board recommends for the appointment of Shri Ravindra Manohar Savant as Director of the Company and proposes to pass the resolution as set out in item No. 6 of the Notice as an Ordinary Resolution. Except, Shri Ravindra Manohar Savant, none of the directors of the Company are interested or concerned in the resolution. Your Directors recommend this resolution for your approval.

**ITEM NO. 7**

To broad base the Board of directors, Shri Ravi Bhushan Puri, was appointed by the Board as an Additional Director in the category of Non-Executive Director of the Company w.e.f. 30th July, 2009 to hold office till the date of the ensuing Annual General Meeting.

The Company has received a notice under section 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Director of the Company. Shri Ravi Bhushan Puri, having vast knowledge and experience in the field of Pharma Industry in distribution channel system, will be of immense benefit to the Company. The Board recommends for the appointment of Shri Ravi Bhushan Puri as Director of the Company and proposes to pass the resolution as set out in item No. 7 of the Notice as an Ordinary Resolution. Except, Shri Ravi Bhushan Puri, none of the directors of the Company are interested or concerned in the resolution. Your Directors recommend this resolution for your approval.

**ITEM NOS. 8**

As per the last Annual General Meeting of the Company held on 30<sup>th</sup> September, 2008 and Pursuant to Section 293 (1)(d) of the Companies Act, 1956, the consent of the members is already sought to borrow exceeding the aggregate sum of paid up capital and Free Reserves by a sum not exceeding five times of the paid up capital of the Company and its free reserves

Moreover, borrowing from banks, FIs, FIIs, International lenders etc. are generally available only if they are secured by moveable and / or immoveable properties. It would also necessitate approval of members by way of Ordinary Resolution pursuant to Section 293 (1) (a) of the Companies Act, 1956.

Hence, your Directors seek your approval by way of Ordinary Resolution to the Resolutions as set out in item No. 8 of the accompanying notice.

No Director shall be deemed to be interested or concerned in the Resolution.

**ITEM NO. 9**

By keeping in view future developments of the Company and betterment of the Company, your Directors have thought fit to embark in the business of real estate. This business can be conveniently carried on with the existing business of the Company. Accordingly, the Company seeks to adopt the objects stated in the resolution. It would necessitate insertion of new object as set out in the accompanying resolution.

Aforesaid alteration in the objects clause can be made with the approval of members by way of special resolution. Hence, your Directors seek your approval to the resolution as set out in item No. 9 of the accompanying notice by way of special resolution.

No Director shall be deemed to be interested or concerned in the Special Resolution.

**ITEM NO. 10**

As you are aware, insertion of new object as stated above in the Memorandum of Association of the Company is proposed.

In order to commence the aforesaid business, your approval by Special resolution pursuant to section 149(2A) of the Companies Act, 1956 would be necessary.

Hence, your Directors solicit your approval to the resolution as set out in the item no. 10 of accompanying notice by way of Special Resolution.

No Director shall be deemed to be interested or concerned in the resolution.

**By Order of the Board of Directors**

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

Sd/-  
(Jagannath S. Shinde)  
CHAIRMAN

Place : Mumbai  
Date : 2nd September, 2009

**DIRECTORS' REPORT**

To,

Dear Members,

Your Directors are pleased to present the 3<sup>rd</sup> Annual Report together with the audited accounts of the Company for the year ended 31st March, 2009.

**Financial Results**

The financial performance of the Company for the financial year ended March 31st, 2009 is summarized below:

(Rs. in Lacs)

	2008-2009	2007-2008
<b>Total Income (including variation in inventories)</b>	<b>943.78</b>	<b>45.07</b>
Total Expenses	1073.89	486.89
<b>Profit/ (Loss) Before Tax</b>	<b>(130.11)</b>	<b>(441.82)</b>
Less: Provision for Taxation	0	0
Less: Provision for FBT	3.60	0.15
Add:- Deferred tax assets	(27.69)	3.02
<b>Profit / (Loss) After Tax for the year</b>	<b>(161.40)</b>	<b>(438.95)</b>
Add: Amount b/f from previous year	(439.06)	(0.11)
<b>Amount available for appropriation</b>	<b>0</b>	<b>0</b>
<b>Balance carried to Balance Sheet</b>	<b>(600.46)</b>	<b>(439.06)</b>

**Dividend**

No dividend is being recommended by the Directors for the year 2008-09 in view of the reported loss during the year.

**Business Operations :**

During the year turnover of the Company increased from Rs. 45.07 Lacs to Rs. 943.78 Lacs. Further the loss before tax has also decreased from Rs. 441.82 Lacs to Rs. 130.17 Lacs in the Current Year.

Your Company was the logistic facilitator for a reputed large pharma Company. In addition, Company has taken C & F Agency and Consignee agencies for other pharma manufacturers.

Your Company has taken initiatives in giving systematic training to retailers at various levels in order to facilitate Company's organized Pharma retail chain.

