

BAJAJ HEALTHCARE LTD

19th ANNUAL REPORT

2011-2012



DIRECTORS' REPORT

TO,
THE SHAREHOLDERS,

The Directors present the 19th Annual Report of your company together with the Audited Accounts for the financial year ended 31st March, 2012.

<u>FINANCIAL RESULTS</u>	<u>2011-12</u> (Amt In Rs)	<u>2010- 11</u> (Amt In Rs)
Profit/Loss before Depreciation	66,594,162	106,328,955
Less: Depreciation	<u>56,081,338</u>	<u>47,108,468</u>
Profit/Loss after depreciation	10,512,824	59,220,487
Less: a) Provision for Taxation	6,959,948	16,598,839
b) Provision for dividend	-	2,623,698
(Including Pref. , Equity Dividend & including Dividend distribution tax)		
Profit after Taxation C/f to Balance Sheet	3,552,876	39,997,950

DIVIDEND:

The Board of Director has not recommended any dividend on Equity Shares as well as Non-Cumulative Redeemable Preference Shares for the year ended 31st March 2012.

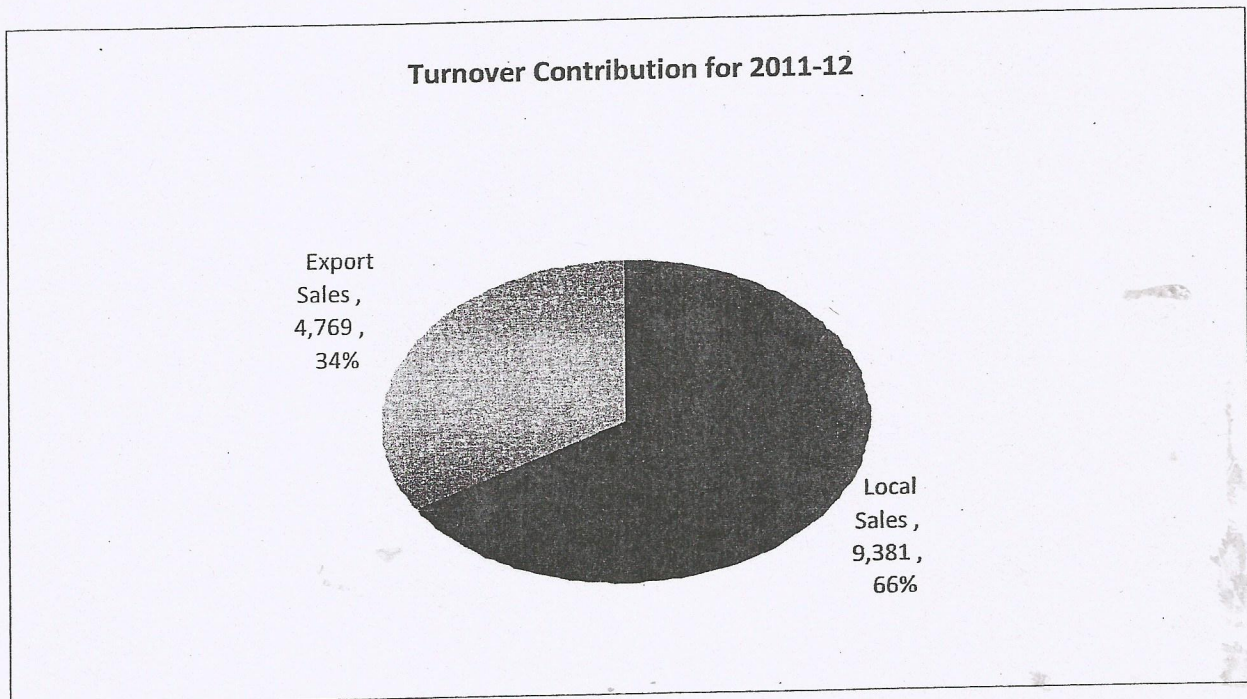
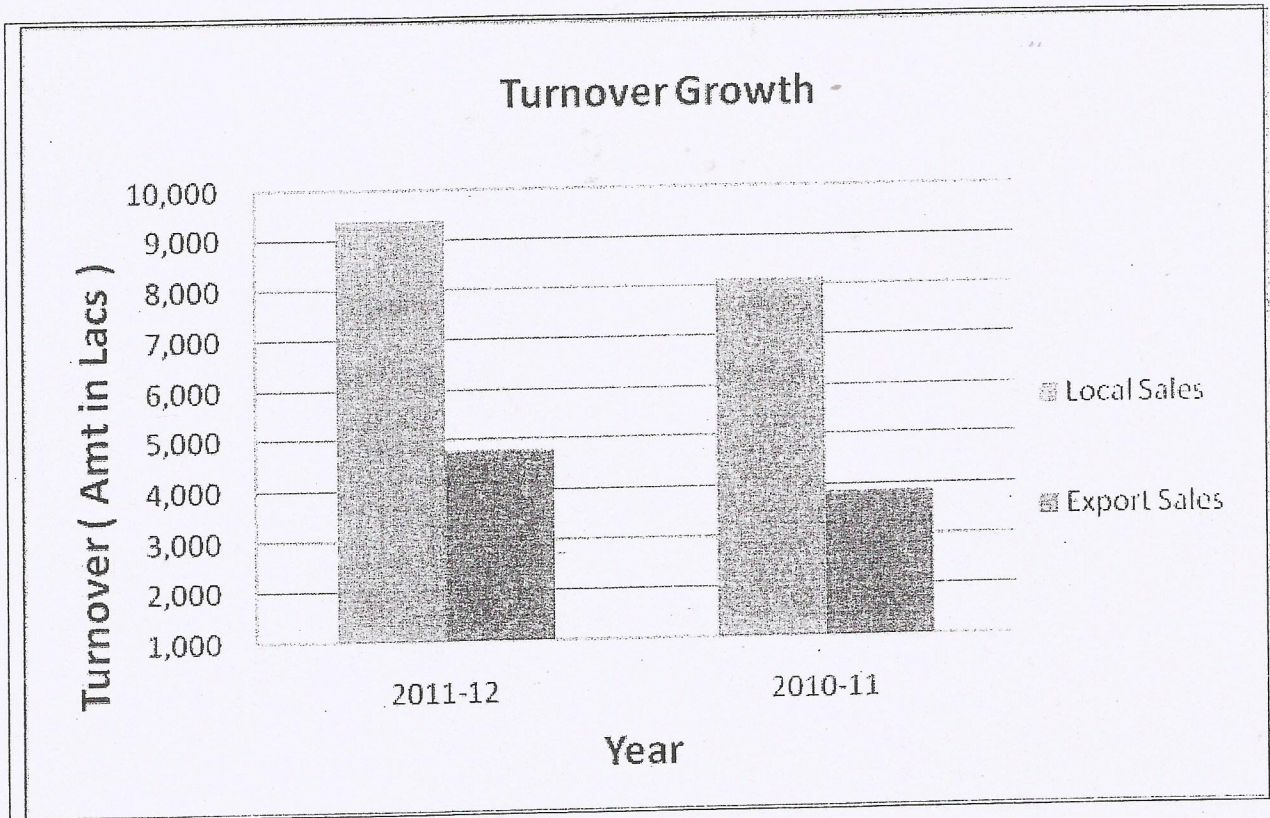
OPERATIONS REVIEW:

