

TWELFTH ANNUAL REPORT 2001-2002



From

add **LIFE** **al**
PHARMA LTD.

ADD LIFE PHARMA LIMITED

TWELFTH ANNUAL REPORT 2001-2002

12TH ANNUAL GENERAL MEETING

Day : Monday
 Date : 30th September 2002
 Time : 10.30 A. M.
 Venue : 412-2/C, Payal Complex,
 Opp: Fortune Towers,
 Sayajigunj, VADODARA

BOARD OF DIRECTORS

Dr. Bharat L. Patel
 (Chairman - Managing Director)
 Shri Rajesh R. Raval (upto 11-11-2001)
 Shri Chandrakant V. Patel
 Shri P. Sasheendran

AUDITORS

M/s. B. K. Patel & Co.
 Chartered Accountants

NOTES :

1. All correspondence relating to Shares of the Company may please be addressed to the Company's Registered Office.
2. Members are requested to bring their copy of the Annual Report to the Meeting, as copies of the Report will not be distributed at the Meeting.
3. Members seeking further information about the Accounts and/or Operations of the Company, are requested to send their queries to the Company at its Registered Office atleast TEN days before the date of the Meeting.

BANKERS

Bank of Baroda
 The Mehsana Urban Co-op. Bank Ltd.
 Navnirman Co-op. Bank Ltd.

REGISTERED OFFICE

412-2/C, Payal Complex,
 Opp : Fortune Towers, Sayajigunj,
 VADODARA

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ADD LIFE PHARMA LIMITED**TWELFTH ANNUAL REPORT 2001-2002****NOTICE**

NOTICE is hereby given that the **TWELFTH ANNUAL GENERAL MEETING** of the members of ADD-LIFE PHARMA LIMITED, will be held on Monday, the 30th September, 2002 at 10.30 A.M. at 412-2/C, Payal Complex, Opp: Fortune Towers, Sayajigunj, VADODARA to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the Year ended as on 31st March, 2002, Balance Sheet as on that date and the Reports of the Directors' and Auditors thereon.
2. To appoint a Director in place of Shri Chandrakant V. Patel who retires by rotation and being eligible offers himself for reappointment.
3. To consider and, if thought fit, to pass with or without modifications, the following resolution as **ORDINARY RESOLUTION**:

"RESOLVED THAT M/s. HARISH V. GANDHI & CO., Chartered Accountants, be and hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the ensuing Annual General Meeting at the remuneration to be decided by M/s. Harish V. Gandhi & Co. and the Board of Directors.

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modification the following as an Ordinary Resolution :

"RESOLVED THAT Pursuant to provisions of Section 94 of the Companies Act, 1956 & other applicable provisions if any."

- (i) the share capital of the Company be altered by Sub-dividing the existing shares Equity Shares of Rs.10/- each into Equity Shares of Re.1/- each, so, however, that in this sub-division, the proportion between the amount paid-up and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share will be derive.

"FURTHER RESOLVED THAT the Memorandum of Association of the Company be and is hereby altered in the manner set out below :- "In clause of the Memorandum of Association of the Company for the words and figure Rupees Ten and Rs.10/- Rupee One and Re.1/- shall be substituted respectively."

"RESOLVED FURTHER THAT the Director Shri Bharat I. Patel, Chairman & Managing Director be and is hereby authorised to cancel the old Share Certificates and issue new Share Certificates in respect of the new Shares resulting from such sub-division to Shareholders whose name appears on the Register of Members as on, and to take all necessary steps in furtherance of this resolution."

Registered Office :
412-2/C, Payal Complex,
Opp: Fortune Towers,
Sayajigunj, VADODARA
Date: 2nd September, 2002.

By order of the Board

Dr. Bharat I. Patel
Chairman & Managing Director

NOTES

- (a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- (b) The Register of Members and Share Transfer Books of the Company will remain close from 24th September, 2002 to 30th September, 2002 (Both Days Inclusive).
- (d) Members are requested to intimate the change in their registered address, if any, to the Company's Registered Office.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 173 OF THE COMPANIES ACT, 1956.**

The Nominal Value of the Equity Shares of the Company is presently Rs.10/- per share, which is proposed to be reduced to Re.1/- per share so that company shall have a wider capital base. The proposed amendment shall give opportunity to Small investors to invest into the shares of the Company. The Existing Shareholders would be issued new share certificates in respect of their holdings.

None of the Directors are interested in the resolution except as the members of the Company.

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By order of the Board

Date: 2nd September, 2002.