Considering the market situation and various initiatives taken by the management, your Directors expect substantial improvement in the business and in profitability of the Company for the Current year.

**Deposits**

During the financial year 2008-09, your Company has not accepted any deposits from the public.

**Directors**

Mr. Parsan Kumar Singh and Mr. Arulkumar Manickam, Directors retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. Mr. Goutam Chand Dhing, Mr. Ravindra Manohar Savant and Mr. Ravi Bhushan Puri who were appointed as additional Directors hold office upto the forthcoming Annual General Meeting and who have given their consent in writing are proposed to be appointed as Directors pursuant to Section 256 of the Companies Act, 1956 liable to retire by rotation.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Directors confirm, to the best of the knowledge and belief, that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departure has been made for the same;

- b) appropriate accounting policies have been selected and applied consistently, and such judgement and estimates have been made 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, 2009 and of the loss of the Company for the year 31st March, 2009.
- c) proper and sufficient care has been taken 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 accounts for the financial year ended March 31, 2009 on a going concern basis.

#### **Audit Committee**

Audit Committee comprises of Mr. Ravindra M. Savant as a Chairman including other members viz. Mr. Devesh A. Pathak and Mr. Jagannath. S. Shinde, Chairman cum Managing Director.

#### **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 reappointment.

The Company has received letters from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 224 & 226 of the said Act, as also indicated their willingness to be reappointed.

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

#### **Auditors' Report**

Pursuant to the requirement under Section 217(3) of the Companies Act, 1956, the Directors state that:

Refer Point no. ix (a) & (b) to the Annexure to the Auditor's report:

As the Company was in its initial stages and was not manned by adequate personnel, was not so regular in depositing the statutory dues.

Refer Point no. vii to the Annexure to the Auditor's report:

The Company is in the process of appointing Internal Auditor for Internal Audit systems.

Refer Point no.4 to the Auditor's Report:

The Company was in the process of recruitment of Whole-time Company Secretary and has now appointed the Whole-time Company Secretary.

#### **Particulars of Employees:**

Your Company had two employees who were in receipt of remuneration of not less than Rs. 24,00,000/- during the year or Rs. 2,00,000/- per month during any part of the year. However as per the provision of Section 219(1)(b)(iv) of the Companies Act, 1956, the reports and accounts are being sent to all the shareholders of the Company excluding the statement of particulars of employees. Any Shareholder interested in obtaining a copy may write to the Company.

#### **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 take this opportunity to express their gratitude for the excellent assistance and co-operation received from the Company's clients, vendors, business associates and bankers. Your Directors place on record their appreciation to the continued team spirit and enthusiasm shown by the officers and staff of the Company. The Company's consistent performance was made possible by their hard work, solidarity, co-operation and support.

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

**Place : Mumbai  
Date : 2nd September, 2009**

**Sd/-  
(Jagannath S. Shinde)  
CHAIRMAN**



**AUDITOR'S REPORT**

The Members of **All Indian Origin Chemists & Distributors Limited**

1. We have audited the attached Balance Sheet of **All Indian Origin Chemists & Distributors Limited**, as at 31st March 2009, the Profit and Loss Account for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 test basis, evidence supporting the amounts and disclosure in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above and **subject to the fact that the Company has not appointed a whole time Company Secretary as required under section 383A of the Companies Act, 1956** we report that:
  - (i) 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;
  - (ii) In our opinion, proper books of accounts as required by the law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Profit and Loss Account dealt with by this report are in the agreement with the books of accounts;
  - (iv) In our opinion, Balance Sheet, Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representation received from the directors, as on 31st March 2009 and taken on the record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
  - (vi) In the absence of the notification in the official gazette of the Central Government, the Company has not made any provision for cess payable under section 441A of the Companies Act, 1956. As per the explanations given to us, the required provision for cess payable shall be made in accordance with the notification, as and when issued by the Central Government in its official gazette.
  - (vii) In Our Opinion and to the best of our information and according to the explanation given to us the said financial statements read together with the other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
    - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date;

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

**Pankaj Sanghavi**  
**Proprietor**  
**Membership No. :- 41290**

**Place : Mumbai**  
**Date : 02-09-2009**

## 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.
- (c) In our opinion and according to the information and explanation given to us, the Company has not disposed off any major part of the fixed assets during the period.
- (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 reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory. In our opinion and according to the information and explanation given to us, material discrepancy noticed on physical verification has been properly dealt with in the books of account.
- (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 explanations given to us, there are adequate internal control procedures 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 does not have internal audit system which is required as the Company's capital and reserves exceed Rs. 50 lacs as at the commencement of the accounting period.**
- (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 not so regular in depositing with appropriate authorities undisputed statutory dues pertaining to Income Tax applicable to it. The penalty, if any, under the relevant act is not quantified and provided for.**

- (b) In our opinion and according to the information and explanation given to us, there are 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 2009 except for Tax Deducted at Source and payable amounting to Rs 1680/- for the period of more than six months from the date they became payable.
- (c) In our opinion and according to the information and explanation given to us, there are no dues of income tax, sales tax, cess which have not been deposited on account of any dispute.
- (x) In our opinion and according to the information and explanation given to us, the Company is registered for the period of less than five years; Therefore in our opinion, the clause 4(x) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (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

Pankaj Sanghavi  
Proprietor  
Membership No.41290

Place : Mumbai

Date : 02-09-2009

## BALANCE SHEET AS AT 31ST MARCH, 2009

(Amount in Rs.)

