

# Notice

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## TO THE MEMBERS

**NOTICE** is hereby given that the SEVENTY-FIRST Annual General Meeting of the Shareholders of the Company will be held at **BENGAL CHAMBER OF COMMERCE & INDUSTRY**, 6, Netaji Subhas Road, Kolkata-700001 on **Saturday, the 3rd July, 2010 at 11.30 A.M.** to transact the following business :

### AS ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To declare dividend.
3. To appoint Directors in place of Mr. DD Binani and Mr. Hemal Kampani who retire by rotation and being eligible, offer themselves for re-appointment.
4. To appoint Auditors and fix their remuneration.

### AS SPECIAL BUSINESS

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

5. **RESOLVED** that pursuant to the provisions of section 198, 269, 309 and 310 read with Schedule-XIII and other applicable provisions of the Companies Act, 1956 and subject to such sanctions and approvals as may be necessary, the Company hereby approves and accords its consent to the re-appointment of Mr. Kamal Prasad Mundhra, as Wholtime Director of the company designated as Executive Director, not liable to retire by rotation for a period of two years with effect from 1st April, 2010, on the terms and conditions including remuneration, perquisites and benefits as set out in the Explanatory Statement attached to this notice and contained in the Agreement dated 31st March, 2010 entered into by and between the Company and Mr. Kamal Prasad Mundhra and that the Board of Directors of the company (which term shall include the remuneration or any other Committee of the Board constituted to exercise its powers including powers conferred by this resolution) be and is hereby authorised to approve and award annual increment effective from 1st April, 2011 to Mr. Kamal Prasad Mundhra, within the prescribed limits of Schedule-XIII of the Companies Act, 1956 including any statutory amendment, enactment or modification(s) thereto or as may be permissible under applicable law in force from time to time.

**FURTHER RESOLVED** that notwithstanding the above, in the event of any loss or inadequacy of profit in any financial year of the company during the tenure of Mr. Kamal Prasad Mundhra, Executive Director, the remuneration payable to him shall be in accordance with the limits prescribed in Section-II, Part-II of Schedule-XIII of the Companies Act, 1956 as amended from time to time subject to the compliance of provisions thereof.

**RESOLVED FURTHER** that the Board be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to the above resolutions.

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

6. **RESOLVED** that pursuant to the provisions of Sections 198, 269, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956 and within the overall limits laid down in Schedule-XIII of the Companies Act, 1956, the Company hereby approves and accords its consent to increase the remuneration payable to Mr. AK Kothari, Chairman & Managing Director of the company for the residual period of his present term i.e. from 1st July, 2010 to 30th June, 2011 in the manner and to the extent set out in the Explanatory Statement to this resolution and in the Supplemental Agreement entered into between the company and Mr. AK Kothari on 31st March, 2010.

**RESOLVED FURTHER** that the Board be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to the above resolution.

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

7. **RESOLVED** that in supersession of the ordinary resolution passed by the company at its extra-ordinary general meeting held on 30th July, 1983 and pursuant to the provisions of section 293(1)(e) of the Companies Act, 1956, the consent of the company be and is hereby accorded to the Board of Directors to contribute and subscribe on behalf of the company to charitable funds, institute, society, persons, trust, scientific institute and other funds not directly relating to the business of the company or welfare of its employees, such sum or sums not exceeding Rs.2,50,00,000/- in any financial year as they may think fit and proper whether the same is in excess of 5% of the average net profit of the company as determined in accordance with section 349 and 350 of the Companies Act, 1956 or not during the three financial years immediately preceeding.

**By Order of the Board  
For ALBERT DAVID LIMITED**

**Registered Office :  
15, Chittaranjan Avenue  
Kolkata - 700 072**

**Dated : 15th May, 2010**

**( Indrajit Dhar )  
COMPANY SECRETARY**

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**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday the 29th June, 2010 to Saturday the 3rd July, 2010 , both days inclusive.
3. The dividend as recommended by the Board of Directors, if approved at the meeting, will be made payable on or after 7th July, 2010 to those Members whose names appear on the Register of Members of the Company on 3rd July, 2010 or to their mandates, to

the extent eligible and also to beneficial owners of equity shares held in the electronic form on the same date as per details furnished by the Depositories for this purpose.

4. Members holding shares in physical form are requested to notify immediately changes, if any, in their registered address and bank particulars, to Company's Registrar & Share Transfer Agent, at the below-mentioned address quoting their Folio Numbers :-

M/s. Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane, 2nd Floor, Kolkata - 700 001  
Tel. No. # (033) 2243-5809/2243-5029  
Fax No. # (033) 2248-4787  
E-Mail Id # mdpl@cal.vsnl.net.in

In case shares are held in electronic form, these information should be passed on directly to their respective Depository Participant (DP).

