



ADDS LIFE TO LIFE

**ALBERT
DAVID**

A Unit of
Kothari
Group
Imagine Inspire Deliver

Albert David Limited
Annual Report 2011-2012

In pursuit of excellence



“ Giving birth to new initiatives, Albert David Ltd is aiming to build an illustrious future for all stake holders. The saga of providing high quality affordable medicines continues to leave an impression that symbolizes excellence and care for mankind. ”

- DIRECTORS** : Sri A. K. Kothari *Chairman & Managing Director*
Sri D. D. Binani
Sri P. L. Agarwal
Sri H. Kampani
Sri R. Singhi
Sri A. V. Iyengar
Sri K. P. Mundhra *Executive Director*
- MANAGEMENT TEAM** : Sri H. P. Kabra
President (Commercial)
Sri S. C. Shah
Vice President (Finance) & C.F.O.
Dr. M. K. Maheshwari
Vice President (Personnel & Legal Affairs)
Dr. D. P. Ghosh
Corporate Head - Technical & Scientific Development
Sri Manish Sharma
Dy. Vice President (Marketing)
Sri P. K. Jain
Vice President (Works), Kolkata
Dr. G. P. Srivastava
Vice President (Technical), Kolkata
Sri M. K. Rathi
Vice President (Works cum Factory Manager), Ghaziabad
Sri D. Chitlangia
Associate Vice President (Commercial), Ghaziabad
Sri V. K. Chaudhary
General Manager (Technical), Mandideep
- COMPANY SECRETARY** : Dr. Indrajit Dhar
- AUDITORS** : G. Basu & Co.
Chartered Accountants
- BANKER** : State Bank of India
- REGISTERED OFFICE** : 15, Chittaranjan Avenue,
Kolkata - 700 072
- WORKS** : 5/11, D. Gupta Lane
Kolkata - 700 050
B-12/13, Meerut Road
Industrial Area
Ghaziabad - 201 003 (U.P.)
Plot No. 207
New Industrial Area No. 2
Mandideep - 462 046
Dist. Raisen (M.P.)

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Notice

TO THE MEMBERS

NOTICE is hereby given that the SEVENTY-THIRD 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 **Friday, the 10th August, 2012, 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, 2012 and the Profit & Loss Statement 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. D. D. Binani and Mr. Rajiv Singhi, 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 Special Resolutions :

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 Wholetime 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, 2012, 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 13th April, 2012 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 from 1st April, 2013 to 31st March, 2014 to Mr. Kamal Prasad Mundhra, within the prescribed limits of Schedule-XIII of the Companies Act, 1956 and subject to the approval by the shareholders 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 Special Resolutions :

6. **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. Arun Kumar Kothari, as Chairman & Managing Director of the company, not liable to retire by rotation for a period from 1st July, 2012 to 31st March, 2014, 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 13th April, 2012 entered into by and between the Company and Mr. Arun Kumar Kothari 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 from 1st April, 2013 to 31st March, 2014 to Mr. Arun Kumar Kothari, within the prescribed limits of Schedule-XIII of the Companies Act, 1956 and subject to the approval by the shareholders 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. A. K. Kothari, Chairman & Managing 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.

Registered Office :

15, Chittaranjan Avenue

Kolkata - 700 072

Dated : 29th May, 2012

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

(**INDRAJIT DHAR**)
Company Secretary

NOTES :

1. 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 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.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday the 7th August, 2012 to Friday the 10th August, 2012 , both days inclusive.
4. The dividend as recommended by the Board of Directors, if approved at the meeting, will be made payable on or after 14th August, 2012 to those Members whose names appear on the Register of Members of the Company on 10th August, 2012 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.
5. 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
Phone : (033) 2243-5809/2243-5029
Fax : (033) 2248-4787
E-Mail : 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).

6. Pursuant to Sections 205A and 205C of the Companies Act, 1956, all unclaimed dividends upto the year ended 31st March, 2004 have been transferred to the account of appropriate authority of the Central Government.

Unclaimed dividend for the year ended 31st March, 2005 shall be transferred to the account of Investor Education and Protection Fund established by the Central Government during the year. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2005, 31st March, 2006, 31st March, 2007, 31st March, 2008, 31st March 2009, 31st March, 2010 and 31st March, 2011 are requested to make their claims to the Company.

7. 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.

Important Communication to Members

The Ministry of Corporate Affairs has taken "Green Initiatives" by allowing paperless compliance of serving documents through electronic mode (e-mail) including Annual Report. Members are requested to send back Registration Slip kept with the Annual Report for registration of their e-mail id as mentioned in our letter.

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

Item No.5

Mr. K. P. Mundhra was re-appointed as Wholtime Director designated as Executive Director of the Company for a period of two years with effect from 1st April, 2010 to 31st March, 2012 which was approved by the Shareholders in the meeting held on 3rd July, 2010.