	Schedules	As at 31st March, 2009	As at 31st March, 2008
<b>SOURCE OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	1	159,788,800	129,839,200
Share Application money pending allotment		-	19,319,460
Reserves and Surplus		-	-
		<b>159,788,800</b>	<b>149,158,660</b>
<b>LOANS</b>			
Secured Loans	2	8,693,841	-
Unsecured Loans		-	-
<b>DEFERRED TAX LIABILITY</b>			
	3	<b>2,460,174</b>	-
<b>TOTAL</b>			
		<b>170,942,815</b>	<b>149,158,660</b>
<b>II APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
<b>Tangible Assets</b>			
Gross Block	4	9,870,503	296,052
Less: Depreciation		2,786,723	47,717
Net Block		<b>7,083,780</b>	<b>248,335</b>
Capital Work in Progress		256,976	5,629,901
		<b>7,340,756</b>	<b>5,878,236</b>
<b>Intangible Assets</b>			
	5	14,842,544	-
<b>INVESTMENTS</b>			
	6	35,250,000	9,750,000
<b>DEFERRED TAX ASSETS</b>			
	3	-	308,440
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
<b>Current Assets</b>			
Sundry Debtors	7	7,587,462	-
Inventories		9,486,042	-
Cash & Bank Balance		49,483,489	98,744,337
<b>Loans and Advances</b>			
	8	13,628,165	2,612,062
		<b>80,185,158</b>	<b>101,356,399</b>
<b>Less: CURRENT LIABILITIES &amp; PROVISIONS</b>			
	9	26,048,833	12,054,111
Current Liabilities		694,291	15,522
Provisions		-	-
		<b>26,743,124</b>	<b>12,069,633</b>
Net Current Assets		<b>53,442,034</b>	<b>89,286,766</b>
<b>MISCELLANEOUS EXPENDITURE</b>			
Preliminary Expenses (to the extent not written off)	10	21,761	29,015
<b>PROFIT &amp; LOSS ACCOUNT</b>			
		60,045,720	43,906,203
<b>TOTAL</b>			
		<b>170,942,815</b>	<b>149,158,660</b>
<b>NOTES TO THE ACCOUNTS</b>			
	11		

The Schedules 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

For and on behalf of the Board of Directors

Pankaj Sanghavi  
Proprietor  
Membership No.: 41290

Jagannath S. Shinde  
Chairman cum Managing Director

Parsan K. Singh  
Director

Suhas Borgaonkar  
Company Secretary

Date : 2nd September, 2009  
Place : Mumbai

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH 2009**

(Amount in Rs.)

DESCRIPTION	Schedules	Year ended 31.03.09	Year ended 31.03.08
<b>INCOME</b>			
Sales		56,090,689	-
Commission Income		19,848,178	-
Other Income	A	8,953,137	4,507,324
Variation in Inventories	B	9,486,042	-
		<b>94,378,046</b>	<b>4,507,324</b>
<b>EXPENDITURE</b>			
Net Purchases	C	57,174,431	-
Personnel Expenses	D	11,476,083	2,072,139
General and Administration Expenses	E	34,078,304	46,562,349
Interest Expenses		264,699	-
Depreciation of Fixed Assets	4	2,739,006	47,717
Amortisation of Intangible Assets	5	1,649,172	-
Preliminary Expense written off	10	7,254	7,254
		<b>107,388,949</b>	<b>48,689,459</b>
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>(13,010,903)</b>	<b>(44,182,135)</b>
<b>Less:- Provisions</b>			
Provision for Taxation		-	-
Provision for FBT		360,000	15,522
<b>Add:-</b>			
Deferred Tax Assets / (Liability) (net)		(2,768,614)	302,666
<b>PROFIT / (LOSS) AFTER TAX</b>		<b>(16,139,517)</b>	<b>(43,894,991)</b>
Net Profit/ (Loss) Brought forward from Earlier Years		(43,906,203)	(11,212)
<b>Appropriation:-</b>			
Profit / (Loss) to be Carried Forward		<b>(60,045,720)</b>	<b>(43,906,203)</b>
Earning Per Share (Refer Item No. 6 of Schedule 11)		(1.14)	(11.78)
<b>NOTES TO THE ACCOUNTS</b>	11		