5. Pursuant to Section 205A and 205C of the Companies Act, 1956, all unclaimed dividends upto the year ended 31st March, 2002 have been transferred to the account of appropriate authority of the Central Government.

Unclaimed dividend for the year ended 31st March, 2003 shall be transferred to the account of Central Government during the year. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2003, 31st March, 2004, 31st March, 2005, 31st March, 2006, 31st March, 2007, 31st March 2008 and 31st March, 2009 are requested to make their claims to the Company.

6. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the company at least one week before the date of the meeting. This would enable the Company to compile the information and provide replies at the meeting.

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## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956**

### **Item No.5**

Mr. K P Mundhra was re-appointed as Wholetime Director designated as Executive Director of the Company for a period of two years with effect from 1st April, 2008 to 31st March, 2010 which was approved by the Shareholders in the meeting held on 31st July, 2008.

In view of excellent contribution made by Mr. Mundhra towards the growth of the company, the Board of Directors, at its meeting held on 29th March, 2010 have re-appointed him as Wholetime Director designated as Executive Director for a period of two years with effect from 1st April, 2010, subject to the approval of shareholders of the company, on the remuneration as recommended by the Remuneration Committee and on the terms and conditions set out in an Agreement dated 31st March, 2010. The terms of remuneration of Mr. K P Mundhra as Executive Director are in accordance with Schedule XIII of the Companies Act, 1956.

An abstract of the terms of re-appointment and remuneration payable to him as Executive Director of the Company under the Agreement is given below :-

### **REMUNERATION :**

i) Salary : Rs.3,20,000/- (Rupees Three Lacs Twenty Thousand only) per month for the period from 1st April, 2010 to 31st March, 2011 and thereafter such remuneration as may be approved by the Board of Directors of the Company.

ii) Perquisites : Apart from salary Mr. KP Mundhra will also be entitled to the perquisites classified into the following three parts viz. Part A, B and C.

#### **PART-A**

- i) Housing - The company shall provide rent-free furnished accommodation. In case no accommodation is provided by the company, the Executive Director shall be entitled to House Rent Allowance limited to 8% of his salary.
- ii) Medical Reimbursement and Leave Travel Concession : The Executive Director shall be reimbursed to the extent of 10% of the salary towards expenses incurred for self and family for Medical Expenses and Leave Travel Assistance as per the Rules of the company.
- iii) Fee of Clubs : Upto a maximum of two clubs. This will not include any admission or life membership fees.
- iv) Personal Accident Insurance/Life Insurance : Premium not exceeding Rs.15,000/- per annum.
- v) Ex-Gratia/Bonus : In accordance with the Rules of the Company.

#### **PART-B**

- i) Company's contribution to Provident Fund as per the Rules of the Company.
- ii) Gratuity on retirement at the rate of one half month's salary for each completed year of service subject to the ceiling as provided in law.
- iii) Leave with full pay : Encashment of leave will be permitted as per the Rule of the Company.

#### **PART-C**

- i) Use of Car for Company's business. Any use of car for private purpose will be valued as per Income Tax Rules, 1962.
- ii) Free telephone facility at residence.

In the event of absence or inadequacy of profits during the period of service, the Executive Director shall be entitled to the salary and perquisites within overall limits prescribed under Part-II of Section-II of Schedule-XIII of the Companies Act, 1956.

The Executive Director, so long as he functions as such, shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

The agreement also sets out the mutual rights and obligations of the Company and the Executive Director and details of powers and duties of the later and can be terminated by either party by giving three month's notice in writing to the other.

A copy of the Agreement dated 31st March, 2010 referred to in the resolution will be available for inspection by the Members at the Registered Office of the Company on any working day prior to the date of the meeting between 11.00 a.m. and 1.00 p.m. and will also be available at the meeting.

None of the Directors other than Mr. Kamal Prasad Mundhra is concerned or interested in the aforesaid reappointment and remuneration.

Considering the valuable contribution of Mr. KP Mundhra in the growth of the company, the Board recommends passing of the above resolution as an ordinary resolution.

## **Item No.6**

Mr. AK Kothari was appointed as Chairman & Managing Director of the Company for a period of three years with effect from 1st July, 2008 to 30th June, 2011 which was approved by the Shareholders in the meeting held on 31st July, 2008 and his remuneration was also determined as per the Agreement executed with him on 19th June, 2008.