The Company's turnover for the year grew by 18% to Rs. 14,150.05 lacs as compared to last year Rs.11,986.05 lacs, which includes the Domestic turnover of Rs. 9,381.44 lacs as compared to last year Domestic turnover of Rs.8,116.23 lacs and the Export turnover of Rs. 4,768.61 lacs as compared to last year's Export turnover of Rs. 3,869.82 lacs..

Depreciation for the year was Rs. 560.81 Lacs compared to Rs. 471.08 Lacs in F.Y. 2010-11. Your Directors are quite hopeful that company would be able to achieve better results during the current year.

BAJAJ HEALTHCARE LTD

202-204, Faiz-E-Outbi, 375, Narshi Natha Street, Mumbai - 400 009, INDIA
Tel : 00 91 22 4017 7677 • Fax : 00 91 22 2345 0481 / 2341 0883 • Website : www.bajajhealth.com



BAJAJ HEALTHCARE LTD

202-204, Faiz-E-Outbi, 375, Narshi Natha Street, Mumbai - 400 009, INDIA
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DEPOSITS :

The company did not accept any public deposit in terms of section 58 - A of the Company's Act, 1956 and the rules framed thereunder.

INSURANCE :

All Properties/ Assets including Building, Plant & Machineries, Furniture and Fixture etc. and insurable interest of the Company are adequately insured.

INTERNAL CONTROL SYSTEM:

The Company has a sound internal control system, which ensures that all assets are protected against loss from unauthorized use and all transactions are recorded and reported correctly.

AUDITORS:

M/s Paresh Rakesh & Associates Chartered Accountants Mumbai, Retires at the conclusion of this Annual General Meeting and being eligible offers themselves for reappointment.

DIRECTORS:

Shri. Gopal V Mehta retires by rotation at the ensuring Annual General Meeting and being eligible has offered himself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Act, the Directors also report that:

- 1) That in the preparation of the annual accounts, all applicable accounting standards have been followed and proper explanation relating to material departures.
- 2) That the Directors had selected such accounting policies and applied them consistently and made judgments 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 financial year and of the profit or loss of the company for that period.
- 3) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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4) That the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT:

Our Directors acknowledge the assistance, co-operation and continuous support and goodwill received from the concerned departments of the State and Central Government, Banks, Customers, Distributors & Dealers and Board also thanks the employees for their dedicated and sincere service.

By order of the Board
For BAJAJ HEALTHCARE LTD.

