

21st Annual Report

2009 - 2010

Few of own Branded Products of Sharon



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Sharon's Staff Picnic
at The Silent Hill Resort, Palghar



Distribution of Medicine
to Chief Minister's Relief Fund, Uttarakhand



CONTENTS

Particulars	Pg. No.
Managing Directors' Letter	04
Notice	06
Directors' Report	10
Corporate Governance	15
Management Discussion & Analysis	26
Auditors' Report	30
Balance Sheet	34
Profit & Loss Account	35
Cash Flow Statement	36
Schedules	37
Balance Sheet Abstract	49
Reports and Accounts of the Subsidiary Company Yusur International FZE, UAE	50
Consolidated Financial Statement of Sharon Bio-Medicine Limited and Yusur International FZE	57

BOARD OF DIRECTORS

Ms. Savita Gowda

Mr. Lalit Misra

Mr. Mohan P. Kala

Mr. Vijay Kirpalani

Dr. V. N. Badoni

Mr. Drunal Shah

Mr. Harish Palecanda

Mr. Sanjay Shah

Dr. Nivedita Patil

Managing Director

Whole Time Director

Director

Whole Time Director

Independent Director

Independent Director

Independent Director

Independent Director

Independent Director

AUDITORS

M/s. Jain Gangwal & Associates

Chartered Accountants

BANKERS

Canara Bank

Prime Corporate Branch - I, Cuffe Parade, Mumbai

State Bank of India

Overseas Branch, Cuffe Parade, Mumbai

Standard Chartered Bank

Fort Branch, Mumbai

Axis Bank

Andheri West Branch, Mumbai

Barclays Bank Plc,

Worli Branch, Mumbai

COMPANY SECRETARY

Mr. R. M. Gaud

COMPANY SECRETARIES (in Practice)

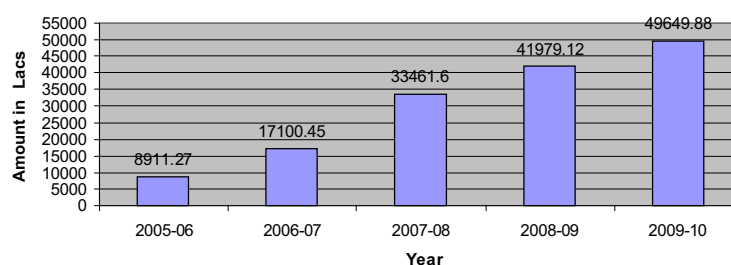
Jagdish Patel & Co.

Financial Highlights of Sharon Bio-Medicine Limited

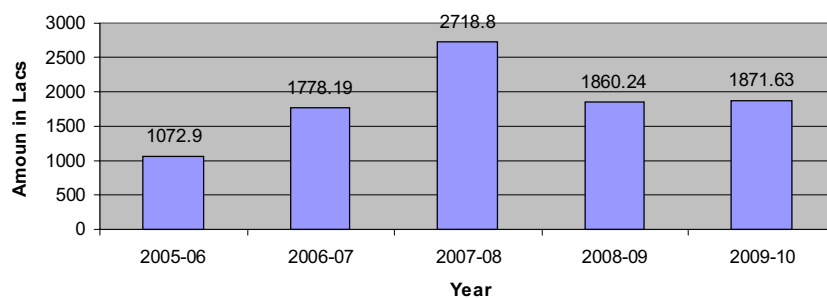
₹ in Lacs

	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Turnover	8911.27	17100.45	33461.6	41979.12	49649.88
Other Income	15.34	51.22	250.51	183.23	156.97
PBDIT	1403.42	2637.15	4158.03	4073.33	5142.05
Interest	63.48	249.88	658.70	1436.32	2099.88
Depreciation	55.70	117.92	359.96	417.90	639.98
PBT	1284.24	2269.35	3139.37	2219.11	2402.19
Tax	202.75	478.00	407.00	310.00	350.00
PAT	1072.90	1777.28	2718.79	1860.24	1871.63

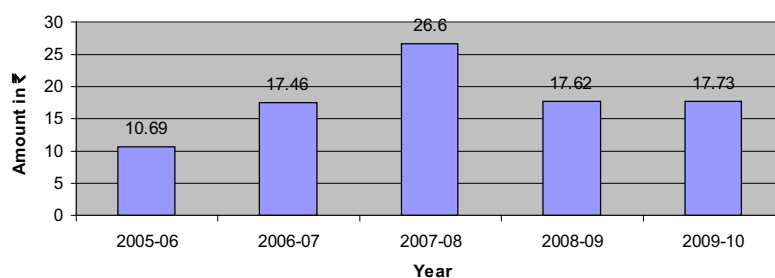
Turnover



Profit after Tax



Earning per Share



Dear Shareholders,

Having achieved almost ₹ 500 crores of Turnover of our company, I am sure you will join in celebrating the achievements of our company. Needless to say these achievements are possible by relentless focus on quality, control of costs, addition of new factories and products, spreading sales to more geographical areas and efficient management with complex situations. Ultimately, the success of any company depends on its customers and the strong sustained demand of company's products.