In view of excellent contribution made by Mr. Mundhra towards the growth of the company, the Board of Directors, at its meeting held on 31st March, 2012, have re-appointed him as Wholtime Director designated as Executive Director of the company from 1st April, 2012 to 31st March, 2014, subject to the approval of shareholders of the company on the remuneration as recommended by the Remuneration Committee and on the terms and conditions as per Agreement dated 13th April, 2012 executed by the Company and Mr. K. P. Mundhra. The terms of remuneration of Mr. K. P. Mundhra are in accordance with Schedule XIII of the Companies Act, 1956.

An abstract of remuneration payable to Mr. K. P. Mundhra as Executive Director of the Company under the Agreement is given below :

REMUNERATION :

- i) Salary : ₹ 4,10,000/- (Rupees Four Lacs Ten Thousand only) per month for the period from 1st April, 2012 to 31st March, 2013 and thereafter such remuneration as may be approved by the Board of Directors/Members of the Company.
- ii) Perquisites : Apart from salary Mr. K. P. 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 anywhere in India.
- 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 ₹ 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 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 Rules 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 case of no profits or inadequate profits in any financial year, remuneration and perquisites shall be subject to overall limits as 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.

A copy of the Agreement 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. K. P. Mundhra is concerned or interested in the aforesaid reappointment and remuneration.

Considering the valuable contribution of Mr. K. P. Mundhra in the growth of the company, the Board recommends passing of the above resolution as a special resolution.

Item No.6

Mr. A. K. Kothari was re-appointed as Chairman & Managing Director of the Company for a period from 1st July, 2011 to 30th June, 2012 which was approved by the Shareholders in the meeting held on 5th August, 2011.

In view of excellent contribution made by Mr. Kothari towards the growth of the company, the Board of Directors, at its meeting held on 31st March, 2012 have re-appointed him as Chairman & Managing Director for a period from 1st July, 2012 till 31st March, 2014, subject to the approval of shareholders of the company, on the remuneration as recommended by the Remuneration Committee and on the terms and conditions as per Agreement dated 13th April, 2012 executed by the Company and Mr. A. K. Kothari. The terms of remuneration of Mr. A. K. Kothari are in accordance with Schedule XIII of the Companies Act, 1956.

An abstract of the terms of remuneration payable to him as Chairman & Managing Director of the Company under the Agreement is given below :-

REMUNERATION :

- i) Salary : ₹ 4,15,000/- (Rupees Four Lacs Fifteen Thousand only) per month for the period from 1st July, 2012 to 31st March, 2013 and thereafter such remuneration as may be approved by the Board of Directors/Members of the Company.
- ii) Perquisites : Apart from salary Mr. A. K. Kothari 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 Chairman & Managing Director shall be entitled to House Rent Allowance limited to 8% of his salary.
- ii) Medical Reimbursement and Leave Travel Concession : The Chairman & Managing 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 anywhere in India.
- 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 ₹ 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 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 Rules 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 case of no profits or inadequate profits in any financial year, remuneration and perquisites shall be subject to overall limits as prescribed under Part-II of Section-II of Schedule XIII of the Companies Act, 1956.

The Chairman & Managing 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.

A copy of the Agreement 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.

Other than Mr. A. K. Kothari and Mr. D. D. Binani, none of the Directors is concerned or interested in the aforesaid reappointment and remuneration.

Considering the valuable contribution of Mr. A. K. Kothari in the growth of the company, the Board recommends passing of the above resolution as a special resolution.

Registered Office :
15, Chittaranjan Avenue
Kolkata - 700 072
Dated : 29th May, 2012

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

(**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 31st March 2012*	Chairman/Member of the Committee of the Board of other Companies on which he is a Director as on 31st March 2012
Sri A. K. Kothari	10-07-1953	20-06-1988	Rich experience in the filed of pharmaceuticals, chemicals, tea, textiles, machine tools etc.	B. Com	Bhaktwatsal Investments Ltd. Gillanders Arbuthnot & Co. Ltd. Kothari Phytochemicals & Industries Ltd. Vishnuhari Investments & Properties Ltd. Bharat Fritz Werner Ltd. Indian Glass & Electricals Ltd. Arvind Engineering Works Ltd.	Gillanders Arbuthnot & Co. Ltd. (Member-Audit Committee & Quarterly Results Approval Committee) Kothari Phytochemicals & Industries Ltd. (Member - Audit Committee)
Sri K. P. Mundhra	17-11-1944	30-09-1992	Vast Managerial and Administrative experience in Pharmaceutical Industry	M.Sc.(Hons.)	Satyam Financial Services Ltd.	—
Sri 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)
Sri Rajiv Singhi	07-09-1961	30-06-1998	Senior Partner of a reputed Firm of Chartered Accountants having vast experience in Audit, Accounting and Financial Matters.	Chartered Accountant	—	—

Note : None of the above Directors are holding shares of the company except Mr. A.K.Kothari who is holding 93,000 equity shares.

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

Registered Office :
15, Chittaranjan Avenue
Kolkata - 700 072
Dated : 29th May, 2012

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

(**INDRAJIT DHAR**)
Company Secretary