

Allen Laboratories Limited

NOTICE


Notice is hereby given that the 24th Annual General Meeting of the Share Holders of ALLEN LABORATORIES LIMITED, will be held on 25th September, 2006 at 3:00 P.M. at its Corporate Office at Allen Centre, Allen Estate, Krishnapur Road, Kolkata-700 102, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March 2006 and the Balance Sheet as at that date together with the reports of the Directors and Auditors thereon.
2. To declare dividend during the year.
3. To appoint a Director in place of Mr. M. K. Sarkar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. S. S. Sarkar, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Dr. Sulakshana Sarkar, who retires by rotation and being eligible offers herself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

Dated: Kolkata
The 25th August, 2006

By the order of the Board


(DR. G.P. SARKAR)
Chairman & Managing Director

- Note:**
1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and the proxy need not be a member of the Company.
 2. Register of Members of the Company remains closed from 25th September to 26th September 06, both days inclusive.

BOARD OF DIRECTORS

1. DR. G.P. SARKAR, Chairman & M.D
2. DR. (MRS) MALATI SARKAR
3. MR. M.K. SARKAR
4. MR. S.S. SARKAR
5. DR. (MRS) SULAKSHMI SAHA SARKAR
6. DR. (MISS) MAYA SARKAR

COMPANY SECRETARY

MR. D.N. CHAKRABORTY

BANKERS

1. State Bank of India
2. HDFC Bank Ltd.
3. UTI Bank Ltd.

REGISTERED OFFICE

Allen Apartment
35, A.P.C Road,
Kolkata-700 009.

CORPORATE OFFICE

ALLEN CENTRE,
Allen Estate, Krishnapur Road,
Kolkata-700 102.

LABORATORIES

1. ALLEN HOUSE
224/H, Manicktala Main Road,
Kolkata-700 054.
2. ALLEN ESTATE
R.G.M. 260,
Krishnapur Road,
Kolkata-700 102.

AUDITOR

M/s A.K BISWAS & CO.,
CHARTERED ACCOUNTANTS
4, College Street,
Kolkata-700 012.

INTERNAL AUDITOR

M/S. H.S. BHATTACHARYYA & CO.
CHARTERED ACCOUNTANTS
"KAMALALAYA CENTRE"
156A, Lenin Sarani,
3rd Floor. Room No. 316
Kolkata-700 013.

DIRECTORS' REPORT TO THE MEMBERS

Your Directors take the pleasure in presenting the 24th Annual Report with the Audited Accounts for the year ended 31st March 2006.

Financial Results	Rs. in Lac	
	Year ended March 31, 2006	Year ended March 31, 2005
Profit before Depreciation & Tax	47.76	58.06
Less: Depreciation	28.42	26.64
Profit before Tax	19.34	31.42
Profit after Tax	38.74	20.04

The gross Turnover for the year is Rs. 649.62 lac as against Rs. 651.19 in the last year. The directors are hopeful to improve its results in the coming year.

Dividend

In order to strengthen the reserve and surplus fund of the company the Board of Directors do not recommend for payment of Dividend for the year 2005-06.

Human Resource Development

Your company fully recognises employees as its main assets in an industry driven by highly skilled and motivated professionals.

Auditors

M/s. A.K. Biswas & Co., Chartered Accountants, Auditors of the Company, will retire at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. The Board recommended for their re-appointment.

Audit Committee

In terms of Sec-292A of the Companies Act, Audit Committee was reconstituted by the Board in their meeting dated 14.07.2006 with the following Directors :

1. Dr. G.P. Sarkar, Chairman & M.D.
2. Dr. Miss. M. Sarkar, Director.
3. Dr. Mrs. S. Saha Sarkar, Director.

The Audit Committee met and enquired and found that there was no item for the moment for consideration by the Audit Committee.

Particulars of Employees

The particulars of the employees as required U/S 217(2A) of the Companies Act 1956 does not arise in the case of this Company, as there is no such employee.

Conservation of Energy

Saving in power consumption has been attained substantially as a part of energy conservation.

Foreign Exchange Earning - Nil**Foreign Exchange Outgo – Rs. 7,37,029.00****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, the applicable accounting standards had been followed
- ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 the year;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision 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 accounts for the financial year ended 31st March, 2006 on a going concern basis.

Auditor's Report on Gratuity

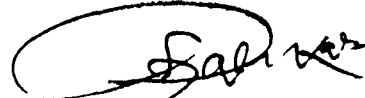
Necessary explanation has been given in item No. 10(f) of the Notes on the Accounts (Schedule-U) in this regard.

Acknowledgement

The Directors wish to thank the Company's Bankers and all the business associates for their continued support. The Directors also wish to place on record their appreciation for the services rendered by the Officers, Staffs and Workers of the Company at all levels.

Kolkata
the 25th August, 2006

For and on behalf of the Board



(DR. G.P. SARKAR)
Chairman & M.D.

A.K. BISWAS & CO.Chartered Accountants
A.K. Biswas B. Com., F.C.A.4, College Street
Kolkata - 700 012
Phone: Off: 2241 6314
Res: 2571 4307, 2343 7540
Mob: 9330217240**AUDITORS' REPORT****TO THE MEMBERS OF ALLEN LABORATORIES LIMITED:**

We have audited the attached Balance Sheet of Allen Laboratories Limited as at 31st March, 2006 and also the Profit and Loss Account of the Company for the year ended on that date, annexed thereto. 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.