Consistently over the years, our Board of Directors have emphasized the need for creating an enabling culture in the organization in which performance with ethical practices receive the highest emphasis. To push the envelope on enablement the management undertake special programmes during the year with the objective of achieving greater engagement, better communication and an appreciation driven culture in the company. Some employees who had alone better performance in their respective fields are awarded certificate along with cash award. This focus on the softer side of the culture has led to greater team efforts, spirit, motivation and sincerity with which employees approach their tasks in meeting corporate objectives .

During the current year, we have added many more products in Active Pharma Ingredients (API), Intermediates and Formulations. We were able to start commercial productions in our two new plants based in Taloja, near Navi Mumbai and has got approval of U.K. MHRA at our Dehradun Formulation plant. Our ultimate goal is to get the USFDA approval of API plant at Taloja and Formation plant at Dehradun which will open word market to us including Europe and USA.

Further, our company will be opening more and more market for its products in India as well as abroad. Though global economy has been recovering from the shocks of 2008-09, some uncertainty still remains. Customers, now demand solutions that deliver guaranteed cost savings, qualities, tangible productivity and efficiency benefits. Our company is fully geared to convert any challenges into opportunities. We will make every effort to ensure a sustainable framework in which your company can thrive in future.

Here, I will talk some line on Diversification of company in Power sector. In the previous year, our company has applied to Uttarakhand Government 75 MW Hydro power under self identified scheme. In 2008, Uttarakhand Government has come out with the scheme where any Indian Company/Individual/Firm etc. can identify the Probable Hydro Power Projects in Uttarakhand and will be allotted the Hydro Power sites as per the scheme, announced by Uttarakhand Jal Vidyut Nigam Ltd. As per the scheme, our company also Identified 3 sites with total of 75MW capacity near Karan Prayag at Pinder Valley. In the Process some Indian companies / Individual / Firms were allotted few sites by Uttarakhand Government after due diligence and evaluation but later cancelled due to initial invitation for self identification & wrong advertisement in newspaper in 2008 for self identify power project by Uttarakhand Government. However, the allotted company/individual etc. has taken the matter to the High court in Uttarakhand against State Government and we are also waiting for outcome of the court judgment.

We understand that Hydro Power generation is not our core business but to get the HydroPower site in Uttarakhand would have added very high values to our company since cost of the per unit cost is just 35 paise whereas sale price per unit is almost ₹ 3/-per unit.

I will like to mention that we continue to be innovative in our thinking and are confident that our strategies will continue to create immense value for each and every stakeholder of our organization.

I am thankful to all stakeholders like Shareholders, Employees, Bankers, Suppliers, Customers and Board of Directors for their continuous support and confidence in bringing our company in successful growth and assure our stakeholders to deliver the maximum value to their stake in future.

For and on behalf of the Board

Sd/-

Place : Mumbai
Date : 04.12.2010

Ms. Savita Gowda
(Chairman & Managing Director)

NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of Sharon Bio-Medicine Limited will be held at the Registered office at Plot No.W-34, W-34/1 MIDC, Taloja, Dist. Raigad, Maharashtra 410 208 on 31st December, 2010 at 9.00 a.m. to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 30th June, 2010 and Profit and Loss Account as on that date together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Lalit Misra, who retires by rotation, and being eligible, offers himself for appointment.
4. To appoint a Director in place of Mr. Vijay Kirpalani, who retires by rotation, and being eligible, offers himself for appointment.
5. To appoint a Director in place of Dr. Nivedita Patil who retires by rotation, and being eligible, offers herself for appointment
6. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution
"RESOLVED THAT M/s. Shyam C. Agrawal & Co., Chartered Accountants, Mumbai be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Jain Gangwal & Associates, Chartered Accountants, Mumbai, who do not seek re-appointment, due to pre occupancy to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and that the remuneration and other out of pocket expenses incurred by them as may be decided by the Board of Directors as per recommendation by the Audit Committee of the Company."

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass with or without modifications the following resolution as a Ordinary Resolution:
"RESOLVED THAT subject to the provisions of section 198, 269, 309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, the consent of the Members be and is hereby accorded for the appointment of Ms. Savita Gowda, as a Managing Director for the period of five year w.e.f. from 11.08.2010 to 10.08.2015 on monthly salary not exceeding ₹ 3,00,000 per month with an annual increment not exceeding 25% of the last salary drawn and all types of perquisites as may be allowed under the policy of the Company
RESOLVED FURTHER THAT the remuneration payable to the Appointee, in the event of absence or inadequacy of profit, be paid within the permissible limit, and in accordance with, the provisions of section 198 of the Companies Act, 1956, read with the provisions of section II of Part II of Schedule XIII thereto as duly approved and recommended by the remuneration committee.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary any or all of the terms and conditions as approved vide this resolution as may be deemed fit or expedient or proper from time to time which may have the effect of increasing the remuneration or perquisites or benefits and for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper in the best interest of the Company."
8. To consider and if thought fit, to pass with or without modifications the following resolution as a Ordinary Resolution:
"RESOLVED THAT subject to the provisions of section 198, 269, 309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, the consent of the Members be and is hereby accorded for the appointment of Mr. Lalit Misra, as a Whole-time Director for the period of five year w.e.f. from 11.08.2010 to 10.08.2015 on monthly salary not exceeding ₹ 3,00,000 per month with an annual increment not exceeding 25% of the last salary drawn and all types of perquisites as may be allowed under the policy of the Company"