In view of Mr. AK Kothari's valuable contribution and market trend of the remuneration of such person, the Board of Directors, as recommended by the Remuneration Committee, at its meeting held on 29th March, 2010, subject to your approval and within the limits specified in Schedule XIII of the Companies Act, 1956, have increased the remuneration of Mr. AK Kothari, Chairman & Managing Director of the Company from Rs.3,00,000/- to Rs.3,25,000/- per month for the residual period of one year i.e. from 1st July, 2010 to 30th June, 2011 in the manner and to the extent as set out in the Supplemental Agreement entered into between the Company and Mr. AK Kothari on 31st March, 2010.

Copies of the Agreement referred hereinabove will be available for inspection by the Members at the Registered Office of the Company on any working day prior to the date of meeting between 11.00 a.m. and 1.00 p.m. and will also be available at the meeting.

Other than Mr. AK Kothari and Mr. DD Binani, none of the Directors is concerned or interested in the aforesaid revision in remuneration.

The Board recommends that the resolution be passed as an ordinary resolution.

## **Item No.7**

By a resolution passed in the extra-ordinary general meeting of the company held on 30th July, 1983, the shareholders had accorded their consent to the Board of Directors to contribute upto Rs.50 Lacs to charitable funds, institute, society, persons, trust, scientific institute and other funds not directly relating to the business of the company or welfare of its employees.

In view of increased activities and demand of social responsibility, the aforesaid limit is found to be inadequate. It is therefore proposed to increase the limit from Rs.50 Lacs to Rs.250 Lacs for fulfilling the present demand of social responsibility. Hence the resolution is being proposed under section 293(1)(e) of the Companies Act, 1956.

The Directors have no interest in the resolution other than as members of the company.

The Board recommends that the resolution be passed as an ordinary resolution.

**By Order of the Board  
For ALBERT DAVID LIMITED**

**Registered Office :  
15, Chittaranjan Avenue  
Kolkata - 700 072**

**Dated : 15th May, 2010**

**(Indrajit Dhar)  
COMPANY SECRETARY**

**Details of the Directors seeking appointment/re-appointment  
in forthcoming Annual General Meeting  
(In pursuance to Clause 49 of the Listing Agreement)**

Name of Director	Date of Birth	Date of Appointment	Expertise in specific Functional areas	Qualification	List of other Companies in which Directorships held as on 31 <sup>st</sup> March 2010 *	Chairman / Member of the Committee of the Board of other Companies on which he is a Director as on 31 <sup>st</sup> March 2010
Shri K P Mundhra	17-11-1944	30-09-1992	Vast Managerial and Administrative experience in Pharmaceutical Industry	M.Sc.(Hons.)	Satyam Financial Services Ltd.	-----
Shri D D Binani	25-03-1945	29-01-1985	Rich experience of Chemical and allied industries and financial matters	B.E.(Chemical)	Anupam Products Ltd. Bikaner Commercial Co. Ltd. Shree Bhawani Investment & Trading Co. Ltd. Mangalam Mercantiles Ltd.	Shree Bhawani Investment & Trading Co. Ltd. (Audit Committee - Member)
Shri Hemal Kampani	10-04-1957	11-03-1993	More than 28 years' experiences in Primary & Secondary Market and vast experience in Financial Matters.	B.Com.	VCK Share & Stock Broking Services Ltd.  VCK Capital Market Services Ltd.	VCK Capital Market Services Ltd. (Investors' Grievance Committee - Member)

**Note :** None of the above Directors are holding shares of the company.

\* Excluding Private Limited Companies and Companies registered under Section 25 of the Companies Act, 1956.

**Registered Office :**  
**15, Chittaranjan Avenue**  
**Kolkata - 700 072**

**Dated : 15th May, 2010**

**By Order of the Board**  
**For ALBERT DAVID LIMITED**

**( Indrajit Dhar )**  
**Company Secretary**

# directors' Report

## TO THE SHAREHOLDERS

Ladies & Gentlemen,

Your Directors have pleasure in presenting their report on the working of the Company alongwith the Audited Accounts for the year ended 31st March, 2010

## FINANCIAL RESULTS :

	Rs. (in Lacs)	Rs. (in Lacs)
<b>Gross Profit for the year</b>		2476.43
Less : Depreciation		904.83
		-----
<b>Profit before tax</b>		1571.60
Less : Provision for Taxation		
Current	545.00	
Deferred	<u>(0.80)</u>	<u>544.20</u>
<b>Net Profit</b>		1027.40
Add : Balance brought forward from previous year		422.09
		-----
		1449.49
Less : Proposed Dividend	256.82	
Corporate Dividend Tax	42.65	
Transfer to General Reserve	<u>700.00</u>	<u>999.47</u>
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<b>Balance Carried Forward</b>		450.02

## WORKING RESULTS :

During the year under review, your Company achieved net Sales of Rs.20295.79 Lacs and recorded a Gross Profit of Rs.2476.43 Lacs compared to previous year's net Sales of Rs.18390.48 Lacs and Gross Profit of Rs.2013.61 Lacs registering a growth of 10.36% and 22.98% respectively over the last year.