1. We conducted our audit in accordance with 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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.
2. As required by the Companies (Auditor's Report) Amendment Order, 2004 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.
3. Further to our comments in the Annexure referred to above, we report that:
 - i) we have obtained all the information and explanations, which the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii) the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
 - iv) in our opinion, the Balance Sheet and the 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 to the extent applicable;
 - v) on the basis of written representations received from the Directors of the Company as on 31st March, 2006 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2006 from being appointed a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956; and

Contd. p 2

A.K. BISWAS & CO.

Chartered Accountants
A.K. Biswas B. Com., F.C.A.

4, College Street
Kolkata - 700 012
Phone: 033 2241 6314
Resk: 2571 4307, 2353 7549
Mob: 9339217249

[02]

vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts 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, 2006;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

For M/S A. K. BISWAS & CO.
Chartered Accountants

Dated, the 25th August, 2006



(A.K. BISWAS)

Proprietor
Membership No. 5104



A. K. BISWAS & CO.

Chartered Accountants
A.K. Biswas B. Com., F.C.A.

4, College Street
Kolkata - 700 012
Phone: Off: 2241 6314
Res: 2571 4307, 2353 7549
Mob: 9339217249

ANNEXURE TO THE AUDITORS' REPORT

Re: Allen Laboratories Limited

Referred to in Paragraph 2 of our report of even date:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
(c) The Company has not disposed off any of its assets during the year and the going concern status of the Company is not affected.
2. (a) As explained to us, inventory of Raw Materials, stores, work-in-process and finished goods held in possession of the Company have been physically verified by the management at regular intervals during the year. The existence of stocks lying with third parties as at 31st March 2006 has been confirmed based on confirmation or stock statements received from such third parties. In our opinion, frequency of physical verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) The company has maintained proper records of inventories as explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. The Company has not granted any loans secured or unsecured from to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. However, the company has taken unsecured loan from a concern of which the Mg. Director is the Proprietor and the rate of interest and other terms and conditions are not prima facie not prejudiced to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, the internal control procedures for purchase of inventory, fixed assets, and for sale of goods are adequate and commensurate with size of the Company and nature of its business. During the course of audit we have not observed any continuing failure to correct major weaknesses in internal controls system.
5. a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of particulars of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
b) According to the information and explanation given to us, the transactions made in the 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 lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

Contd... 2

A.K. BISWAS & CO.Chartered Accountants
A.K. Biswas B. Com., F.C.A.J. College Street
Kolkata - 700 012
Phone: 033-22416314
Reg. 2571 4307, 2353 7549
Mob: 9339217249**ANNEXURE TO THE AUDITOR'S REPORTPage -2**

6. In our opinion and according to the information and explanation given to us, the company has not accepted any deposit from the public.
7. In our opinion, the internal audit system of the company is commensurate with its size and nature of its business.
8. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Govt., under Section 209(1)(d) of the Companies Act, 1956.
9. a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investors Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities. According to information and explanation given to us, there are no undisputed statutory dues outstanding as at March 31, 2006 for a period of more than six months from the date they became payable.
- b) According to the records of the company examined by us there are no undisputed statutory dues which have not been deposited. The particulars of disputed dues on account of Sales Tax as at 31st March, 2006 which have not been deposited as appeal is pending before appropriate authority as under:

Name of the Statute	Nature of dues	Amount Rs. in lacs	Period	Forum where dispute is pending
State Sales Tax (W.B.)	AmicalPlus & Trioflet Tablet treated as Cosmetics instead of Homoeopathic Medicines for which additional Sales Tax demanded.	5.83	1992-93	Hon'ble Supreme Court
Central Sales Tax	- Do -	0.62	1992-93	Hon'ble Supreme Court
State Sales Tax (W.B.)	- Do -	73.67	1993-94 to 95-96	W.B.C.T. Appellate & Rev. Board
Central Sales Tax	- Do -	22.62	1993-94 to 95-96	W.B.C.T. Appellate & Rev. Board
State Sales Tax (W.B.)	- Do -	69.50	1996-97 to 98-99	A.C. Commercial Taxes
State Sales Tax (W.B.)	- Do -	13.33	2000-01	A.C. Commercial Taxes
State Sales Tax (W.B.)	- Do -	5.54	2002-03	A.C. Commercial Taxes
Central Sales Tax	- Do -	11.65	2002-03	A.C. Commercial Taxes
State S. Tax (Orissa)	- Do -	14.84	1993-94 to 99-00	Addl. Comm. of Sales Tax
State S. T. (Maharashtra)	- Do -	10.37	1997-98	Maharashtra Sales Tax Tribunal
State S. T. (Maharashtra)	- Do -	11.68	1998-99	Maharashtra Sales Tax Tribunal
State S. T. (Maharashtra)	- Do -	10.52	1999-00	Asstt. Comm of S. Tax (Appeal)

10. In our opinion, the Company has not incurred any cash losses in the current financial year or in the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of its dues to Banks and Financial Institutions.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares and other securities.

Contd. ..p. 3