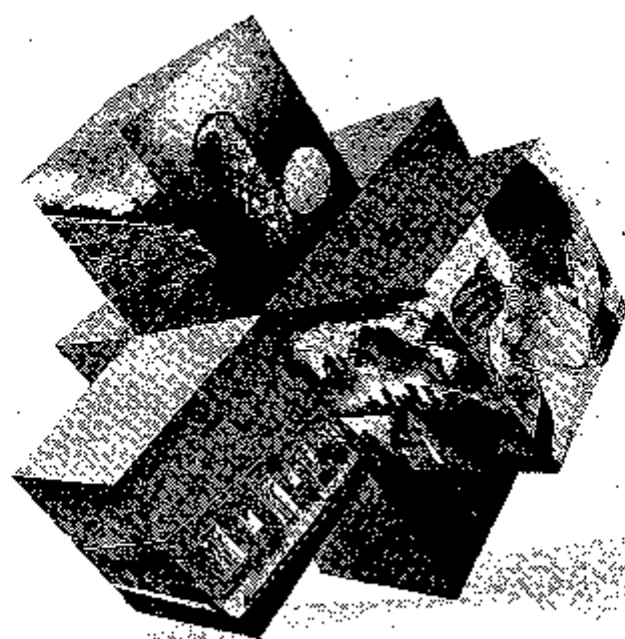


Annual Report
2011-12



Caring for your Health



ARVIND REMEDIES LTD.

www.arvindremedies.com



USFDA Project at IRUNGATTUKOTTAI



Modernised WHO & GMP Factory at KAKKALUR

24th Annual Report
2011- 2012

Caring for your Health

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Board of Directors	Dr. B Arvind Shah Dr. Chandra Ravindran Mr. K.V. Narayan Dr. C.M.K.Reddy Mr. R Raja Mohan Mr. V R Mehta Mr. Ankur Agarwal Dr. Raghuveer	CEO & Managing Director Whole-time Director Director Director Director Director ED(Technical) from 18.4.2012 ED(Operations)from 28.4.2012
Chief Financial Officer	Mr. S.V. Sundara Raman	
Company Secretary	Mr. P R Krishnan	
Statutory Auditor	M/s. Doshi, Chatterjee, Bagri & Co. Chartered Accountants Flat 3A, Saket, No.2, Ho Chi Minh Sarani Kolkata 700 071	
Internal Auditors	M/s. Siva Anantharaman and Co. No. 16, Kariappa Street, Purasaiwakkam, Chennai 600 007	
Cost Auditor	Mr. K. Suryanarayanan Flat A, Vrindavan Apartment, No.1, Poes road, 4 th street Teynampet, Chennai 600018	
Bankers	United Bank of India Allahabad Bank State Bank of India IDBI Bank Ltd. Punjab National Bank The KarurVysya Bank Ltd. Corporation Bank	
Registered office	190, Poonamallee High Road, Chennai 600 084 Phone: +91-44-4343 9595 / 4343 2929 Fax +91-44-26423296 E-mail: arl@arvindremedies.com Website: www.arvindremedies.com	
Works	38,39, &40 SIDCO Industrial Estate, & G44,45&46 SIDCO Ind. Estate Kakkalur, Tiruvellore District, Tamil Nadu 602003 Phone: +91-44-27660403, 27662144 Fax: +91-44-27609095 Email: factory@arvindremedies.com Plot No.G28 & 29, SIPCOT Industrial Park, Irrungatukottai Dist. Kancheepuram, Tamil Nadu	
Registrar and Share Transfer Agent	M/s. Cameo Corporate Services Limited Subramanian Building.No.1 Club House Road, Chennai 600 002 Phone: 044-28460390	



NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of the Company will be held at Hotel Marina Inn, Gandhi Irvin road, Egmore, (opp. Rly station) Chennai 600 008, at 9.30a.m on Tuesday, the 31st July 2012 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the Year ended 31st March 2012 and the Reports of the Directors and Auditors thereon.
2. To declare dividend for the financial year 2011-2012.
3. To appoint a Director in place of Mr. K.V Narayan, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. R. Raja Mohan, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 198, 269, 309, 311 and other applicable provisions if any read with Schedule XIII of the Companies Act, 1956, Mr. Ankur Agarwal be and is hereby appointed as Executive Director (Technical) (liable to retirement by rotation) of the Company for a period of five years from 18th April 2012 to 17th April 2017 and for payment of remuneration minimum remuneration of Rs. 1,25,000/- per month inclusive of all allowances.

In addition to salary, he will be entitled to

- a) Contribution towards Provident Fund and Superannuation Fund
Contributions to Provident Fund, Superannuation / Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act/ Rules
- b) Leave as per Company Rules
Gratuity payable shall not exceed one half month's salary for each completed year of service
- c) Leave Encashment
Encashment of Leave as per the rules for other employees of the company
- d) Car
Provision of company's car for official use

Minimum remuneration

The remuneration aforesaid shall be the minimum remuneration payable to Mr. Ankur Agarwal.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby empowered to vary or increase the remuneration including the salary, perquisites allowances etc. within such prescribed limit.

7. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 198, 269, 309, 311 and other applicable provisions if any read with Schedule XIII of the Companies Act, 1956, Dr. Raghuveer be and is hereby appointed as Executive Director (Operations) (liable to retire by rotation) of the Company for a period of five years from 28th April 2012 to 27th April 2017 and for payment of remuneration/ minimum remuneration of Rs1,40,000/- per month

In addition to salary, he will be entitled to

- a) Contribution towards Provident Fund and Superannuation Fund

Contributions to Provident Fund, Superannuation / Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act/ Rules

- b) Leave as per Company Rules
Gratuity payable shall not exceed one half month's salary for each completed year of service
- c) Leave Encashment
Encashment of Leave as per the rules for other employees of the company
- d) Car
Provision of company's car for official use

Minimum remuneration

The remuneration aforesaid shall be the minimum remuneration payable to Dr. Raghuveer.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby empowered to vary or increase the remuneration including the salary, perquisites allowances etc. within such prescribed limit.

8. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 198, 269, 309, 311 and other applicable provisions if any read with Schedule XIII of the Companies Act, 1956, Dr Chandra Ravindran be and is hereby re-appointed as Whole time Director (not liable to retire by rotation) of the Company for a further period of five years from 5th November 2011 to 4th November 2016 on payment of remuneration/ minimum remuneration of Rs 50,000/- per month inclusive of all allowances and on such other terms and conditions as may be agreed to between the Board of Directors and Dr. Chandra Ravindran with liberty to alter and vary the terms and conditions so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby empowered to vary or increase the remuneration including the salary, perquisites allowances etc. within such prescribed limit.

Minimum remuneration

The remuneration aforesaid shall be the minimum remuneration payable to Mrs. Chandra Ravindran.

9. To consider and if thought fit pass with or without modification the following as Special Resolution

RESOLVED THAT in the resolutions passed in the meeting held on 28th April 2012 for issue of convertible equity warrants, the resolution relating to the application money to be collected be replaced with the following as Special Resolution.

RESOLVED THAT an amount of Rs.6.25 per warrant (25% of issue price) shall be payable on the date of allotment of the said warrants, which shall be adjusted against the price payable subsequently for acquiring the equity shares by exercising the option for conversion with the balance amount being payable at the time of conversion, and the said amount be forfeited, in case the option to acquire fully is not exercised.

NOTES : 1. Pursuant to Section 173 of the Companies Act, explanatory statement on item nos.6 to 9 is annexed hereto.



2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll only instead of himself and the proxy need not be a member of the Company. The proxy, in order to be effective, must be deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from 11th September 2012 to 14th September 2012 (both days inclusive).

