

**23<sup>rd</sup>**  
***Annual***  
***Report***  
**2005 - 06**

**HARLEYSTREET PHARMACEUTICALS LIMITED**

Regd. Office : 29/3, Phase III, G.I.D.C. Industrial Estate,  
Naroda, Ahmedabad - 382 330.  
Email : [email@harley.co.in](mailto:email@harley.co.in)

## HARLEYSTREET PHARMACEUTICALS LIMITED

**BOARD OF DIRECTORS :** Mr. Umesh S. Parikh ..... Managing Director  
Mr. Saahil U. Parikh ..... Whole-time Director  
Mr. Kaushik S. Chaturvedi ..... Director  
Mr. Prashant P. Godha ..... Director

**AUDITORS :** M/s. Shah & Shah Associates,  
Chartered Accountants,  
Ahmedabad.

**REGISTERED OFFICE :** 29/3, Phase III, GIDC Industrial Estate,  
Naroda, Ahmedabad - 382 330.  
Gujarat.

Report  junction.com

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**NOTICE TO THE SHAREHOLDERS**

NOTICE is hereby given that the TWENTY THIRD ANNUAL GENERAL MEETING of the Members of HARLEYSTREET PHARMACEUTICALS LIMITED will be held on Friday, 15<sup>th</sup> day of September, 2006 at 11.00 a.m. at the Registered Office of the Company situated at 29/3, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad 382 330 to transact the following business :

**ORDINARY BUSINESS:**

1. To receive and adopt the Account and the Reports of the Directors and Auditors for the year ended 31<sup>st</sup> March, 2006.
2. To appoint a Director in place of Mr Umesh Parikh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr Saahil Parikh, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

By Order of the Board

Umesh S Parikh  
Managing Director

Ahmedabad  
27<sup>th</sup> June, 2006

**NOTES**

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the commencement of the meeting.
- b) The Register of Members and Share Transfer Books of the Company will remain closed from 8th September, 2006 to 15th September, 2006, both days inclusive.
- c) Members are requested to intimate to the Company changes, if any, in their registered address quoting their Folio Number.
- d) Shareholders seeking any information with regards to accounts are requested to write to the Company latest by 1st September, 2006 so as to enable the management to keep the information ready.

## HARLEYSTREET PHARMACEUTICALS LTD.

### DIRECTORS' REPORT

#### TO THE MEMBERS

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report and Audited Accounts for the year ended 31<sup>st</sup> March, 2006.

#### FINANCIAL RESULTS

	For the year ended 31.3.2006 (Rs.Lakhs)	For the year ended 31.3.2005 (Rs. Lakhs)
<b>Total Income</b>	<b>376.56</b>	<b>300.23</b>
Total Expenditure	255.38	224.27
Depreciation	39.51	34.25
<b>Profit/ (Loss) before tax</b>	<b>81.67</b>	<b>41.71</b>
Provision for taxation		
- Current	28.87	11.92
- Deferred tax assets /(liabilities) (2.60)		1.81
- Fringe benefit tax (FBT) 0.65		-
- Excess provision for taxation of earlier year (1.96)		-
<b>Net Profit/ (Loss) after tax</b>	<b>56.71</b>	<b>27.98</b>

#### ADJUSTMENTS

Balance of Profit / (Loss) brought forward	28.88	0.90
Balance of Profit carried to Balance Sheet	85.59	28.88

#### REVIEW OF OPERATIONS

The Company has achieved total income of Rs.376.56 lacs during the year as against the total income of Rs. 300.23 lacs during the previous year. The operations have resulted in a net profit of Rs. 56.71 lacs as against a profit of Rs.27.98 lacs in the previous year.

During the year under report, the injectable manufacturing facility of your Company at Naroda (Ahmedabad) was upgraded to meet the cGMP requirements and was inspected and approved for WHO GMP certification.

Most of the income earned by your Company during the year under report is from manufacturing activities carried out for other pharmaceutical companies on loan license basis.

#### COMPLIANCE CERTIFICATE

A compliance certificate under Section 383A of the Companies Act, 1956, received from the Company Secretary in whole time practice is attached herewith.

#### DIVIDEND

In order to conserve resources and considering the funds required for repayment of loan availed for upgradation of manufacturing facility, your directors do not recommend any dividend for the financial year under report.