The Schedules referred to above are an integral part of the Profit & Loss Account  
As per our attached report of even date

For P.H.Sanghavi & Co.  
Chartered Accountants

For and on behalf of the Board of Directors

Pankaj Sanghavi  
Proprietor  
Membership No.: 41290

Jagannath S. Shinde  
Chairman cum Managing Director

Parsan K. Singh  
Director

Date : 2nd September, 2009  
Place : Mumbai

Suhas Borgaonkar  
Company Secretary

## SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rs.)

		As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE -1 SHARE CAPITAL</b>			
<b>Authorised</b>			
2,00,00,000 (Previous Year : 2,00,00,000 ) Equity Shares of Rs10/- each		200,000,000	200,000,000
		200,000,000	200,000,000
<b>Issued, Subscribed, Called up &amp; Paid up</b>			
<b>Equity Shares</b>			
1,59,78,880 Equity Shares of Rs 10 each Fully Paid in Cash (Previous Year : 1,29,83,920 Equity Shares of Rs 10 each Fully Paid in Cash)		159,788,800	129,839,200
		159,788,800	129,839,200
<b>SCHEDULE - 2 SECURED LOAN</b>			
Loan from Bank (Secured against Fixed Deposits with Bank)		8,693,841	-
		8,693,841	-
<b>SCHEDULE -3 DEFERRED TAX ASSETS / (LIABILITIES)</b>			
<b>Deferred Tax Assets</b>			
Effect of expenditure debited to Profit and Loss Account having reasonable certainty of being allowed in subsequent year as per Income Tax Act, 1961.	262,571		334,386
		262,571	334,386
<b>Less :- Deferred Tax Liabilities</b>			
Effect of difference in amount of depreciation as per the Companies Act, 1956 and the Income Tax Act, 1961.	(2,722,745)		25,946
		(2,722,745)	25,946
(Effective Tax Rate taken as 33.99%)			
<b>Total Deferred Tax Assets / ( Liabilities)</b>		<b>(2,460,174)</b>	<b>308,440</b>

**ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED**  
**SCHEDULE: 4- TANGIBLE FIXED ASSETS**

Particulars	Gross Block			Depreciation			Net Block		
	Opening Balance as on 1.4.2008	Additions during the Year	Sale / Deduction	Closing Balance as on 31.3.2009	Opening Balance as on 1.4.2008	Depreciation during the Year	Provision on the Sale of Assets	Closing as on 31.3.2009	Closing as on 31.3.2008
Computers	296,052	9,179,848	-	9,475,900	47,717	2,608,972	-	6,819,211	248,335
Software	-	363,001	-	363,001	-	128,095	-	234,906	-
Office Equipment	-	31,602	-	31,602	-	1,939	-	29,663	-
<b>TOTAL</b>	<b>296,052</b>	<b>9,574,451</b>	<b>-</b>	<b>9,870,503</b>	<b>47,717</b>	<b>2,739,006</b>	<b>-</b>	<b>7,083,780</b>	<b>248,335</b>
Previous Year	-	296,052	-	296,052	-	47,717	-	248,335	-

Particulars	Opening Balance as on 1.4.2008	Addition	Converted In to Assets/ Disposed off	Balance at the End of the Year 31.3.2009
Capital Work in Progress including Capital Advance Previous Year	5,629,901	256,976	5,629,901	256,976
		5,629,901		562,901

**SCHEDULE: 5- INTANGIBLE ASSETS**

Particulars	Gross Block			Amortisation			Net Carrying Value		
	Opening Balance as on 1.4.2008	Additions during the Year	Sale / Deduction	Closing Balance as on 31.3.2009	Opening Balance as on 1.4.2008	Amortisation during the Year	Provision on the Sale of Assets	Closing as on 31.3.2009	Closing as on 31.3.2008
SAP Licence	-	16,491,715	-	16,491,715	-	1,649,172	-	14,842,544	-
<b>TOTAL</b>	<b>-</b>	<b>16,491,715</b>	<b>-</b>	<b>16,491,715</b>	<b>-</b>	<b>1,649,172</b>	<b>-</b>	<b>14,842,544</b>	<b>-</b>
Previous Year	-	-	-	-	-	-	-	-	-

## SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rs.)

		As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE - 6 INVESTMENTS</b>			
<b>Long Term Investments (At Cost)</b>			
<b>A. Trade Investments (unquoted)</b>			
5,40,000 (P.Y. 5,40,000) Equity shares of Rs.10/- each fully paid up in Maharashtra Safe Chemists & Distributors Alliance Limited.		5,400,000	5,400,000
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 & Distributors Alliance Limited.		4,300,000	4,300,000
<b>B. Investment in Joint Venture</b>			
5,000 (P.Y. 5,000) Equity shares of Rs.10/- each fully paid up in AIOCD Pharmasofttech AWACS Pvt. Ltd.		50,000	50,000
Share Application Money Pending for Allotments with AIOCD Pharmasofttech AWACS Pvt. Ltd.		25,500,000	-
		<b>35,250,000</b>	<b>9,750,000</b>
<b>SCHEDULE - 7 CURRENT ASSETS</b>			
<b>Sundry Debtors</b>			
( All considered good )			
Exceeding 6 months			
Debtors others	7,587,462	7,587,462	-
<b>Stock in trade</b>			
(As physically taken valued and certified by the management)		9,486,042	-
<b>Cash &amp; Bank Balance</b>			
Cash on Hand	49,558		89,567
Balance with Schedule Bank			
-In current accounts	7,239,335		(1,768,477)
-In Deposit accounts	42,194,596		100,423,247
		49,483,489	98,744,337
Total Current Assets		<b>66,556,993</b>	<b>98,744,337</b>



## SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rs.)

		As at 31st March, 2009	As at 31st March, 2008
<b><u>SCHEDULE -8 LOANS AND ADVANCES</u></b>			
<u>Unsecured, considered good</u>			
Advances receivable in cash or in kind or for the value to be received		8,693,235	1,686,710
Advance to Suppliers		57,687	-
Security Deposits		300,000	-
Advance Income Tax including TDS receivable		4,577,243	925,352
Total Loans and Advances		<b>13,628,165</b>	<b>2,612,062</b>
<b>TOTAL</b>		<b>80,185,158</b>	<b>101,356,399</b>
<b><u>SCHEDULE -9 CURRENT LIABILITIES &amp; PROVISIONS</u></b>			
<b><u>Current Liabilities:-</u></b>			
<u>Sundry Creditors</u>			
Creditors for Capital Goods		-	5,629,322
Creditors for Expenses		17,290,587	4,695,426
Creditors for Goods		5,054,854	-
Duties and Taxes		3,679,712	1,729,363
Advance from Customers		23,680	-
Total Current Liabilities		<b>26,048,833</b>	<b>12,054,111</b>
<b><u>Provisions</u></b>			
Provision For Leave Encashment		318,769	-
Provision For Taxation		-	-
Provision for FBT		375,522	15,522
Total Provisions		<b>694,291</b>	<b>15,522</b>
<b>TOTAL</b>		<b>26,743,124</b>	<b>12,069,633</b>
<b><u>SCHEDULE -10 PRELIMINARY EXPENSES</u></b>			
Preliminary Expenses	29,015		36,269
Less : 1/5 written off during the Year	7,254		7,254
		21,761	29,015
<b>TOTAL</b>		<b>21,761</b>	<b>29,015</b>

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

	Year ended 31.03.09	Year ended 31.03.08
<b>SCHEDULE A- OTHER INCOME</b>		
Service Charges on Information Technologies	3,809,000	-
Interest Income (TDS Rs. 9,46,809/- (P.Y. TDS Rs.9,25,352/-))	4,558,053	4,507,324
Dividend received from Trade Investment	560,000	-
Miscellaneous Income	26,084	-
	<b>8,953,137</b>	<b>4,507,324</b>
<b>SCHEDULE B- VARIATION IN INVENTORIES</b>		
Closing Stock in Trade	9,486,042	-
Less: - Opening Stock in Trade	-	-
	<b>9,486,042</b>	<b>-</b>
<b>SCHEDULE C- PURCHASES</b>		
Purchases	57,186,246	-
Less: - Cost of Inventories Damaged / Lost in Transit	11,815	-
	<b>57,174,431</b>	<b>-</b>
<b>SCHEDULE D-PERSONNEL EXPENSES</b>		
Salaries and Allowances	9,975,535	1,285,000
Employer's Contribution to Provident Fund	444,673	-
Recruitment Expenses	552,231	786,520
Leave Encashment	318,769	-
Staff Welfare	184,875	619
	<b>11,476,083</b>	<b>2,072,139</b>

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

	Year ended 31.03.09	Year ended 31.03.08
<b>SCHEDULE E- GENERAL AND ADMINISTRATION EXPENSES</b>		
<i>Auditor's Remuneration</i>		
<i>Statutory Audit Fees</i>	150,000	168,540
<i>Tax Audit Fees</i>	75,000	-
<i>Vat Audit fees</i>	75,000	-
Bank Charges and Commission	105,626	157,942
Books & Periodicals	22,152	-
Business Promotional Expenses	1,756,802	6,742
Business Model Development Expenses	16,489,908	42,762,023
Clearing and Forwarding Charges	1,055,025	-
Brokerage & Commission	6,302,534	-
Conveyance	116,488	-
Director sitting fees	20,000	-
Discounts and Rebate	49,178	-
Diwali Expenses	122,625	-
Electricity Expenses	354,435	-
Freight charges	310,534	-
Insurance Expenses	29,378	-
Membership & Subscriptions	1,500	831
Miscellaneous Expenses	22,686	-
Office Expenses	87,313	200,000
Office Rent	1,424,279	-
Postage & Telegram	62,560	83,603
Printing & Stationery	221,772	151,940
Professional Fees	2,596,619	593,176
Professional Tax	2,500	5,000
Rent, Rates & Taxes	18,413	-
Repairs & Maintenance	86,008	-
Roc Filing Fees	27,722	1,090,000
Software Consultancy Charges	2,275,088	200,000
Stamp Duty	-	560,540
Telephone and Communication Charges	88,946	10,108
Travelling Expenses	128,213	571,904
	<b>34,078,304</b>	<b>46,562,349</b>

**SCHEDULE '11':****NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2009.**

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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY.****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 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. Depreciations :**

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 are 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.