As reported in the last year, your company has successfully launched Antibiotic Azithromycin under brand name AZ3 and has also expanded its Vision Care range (launched Antiglaucoma products, Antiinfectives, Irrigating Solution and Steroidal combinations).

During the current financial year, your company plans to launch Calcium preparations, Laxative Combinations, Uterine Tonic and Antibiotic-cefixime range.

Your Directors are hopeful of further growth in sales and better financial performance during the current year.

#### **DIVIDEND :**

Your Directors recommend payment of dividend of Rs.4.50 per equity share of Rs.10/- each of the Company.

#### **FIXED DEPOSIT :**

Two deposits totalling Rs.21.80 Lacs (including accrued interest of Rs.1.80 lacs) were outstanding on or before 31st March, 2010, which were not claimed as at 31st March, 2010 and remain unclaimed on the date of this report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- i) in the preparation of the annual accounts, applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any ;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period ;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- iv) the Directors had prepared the annual accounts on a going concern basis.

#### **INFORMATION UNDER SECTION 217(2A) AND 217(1)(e) OF THE COMPANIES ACT, 1956 :**

Information pursuant to The Companies (Particulars of Employees) Rules, 1975 as per Annexure-I as well as additional information in terms of Section 217(1)(e) of the Companies Act, 1956 dealing with Conservation of Energy and Technology Absorption etc. as per Annexure-II forming part of this Report are annexed herewith.

## **CORPORATE GOVERNANCE :**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the Management Discussion and Analysis Report forms part of the annual Report as an addition to the Directors' Report. Report on Corporate Governance alongwith Auditor's Certificate thereon is also annexed to the Directors' Report.

## **DIRECTORS :**

The Board have reappointed Shri KP Mundhra as Executive Director of the company for a further period of two years with effect from 1st April, 2010. Resolution seeking shareholders' approval will be placed before the ensuing Annual General Meeting for consideration.

Shri DD Binani and Shri Hemal Kampani retire from the Board by rotation and being eligible offer themselves for re-appointment.

The Board recommends their re-appointment.

As per Clause 49 of the Listing Agreement, a brief profile of the Directors seeking re-appointment is given in the Notice of AGM.

## **LISTING OF SHARES :**

The shares of your Company are at present listed with Bombay Stock Exchange Ltd. and The Delhi Stock Exchange Association Limited and your Directors confirm that all due Annual Listing Fee has been paid to the said Stock Exchanges.

## **AUDITORS :**

M/s. G. Basu & Company, Chartered Accountants retire as Auditors of the Company and being eligible offer themselves for re-appointment. The Certificate as required under sub-section 1B of Section 224 and sub-section 3(e) of Section 226 of the Companies Act, 1956 has been obtained.

## **ACKNOWLEDGEMENTS :**

The Board gratefully acknowledges the support given by medical profession, trade, shareholders, company's bankers and stockists. The Board further expresses its appreciation for the services rendered by the executives, officers, staffs and workers of the Company at all levels.

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

**Kolkata  
Dated : 15th May, 2010**

**A K KOTHARI  
Chairman & Managing Director**

## **ANNEXURE-I TO THE DIRECTORS' REPORT**

**Information under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.**

Employed throughout the year

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received (Rs.)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment held	Percentage of equity shares of the company held
1	AK Kothari	Chairman & Managing Director	3881102.00	B.Com.	31	01.07.2008	57	None	1.6295%
2	K P Mundhra	Executive Director	4494290.00	M.Sc.(Hons.)	42	21.8.1970	66	General Assistant, Indian Linoleums Ltd.	None
3	H P Kabra	President (Commercial)	4409630.00	B.Sc., MBA	38	27.04.1974	62	Sales Officer, Bagalkot Udyog Ltd.	None

**Notes :**

1. The persons named above excluding at Sl.No.3 are on contractual basis.
2. The above remuneration includes Salary, H.R.A., Exgratia, contribution to Provident Fund, Leave Encashment availed, Leave Travel Concession/ Medical Reimbursement availed and insurance premium.

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

**Kolkata**  
**Dated : .15th May, 2010**

**A K KOTHARI**  
**Chairman & Managing Director**