Dr. Bharat I. Patel
Chairman & Managing Director

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ADD LIFE PHARMA LIMITED

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DIRECTORS' REPORT

To,
The Members,
ADD LIFE PHARMA LIMITED

Your Directors have pleasure in presenting herewith their Twelfth Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 2002.

(Rs.in		(Rs.in lacs)
lacs)		
1. FINANCIAL RESULTS	2001-02	2000-2001
Sales	45.56	4.23
Other income from operations and other income	5.46	5.06
Profit/Loss before making provisions for Interest, Depreciation and Taxation	(-) 22.31	(-) 109.35
Less		
1. Interest	7.38	7.79
2. Depreciation	12.25	16.20
3. Provision for Taxation		
Profit/Loss for the year	(-) 41.94	(-) 133.34
Add : Balance in P & L A/c	(-) 305.42	(-) 172.08
Balance carried to Balance Sheet	(-) 347.36	(-) 305.42

2. DIVIDEND

In view of losses suffered by the Company during the year under review, Your Directors express their inability to recommend any Dividend.

3. PRESENT OPERATIONS & FUTURE PROSPECTS

The present operations of the Company had been effected due to non availability of Raw Materials which was attributed due to the insufficient working facilities. Your directors are exploring the possibilities for manufacturing the drugs. The Company is in advance stage negotiating for manufacturing of "ADDEGRA" a substitute of VIAGRA. The results will be seen in the current year.

4. RESPONSIBILITY STATEMENT :

Director's Confirm ;

(a) That the preparation of the Annual Accounts, the applicable standards have been followed and that no material departures have been made for the same ;

(b) That they have selected such accounting policies and applied them consistently and made judgements & estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the Financial year and of the profit or loss of the company for that year;

ADD LIFE PHARMA LIMITED**TWELFTH ANNUAL REPORT 2001-2002**

- c) That they 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;
- d) That they have prepared the annual accounts of the going concern basis.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS/OUTGO.

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under section 217(l)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is given in the Annexure to this Report.

6. PARTICULARS OF EMPLOYEES

Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, since none of the employees of the Company was in receipt of total remuneration of Rs.24,00,000/- p.a. or Rs.2,00,000/- p.m. during the financial year under review.

7. AUDITORS AND AUDITORS REPORT

The present auditors of the Company, M/s. B. K. Patel & Co., Chartered Accountants, have expressed their unwillingness to be reappointed as auditors on their retirement at the forthcoming Annual General Meeting. The Company has received certificate from M/s. Harish V. Gandhi & Co., Chartered Accountants, signifying that their appointment if made shall be within the limits specified under Section 224(1)(B) of the Companies Act, 1956. The Board therefore recommends the appointment of M/s. Harish V. Gandhi & Co., Chartered Accountants as auditors of the Company from the conclusion of the forthcoming Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be decided by M/s. Harish V. Gandhi & Co. and the Board of Directors. Regarding the Auditors remark for confirmation of debtors, creditors, loans and advances your Directors have to report that the amount outstanding is not material however your company has send the balance confirmation letters to the concerned parties and shall receive the same within the short time. With regard to the payment of provident fund dues is concerned your Directors have to state that the Company has no fund of its own, but it deposits in the state run Provident Fund Scheme. The Company where the delay had been caused, which was due to heavy liquidity crunch has deposited the dues alongwith interest and penalty thereon.

The Company was compelled to sell of the assets which were idle and to reduce the interest burden. The sale proceeds of the machinery used for BOB/GSFC Loan Payments. The loss incurred on sale of the assets will be compensated by saving the interest cost which the Company would be required to shoulder. Your Directors are pleased to inform that since last year your Company has implemented the practice of Internal Audit through the internal semi qualified staff under the direct supervision of Chairman & Managing Director. With this introduction the wastages have been restrained and cost effective measures have been possible.

8. PERSONNEL

Industrial relations continued to be cordial and harmonious during the year under review. Directors wish to place on record their appreciation for the co-operation received from the staff and workers at all levels.

9. LISTING

The Shares of the Company at present are listed at Ahmedabad, Mumbai Stock Exchanges. The listing fees of Ahmedabad and Mumbai Stock Exchanges has been duly paid.

10. ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks for continuous support of the Banks, Central and State Governments, Office of the Industries Commissioner, valued Customers and devoted workers for their continuous contribution to the growth and progress of the Company.

The Directors also express their gratitude to the shareholders for the confidence reposed in the management.

Registered Office :
412-2/C, Payal Complex,
Opp: Fortune Towers,
Sayajigunj,
VADODARA

Dated : 2nd September, 2002.

For and On Behalf of the Board

Dr. Bharat I. Patel
Chairman & Managing Director