**H. Preliminary Expenses :**

Preliminary Expenses is written off over a period of 5 (Five) 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.

The Revenue from Sales is recognized when all significant risks and rewards of the ownership have been transferred to buyer.

Revenue from commission income is recognized on accrual basis as per agreement with the parties.

Revenue from service charges of information technologies service is recognized on accrual basis as per agreement with the parties.

**J. Employee Benefits :**

- a. **Gratuity:** The Company has not provided any Gratuity liability as on the date of the Balance sheet as none of the employee is in the service with the Company for the period of 5 years or more.
- b. **Leave Encashment:** Leave encashment benefit is provided on the basis of actual liability (i.e. Leave entitled) as on Balance sheet date, (and not on actuarial valuation,) which is calculated on the basis of last salary / wages drawn.
- 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 event; 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.

**2. CONTINGENT LIABILITY NOT PROVIDED FOR:-**

Bank guarantee of Rs.100.00 Lacs in favour of Sandoz Private Limited (P.Y. Rs.NIL).

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.

**4. Payment to Director :-**

Director Sitting Fees of Rs.20,000/- (P.Y. Rs.NIL/-) paid to the independent directors during the year ended on 31.3.2009

**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 2008 – 2009 which are as under :-

Particulars	Balance as at 31-03-2008	For the year recognized in the Profit & Loss Account	Balance as at 31-03-2009
	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)
<b>Deferred Tax Liabilities on account of Timing Difference in :-</b>			
1. Effect of difference in amount of depreciation as per the Companies Act, 1956 and the Income Tax Act, 1961.	25,946	26,96,799	27,22,245
<b>Deferred Tax Assets on account of Timing Difference in :-</b>			
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.	3,34,386	-71,815	2,62,571
<b>Net Amount Deferred Tax Liabilities / (Assets) (Rs.)</b>	<b>(3,08,440)</b>	<b>27,68,614</b>	<b>24,60,174</b>

## 6. Earnings Per Share :-

Sl. No.	Particulars	2008-2009	2007-2008
1.	Profit/ (Loss) for the Year attributable to Shareholders	Rs. (1,61,39,518)	Rs. (4,38,94,991)
2.	Weighted Average Number of Equity Shares of Rs. 10/- each	1,41,98,315	37,25,212
3.	Basic Earning Per Share	Rs.(1.14)	Rs.(11.78)

## Determination of Capital for Computation of Basic EPS :

	2008-2009	2007-2008
Total No. of Equity shares as on beginning of the year/ incorporation	1,29,83,920	50,000
Total No. of Equity shares issued & allotted during the year	29,94,960	1,29,33,920
Weighted Average Number of Equity Shares (( 1,29,83,920 x 365) + (29,94,960 x 148)) / 365	1,41,98,315	37,25,212

7. Claims against the Company not acknowledged as Debts : Nil

8. The balances with parties are subject to confirmation.

9. Estimated amount of Contracts remaining to be executed on Capital Account and not Provided for – Rs.3.92 Lacs (Previous year : Rs. 92.24 Lacs)

## 10. Lease :

## Operating Lease - Lessee

Lease payments of Rs. 14,24,280/- (P.Y. Nil) 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.

## 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.

During the year the Company has made application for additional shares in the joint venture amounting to RS.255.00 Lacs which is pending allotment.

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity are as follows at 31st March 2009

Particulars	2008-2009 Amt (Rs.)	2007-2008 Amt (Rs.)
Assets	14,212,484	50,000
Liabilities	14,212,484	50,000
Revenue	2,415,957	Nil
Depreciation	NIL	Nil
Other Expenses	1,693,624	10,225
Profit / (Loss) before tax	722,334	(10,225)

## 12. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 3 OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956 :-