#### DEPOSITS

The Company has not accepted any fixed deposits during the year which attracts the provisions of Section 58(A) of the Companies Act, 1956.

#### PERSONNEL

None of the employee is drawing salary stated in the limits specified under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

### DIRECTORS

Mr. Umesh Parikh and Mr. Saahil Parikh retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

During the year under report, Ms. Pragna J. Dani resigned as a Director of your Company. The Board records its appreciation for the services rendered by Ms. Dani during her tenure as a Director.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm :

- that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- that appropriate accounting policies have been selected and applied consistently and have 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 ended 31<sup>st</sup> March, 2006 and of the profit of the Company for the year;
- that proper and sufficient care has been taken 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;
- that the annual accounts have been prepared on a going concern basis.

### AUDITORS AND AUDIT REPORT

M/s Shah & Shah Associates, Chartered Accountants, retire as auditors and, being eligible, offer themselves for re-appointment.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and, therefore, do not call for any further comments.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the requirements of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the enclosed Annexure.

### ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the support and cooperation extended by all the Employees.

Place : Ahmedabad

Date : 27<sup>th</sup> June, 2006

For and on behalf of the Board  
 Umesh S. Parikh                      Kaushik S. Chaturvedi  
 Managing Director                      Director

## ANNEXURE I

Information pursuant to the Companies (Disclosure of particulars in Report of the Board of Directors) Rules, 1988

## 1. CONSERVATION OF ENERGY

- (i) Energy conservation measures taken :  
During the year under review, all possible efforts were made to ensure optimum conservation of electricity and fuel at the plant of the company.
- (ii) Additional investment and proposals being implemented for reduction of energy consumption :  
Proposal to introduce improved operational methods, rationalisation and better methods of lighting to bring about a saving in power consumption.
- (iii) Impact of the above measures :  
As a result of the measures taken for conservation of energy as referred to in (i) above, the power factor has improved to a desirable level.

## (iv) A. Power and fuel Consumption:

	2005-2006	2004-2005
a) Electricity :		
(i) Purchased :		
Units (KWH)	5,55,444	4,63,887
Total Amount (Rs.in lacs)	25.62	22.77
Rate / Unit (Rs.)	4.61	4.91
(ii) Own Generation :		
Through Diesel generator :		
Units (KWH)	17,963	18,050
Units per Ltr of Diesel oil (KWH)	2.50	2.50
Cost of diesel per KWH (Rs.)	13.21	11.08
b) Others Rs. (In Lacs)		
HSD	20.61	16.20
LPG	0.16	0.13
Oxygen Gas	-	1.18

## B. Consumption per unit of Production :

Not ascertainable in view of the multiplicity of products & packs.

2. TECHNOLOGY ABSORPTION : Not Applicable since the Company has not imported any technology since its inception.

## 3. FOREIGN EXCHANGE EARNINGS AND OUTGO

- A. Activities relating to exports, initiatives taken to increase exports, development of new exports markets for products and services and export plans :

The Company does not have any export business.

- B. Total foreign exchange used and earned : NIL

For and on behalf of the Board

Place : Ahmedabad  
Date : 27<sup>th</sup> June, 2006

Umesh S. Parikh  
Managing Director

Kaushik S. Chaturvedi  
Director

**HARLEYSTREET PHARMACEUTICALS LTD.****COMPLIANCE CERTIFICATE**

CIN No.: U24230GJ1983PLC006078

Nominal Capital : Rs. 1,50,00,000/-

To,  
The Members,  
**HARLEYSTREET PHARMACEUTICALS LIMITED**  
29/3, Phase-III, GIDC Industrial Estate,  
Naroda, Ahmedabad-382 330.