4. Members are requested to bring their copy of the Annual Report to the Meeting.

5. The Dividend for the Year ended 14th September, 2012 as recommended by the Board, if sanctioned at the meeting, will be paid to those members whose names appear in the Company's register of members on 14th September, 2012. In respect of shares held in demat mode, the dividend will be paid on the basis of beneficial ownership details to be furnished by National Security Depository Limited and Central Depository Services (India) Limited for this purpose at the end of business day on 10th September 2012.

Payment of dividend through National -ECS (NECS)

a) Members holding shares in physical form are advised to submit the particulars of their new bank account number after implementation of CBS, along with a photocopy of a cheque pertaining to the concerned account directly to the Company's Registrar and Share Transfer Agents- M/s. Cameo Corporate Services Ltd. at 1, Subramaniam Building, Club House Road, Chennai 600 002

b) Members holding shares in demat form are advised to furnish the new bank account number after implementation of CBS, along with a photocopy of a cheque pertaining to the concerned account, to your Depository Participant (DP), at your earliest for direct credit of dividend to your bank account.

Please note that if you do not provide your new bank account number allotted after implementation of CBS by your Bank to your DP, then in that case ECS to your old account maybe either rejected or returned. The Company will issue demand draft/ MICR warrant to such members whose dividend amount is not credited through NECS/ ECS

c) The bank account particulars of the members will be printed on the dividend warrants. In respect of the shares held in physical form, shareholders are requested to send their bank account particulars or any change therein, to the Registrar and Share Transfer Agents at the above address.

d) Members holding shares in demat form shall provide particulars of their bank account to their Depository Participants. The Company or its Registrar and Share Transfer Agent will not act on any such request received from members for change in their bank particulars. Further, instructions given by members for shares held in physical form would not be applicable to the dividend paid on shares also held in demat form.

e) Members, who are holding shares in physical form, are requested to send all their correspondence including transfer of shares and change of addresses to the Registered Office of the Company and/or Share Transfer Agents of the Company, at the following address and Members holding shares in electronic form may update such details with their Depository Participant.

Registered Office:
ARVIND REMEDIES LTD.
No. 190, Poonamallee High Road,
Chennai - 600 084

Share Transfer Agents:
M/s Cameo Corporate Services Limited
No. 1, Club House Road
Chennai - 600 002

f) Pursuant to Section 53 of the Companies Act, 1956, service of documents was done hitherto under Certificate of Posting, whereas the department of posts has recently discontinued the postal facility under certificate of posting. However, as one of the method for service of the documents, the information



Technology Act 2000) permits sending it in electronic form. Hence for service of document which may be notice, annual report, or any communication through electronic mode all shareholders of the company are requested to send their e-mail address to the Company or to M/s. Cameo Corporate Services Ltd. the Registrars of the Company and to update the same whenever there is change in email address

g) During the financial year, the unpaid/unclaimed dividend amount pertaining to the year 2003-2004, Rs 9,01,315.88 was transferred to the Investors' Education and Protection Fund Account.

h) During the current year, the unpaid/unclaimed dividend amount pertaining to the year 2004-05 being Rs 2,76,810/- will be transferred to the Investors Education and Protection Fund Account.

i) Those members who have not encashed their dividend warrants pertaining to the following financial years are requested to approach the company for the payment thereof as the same will be transferred to Investor Education and Protection Fund (IEPF) pursuant to Section 205A(5) of the Companies Act, 1956 on respective due dates mentioned there against. Kindly note that after such date, the members will lose their rights to claim such dividend

Account year ended on	Date of declaration of dividend	Dividend payment %	Expected date of transfer of unpaid dividend to IEPF
31 st March 2005	26 th September 2005	5%	25 th September 2012
31 st March 2006	23 rd September 2006	5%	24 th September 2013
31 st March 2007	28 th September 2007	5%	27 th September 2014
31 st March 2008	29 th September 2008	5%	28 th September 2015
31 st March 2009	30 th October 2009	5%	29 th October 2016
31 st March 2010	26 th September 2010	5%	27 th September 2017
31 st March 2011	16 th September 2011	7%	18 th September 2018

j) Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges where the equity shares of the company are listed, additional information pertaining to Directors seeking re-appointment at the Annual General Meeting is attached hereto.