## A. EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY:- Nil

**B. SALES**

Sr. No.	Product	Unit	Sales	
			Quantity	Value (Rs.)
1.	Calcium +Vitamin D3 Susp 150 MI	BT	11,379	194,976
2.	Calcium 500 + Vit D3 tablets 20 x T 15	STR	370,991	1,050,567
3.	Ethambutol tab. 800 mg 10 x T 10	STR	18,831	360,900
4.	Foristal 1mg. 25 x T10	STR	2,616,325	20,509,480
5.	Foristal Lontab 10 x T 10	STR	339,495	4,909,150
6.	Protein syrup 200 ml	BT	11,107	189,360
7.	PZA CIBA 1000 10 x T 10	STR	89,540	4,302,313
8.	PZA CIBA 500 10 x T 10	STR	337,530	7,913,691
9.	PZA CIBA 750 10 x T 10	STR	451,436	15,733,837
10.	Soraton 10 10 x T 10	STR	38,420	293,158
11.	Soraton 20 10 x T 10	STR	19,511	266,838
12.	Soraton EZ 10 x T 10	STR	17,671	366,420
	<b>TOTAL</b>			<b>56,090,689</b>

**C. PURCHASE, OPENING AND CLOSING STOCK**

Sr. No.	Product	Unit	Purchase		Closing Stock		Opening Stock	
			Quantity	Value (Rs.)	Quantity	Value (Rs.)	Quantity	Value (Rs.)
1.	Calcium +Vitamin D3 Susp 150 MI	BT	12,500	184,925	1,121	16,047	NIL	NIL
2.	Calcium 500 + Vit D3 tablets 20 x T 15	STR	379,260	1,206,006	8,269	26,812	NIL	NIL
3.	Ethambutol tab. 800 mg 10 x T 10	STR	20,690	376,194	1,859	33,834	NIL	NIL
4.	Foristal 1mg. 25 x T10	STR	3,086,375	20,687,360	469,050	3,302,827	NIL	NIL
5.	Foristal Lontab 10 x T 10	STR	379,320	4,695,116	39,825	500,660	NIL	NIL
6.	Protein syrup 200 ml	BT	12,500	186,025	1,393	13,930	NIL	NIL
7.	PZA CIBA 1000 10 x T 10	STR	99,550	3,920,279	10,010	394,194	NIL	NIL
8.	PZA CIBA 500 10 x T 10	STR	417,490	8,258,182	79,960	1,581,687	NIL	NIL
9.	PZA CIBA 750 10 x T 10	STR	559,600	16,537,109	108,164	3,196,564	NIL	NIL
10.	Soraton 10 10 x T 10	STR	44,920	268,419	6,500	39,260	NIL	NIL
11.	Soraton 20 10 x T 10	STR	31,970	337,473	12,459	134,844	NIL	NIL
12.	Soraton EZ 10 x T 10	STR	32,950	529,181	15,279	245,383	NIL	NIL
	<b>TOTAL</b>			<b>57,186,247</b>		<b>9,486,042</b>	<b>NIL</b>	<b>NIL</b>

**A. PAYMENT TO AUDITOR :-**

Particulars	2008-09 Amt (Rs.)	2007-08 Amt (Rs.)
a) As Auditor	1,65,450/-	1,68,540/-
b) As Adviser, or other capacity, in respect of :-		
i) Taxation matters	1,65,450/-	NIL
ii) Company law matters	NIL	NIL
iii) Management services	NIL	NIL
c) In any other manner	3,48,316/-	NIL

Note: - Above amount is inclusive of Service Tax.

**13. Previous Year Comparatives**

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

**14. Related Party Transactions:-**

(Rs. In Lacs)

	Joint Venture		Key Management Personnel		Enterprises that have a member of key management in common		All India Organisation of Chemists & Druggists		Total	
	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
Advances received and repaid	-	-	-	0.61	0.38	-	-	-	0.38	0.61
Subscription to the equity shares of Joint Venture Company	-	0.50	-	-	-	-	-	-	0.22	0.50
Equity Contribution received in Cash	-	-	-	0.30	-	-	-	-	-	0.30
Purchase of Shares in other Company	-	-	-	22.00	-	-	-	-	-	22.00
Payment under Deed of Assignment	-	-	-	-	-	-	-	201.49	-	201.49
Reimbursement of Expenses	-	-	-	-	-	-	-	20.12	-	20.12
Service Charge	-	-	-	-	-	-	-	2.00	-	2.00
Share Application Money-pending allotment	255.00	-	-	-	-	-	-	-	255.00	-
Misc. Income	-	-	-	-	-	-	0.25	-	0.25	-
Rent Expenditure	-	-	-	-	15.98	-	-	-	15.98	-
Service Charges for Utilization of IT environment of the Company	-	-	-	-	42.02	-	-	-	78.94	-
Reimbursement of Expenses incurred on behalf Company	-	-	-	-	7.02	-	-	-	7.02	-
Security Deposit Given	-	-	-	-	3.00	-	-	-	3.00	-
Commission Expense	-	-	-	-	70.69	-	-	-	70.69	-
Balance Outstanding as on year end Receivable / (Payable)	255.00	-	-	-	(32.02)	-	-	(1.96)	222.98	(1.96)