I have examined the registers, records, books and papers of **M/s. Harleystreet Pharmaceuticals Limited** as required to be maintained under the **Companies Act 1956**, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31<sup>st</sup> March 2006**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and representatives,

I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Gujarat within the time prescribed under the Act and the rules made there under. No form or return was required to be filed with Regional Director, Central Government, Company Law Board, or other authorities during the financial year under review.
3. The Company being a public limited Company having paid-up capital of Rs. 95,24,000/- during the year under review.
4. The Board of Directors duly met five times respectively on 30<sup>th</sup> April 2005, 30<sup>th</sup> June 2005, 29<sup>th</sup> July 2005, 28<sup>th</sup> October 2005 and 30<sup>th</sup> January 2006 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Books maintained for the purpose.
5. The Company has closed its register of members from 12<sup>th</sup> September 2005 to 16<sup>th</sup> September 2005 and necessary compliance of section 154 of the Act has not been made during the financial year.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March 2005 was held on 16<sup>th</sup> September 2005 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act during the financial year under review.
9. The Company has complied with the provisions of Section 297 of the Act in respect of contract specified in that section during the year under review.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. There was no instance falling within the purview of Section 314 of the Act during the year under review and hence the company was not required to obtain any approvals from the Board of directors, members or Central Government.
12. The Company has not issued any duplicate certificates during the financial year.
13. The Company has:
  - (a) delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act. There was no allotment of securities during the year.
  - (b) not declared any dividend during the financial year.
  - (c) was not required to post warrants to any members of the Company as no dividend was declared during the financial year.
  - (d) no amount lying in the Books of Account in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon.
  - (e) complied with the requirements of Section 217 of the Act.

14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the year. However, there was resignation of Ms. Pragna Dani, director of the company during the year under review.
15. There was no appointment of Managing Director, Whole-time Director and Manager during the year under review
16. The Company has not appointed any sole selling agents during the financial year.
17. As Confirmed by the management, the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the year under review.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year ended on 31<sup>st</sup> March 2006.
21. There being no preference shares or debentures hence question of redemption does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended on 31<sup>st</sup> March 2006.
25. The Company has not made any investments in other bodies corporate (Including advances) under Section 372A of the Act during the year under review.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the financial year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the financial year under scrutiny.
30. The Company has not altered its articles of association during the financial year
31. As confirmed by the management, there were no prosecutions initiated against or show cause notices received by the Company, during the financial year, for offences under the Act.
32. As confirmed by the management, the Company has not received any money as security from its employees during the financial year.
33. As confirmed by the management, the Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

For, Sandip Sheth & Associates  
Company Secretaries

Place: Ahmedabad  
Date: 27<sup>th</sup> June 2006

(SANDIP SHETH)  
Proprietor  
C.P. No. 4354

**HARLEYSTREET PHARMACEUTICALS LTD.****ANNEXURE "A"**

Statutory &amp; Other Registers maintained by the Company

<b>Sr.No.</b>	<b>Particulars</b>	<b>Section</b>
1.	Register of Members	u/s. 150(1)
2.	Minutes of the General Meetings	u/s. 193(1)
3.	Minutes of the Board Meetings	u/s. 193(1)
4.	Register of Contracts	u/s. 301(1)
5.	Register of Directors, Managing Directors. etc.	u/s. 303(1)
6.	Register of Director's Shareholdings	u/s. 307(1)
7.	Register of Charges	u/s. 146
8.	Register of Share Transfers	

**ANNEXURE-'B'**Forms and returns filed by the Company with Registrar of Companies, Gujarat during the financial year ended 31<sup>st</sup> March 2006.

<b>Sr. No.</b>	<b>Form No.</b>	<b>Filed U/S</b>	<b>Details of Forms</b>	<b>Period of Filing As per Law</b>	<b>Date of Actual filing</b>	<b>Remarks</b>
1	Schedule-V	159	Annual Return made upto 16-9-2005	Within 60 days from AGM Date	16-11-05	None
2	Schedule-VI	220	Balance Sheet as at 31-03-2005	Within 30 days from AGM Date	04-10-05	None
3	Compliance Certificate	383A(1)	Compliance Certificate to be attached with Board Report	Within 30 days from AGM Date	04-10-05	None
4	Form No. 32	303(2)	Resignation of Ms. Pragna Dani from directorship of the company w.e.f. 31.01.2006	Within 30 days from the date of resignation	20-02-06	None

**Signature for Annexure 'A' and Annexure 'B'**For, Sandip Sheth & Associates  
Company SecretariesPlace: Ahmedabad  
Date: 27<sup>th</sup> June 2006(SANDIP SHETH)  
Proprietor  
C.P. No. 4354