Place: Chennai
Date: 14.08.2012

By Order of the Board
FOR ARVIND REMEDIES LTD

MANAGING DIRECTOR

Annexure to the Notice dated 05.07.2012

Details of directors seeking re-appointment at the forthcoming Annual General Meeting (pursuant to Clause 49 of the Listing Agreement)

Name of the Director	K. V Narayan	R. Raja Mohan
Age	73 years	62
Date of appointment	11/3/2002	13.11.2010
Brief Resume and nature of expertise in functional areas	Business Devpt/ Auditing Marketing	
Directorships held in other public Companies (excluding foreign and private companies)	nil	1. PME Transformers India Ltd. 2. Satallite Infotech Private Limited
Memberships/ Chairmanships of Committees of other Public Companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	nil	nil
No of shares held in the company	nil	7045



Explanatory statement pursuant to Section 173 of the Companies Act, 1956

Item No.6

The Board has appointed Mr. Ankur Agarwal as Executive Director (Technical) for five years with effect from 18th April 2012, liable to retire by rotation but subject to approval of the shareholders in their meeting. Mr. Ankur Agarwal is B.Pharm, aged 34 and has ten years of rich experience in the Pharma industry. His main area of work involves looking after the production and quality of the products.

Board recommends the resolution to be passed as Ordinary Resolution

Except Mr. Ankur Agarwal none of the directors is interested in the proposed resolution.

Item No.7

The Board has appointed Dr. Raghuveer as Executive Director (Operations) for five years with effect from 28th April 2012, liable to retire by rotation but subject to approval of the shareholders in their meeting. Dr. Raghuveer is B. Pharm and have done Doctorate in Pharmacy. Aged 42 years he has around twenty years working experience in the Pharma industry. His main area of work involves looking after the marketing of the products and the operations of the company.

Board recommends the resolution to be passed as Ordinary Resolution

Except Dr. Raghuveer none of the directors is interested in the proposed resolution.

Item No.8

The Board has appointed Dr. Chandra Ravindran as Whole time Director for further five years with effect from 5th November 2011, subject to approval of the shareholders in their meeting. Dr. Chandra Ravindran is a Ph.D in Bio-Chemical Toxicology. Her main area of work involves analysing the drugs. She has been looking after the affairs of the company as whole time director in charge of the factory, for R & D efforts and introduction of new formulations. The Board has revised the remuneration payable and Board recommends the resolution to be passed as an ordinary resolution.

Except Dr. Chandra Ravindran none of the directors is interested in the proposed resolution.

Item No.9

The members in the Extra Ordinary General Meeting held on 28th April 2012 approved the issue of 19,89,60,000 fully convertible equity warrants of Rs.1 each at a price of Rs.2.50 each aggregating to Rs.49.74 Crores and in view of the consolidation of the equity shares of the company, the Issue price will be Rs.10 each at a price of Rs.25 per warrant (with premium Rs.15 each) The application money to be collected was mentioned as Rs.0.50 ps which is 20% of the issue price and as per SEBI (ICDR) Regulations 2009 the percentage of application money to be collected is 25% on issue of the warrant. The Board of Directors accordingly recommends the resolution set out at item no.9 of the accompanying notice for approval of the members.

Except Dr. B Arvind Shah to the extent of his and his family's shareholding and to the extent he and his family is allotted no other directors of the company are in any way concerned or interested in the said resolution.

Place: Chennai

Date: 14.08.2012

By order of the Board of Directors

Dr. B Arvind Shah
Managing Director