**Names of related parties and description of relationship:**

Relationship	Name of the Related Party
Joint Venture	AIOCD Pharmasoftedch AWACS Pvt. Ltd.
Key Management Personnel (Director)	Mr. Jagannath S. Shinde Mr. Anil Navandar Mr. Vinay Shroff
Enterprises that have a member of key management in common with the reporting enterprise.	Maharashtra Safe Chemists And Distributors Alliance Limited.
Some of the Directors of the Company are the Office Bearers of the Related Party.	All India Organisation of Chemists & Druggists

As per our attached report of even date

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

**Pankaj Sanghavi**  
**Proprietor**  
Membership No.: 41290

Date : 2nd September, 2009  
Place : Mumbai

For and on behalf of the Board of Directors

**Jagannath S. Shinde**  
**Chairman cum Managing Director**

**Parsan K. Singh**  
**Director**

**Suhas Borgaonkar**  
**Company Secretary**

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

**I. Companies Registration Details**

a) Registration number	:-	167578
b) State code	:-	11
c) Balance Sheet Date	:-	31st March, 2009.

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

a) Public issue	:-	NIL
b) Rights issue	:-	NIL
c) Bonus issue	:-	NIL
d) Private placement	:-	29,949.60

**III. Position of Mobilization and deployment of funds ( Amount in Rs. thousands )**

a) Total Liabilities	:-	1,97,685.94
b) Total Assets	:-	1,97,685.94

**Sources of funds**

a) Paid-up capital	:-	1,59,788.80
b) Share Application Money		
Pending for Allotment	:-	NIL
c) Reserves & Surplus	:-	NIL
d) Secured Loans	:-	8,693.84
e) Unsecured Loans	:-	NIL
f) Deferred Tax Liabilities	:-	2,460.17

**Application of funds**

a) Net Fixed Assets	:-	22,183.30
b) Investments	:-	35,250.00
c) Deferred Tax Asset	:-	NIL
d) Net Current Assets	:-	53,442.03
e) Misc. Expenditure	:-	21.76
f) Accumulated Losses	:-	60,045.72

**IV. Performance of the Company: (Amount in Rs. thousands)**

a) Turnover	:-	75,938.87
Other Income	:-	8,953.14
b) Total Expenditure	:-	97,902.91
Profit/ (Loss) before tax	:-	(13,010.90)
Profit / (Loss) after tax	:-	(16,139.52)
Earning per share in Rs.	:-	(1.14)
Dividend rate %	:-	NIL

**V. Generic names of three principal products/services of company (as per monetary terms)**

a) Item code No. (ITC code)	:-
b) Product Description	:-

For and on behalf of the Board of Directors

**Jagannath S. Shinde**  
Chairman cum Managing Director

**Parsan K. Singh**  
Director

**Suhas Borgaonkar**  
Company Secretary

Date : 2nd September, 2009  
Place : Mumbai

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**ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED**

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

**ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting Hall)

**3<sup>rd</sup> Annual General Meeting – 29<sup>th</sup> September, 2009**

Regd. Folio No:-

No. of Shares held :-

Name & Address of the Shareholder:-

\_\_\_\_\_  
\_\_\_\_\_

I hereby record my presence at the THIRD ANNUAL GENERAL MEETING of the Company being held at KOHINOOR MANGAL KARYALAY, KOHINOOR PARK, opp. DADAR RAILWAY STATION, DADAR EAST, MUMBAI 400 014, on Tuesday, the 29<sup>th</sup> September 2009, at 5.30 P.M. (Please indicate whether Member/ Proxy)

Name(s) of the Shareholder(s) Proxy (IN BLOCK LETTERS)

\_\_\_\_\_

Signature(s) of the Shareholder(s) or Proxy

\_\_\_\_\_

**NOTE: - No duplicate Attendance Slip will be issued at the Meeting Hall. You are requested to bring your copy of the Annual Report to the Meeting.**

**ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED**

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

**PROXY FORM**

**3<sup>rd</sup> Annual General Meeting – 29<sup>th</sup> September, 2009.**

I/We \_\_\_\_\_  
Of (Address) \_\_\_\_\_ being a Member/Members of ALL INDIAN  
ORIGIN CHEMISTS & DISTRIBUTORS LIMITED hereby appoint \_\_\_\_\_ of  
\_\_\_\_\_ or, failing him \_\_\_\_\_ of \_\_\_\_\_ as  
my/our Proxy to attend and vote for me/us and my/our behalf at the Third Annual General Meeting of the Company to be held  
on 29<sup>th</sup> September, 2009 at 5.30 p.m. and at any adjournment thereof.

Regd. Folio No. \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Affix a  
Revenue  
Stamp of  
Re 1/-

**NOTES:-** 1. The Proxy Form duly completed and signed across the stamp should be deposited at the Registered office of the Company not less than 48 hours before the commencement of the Meeting  
2. A Proxy need not be a member of the Company.

# LUPIN SANGAM



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