Place : MUMBAI.
Date : 01.09.2012



(S.K.R.BAJAJ)
Chairman & Managing Director



ANNEXURE "A" TO THE DIRESTORS REPORT
PARTICULARS UNDER SECTION 217(1)(e)

Information pursuant to section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in the Annexure- A to the Report.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

The company is continuously upgrading its manufacturing technology based on its in house research. The benefits of research and development will soon start accruing.

Due to technology upgradation:

- Improvements in recovery of solvent by product in order to make process more effective and environment friendly and also
- Improvements in Production Capacity.

CONSERVATION OF ENERGY:

The company is taking necessary steps to save the fuel and air pollution problems and also become a member of TIMA CETP CO-OP SOCIETY LTD., for the Effluent Water Treatment Plant.

PERSONNEL:

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are required to be set out as under :-

Sr. No	Name of the Employee	Designation	Remuneration (Rs)	Qualification	Experience	Age	Date of Joining
1.	S.K.R. Bajaj	CMD	28,50,000/-	B.Com.	28 Yrs	53	Nov'1993

FUTURE PLAN OF ACTION:

Process Development

- Continue to develop cost effective and environment friendly processes.

FOREIGN EXCHANGE EARNING AND OUTGO:

The detailed earning and outgo figures being produced in Schedule 18 at the statements of Accounts.

For and on behalf of the Board
For BAJAJ HEALTHCARE LTD.



(S.K.R.BAJAJ)
Chairman & Managing Director

Place : MUMBAI.

Date : 01.09.2012

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AUDITORS REPORT TO MEMBERS :

To The Members of
BAJAJ HEALTHCARE LTD,
Mumbai.

We have audited the attached Balance Sheet of M/s. Bajaj Healthcare Limited as at 31st March 2012, and the Profit and Loss account 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.

We have 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 to material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimate made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, and in the terms of information and explanation given to us and on the basis of such checks, as we considered appropriate we further report and annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order, to the extent applicable.

Further to our comments in the Annexure referred to above, we report that:

We have obtained all the information's and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

In our opinion, proper books of accounts as required by law have been kept by the company as far as appears from our examination of those books.

The Balance Sheet and Profit & Loss Account dealt with this report are in agreement with the books of account.



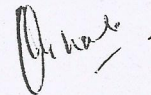
In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to sub-section (3C) of Section 211 of the Company's Act, 1956.

On the basis of written representations received from the director, as on 31st March 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Sec. 274 of the Companies Act, 1956.

In our opinion and to the best of our information's and according to the explanations given to us, the said accounts read with the significant accounting policies and notes give the information required by the Company's Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2012.
- ii. In the case of Profit & Loss Account of the Profit for the year ended on that date.
- iii. In the case of Cash Flow Statement, of the cash flows of or the year ended on that date.

For Paresh Rakesh & Associates.
Chartered Accountants.



(Rakesh Chaturvedi)
Partner

Mem. No. 102075

Firm Regi. No. 119728W



Place: Mumbai
Date: 01.09.2012

STATEMENT OF THE COMPANIES (AUDITOR'S REPORT)
ORDER, 2003.(AS AMENDED)

Re: Bajaj Healthcare Limited

Referred to in paragraph 3 of our report of even date,

- i.
 - (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained and informed to us that the company has a policy to physically verify all assets periodically, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. We are explained that no material discrepancies were noticed on such verification during the year.
 - (c) In our opinion and the explanations given to us, the fixed assets disposed off by the company were not substantial and therefore does not affect the going concern status of the company.
- ii.
 - (a) In our opinion and according to information and explanations given to us the inventories has been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable.
 - (b) 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) On the basis of records and explanation as provided to us, in our opinion the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii.
 - (a) According to the information given to us, company has not granted any loans secured or unsecured to any companies, firm or other parties covered in the register maintained under section 301 of the Companies Act 1956, consequently the details relating to loans granted are not applicable.
 - (b) The company has taken unsecured loan from four parties covered in the register maintained under section 301 of Companies Act 1956. The maximum amount involved during the year was Rs. 4,22,44,896/- and outstanding amount of such loans aggregate to Rs. 4,21,65,640/- .



PARESH
RAKESH
ASSOCIATES

Chartered Accountants

- (c) In our opinion the rate of interest and other terms & conditions on which loans, have been taken are prima facie not prejudicial to the interest of company.
- (d) The payment of principal amount where ever due and interest are regular.
- iv. On the basis of selective checks carried out during the course of audit, in our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of the goods and services. Further, on the basis of our examination given to us, we have neither come across nor we have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
- v. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts / arrangements that need to be entered in the register maintained under section 301 have been so entered.
- (b) In our opinion and as explained to us, the transactions made in pursuance of such contracts or arrangements, have been made at prices or conditions which are reasonable having regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits during the year.
- vii. The Company has an adequate internal audit system to carry out internal audit for the year commensurate with the size and nature of its business.
- viii. The Company has maintained cost records as prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956.
- ix. a) As per the information and explanation furnished to us and according to our examination of the records of the company has been generally regular in depositing undisputed statutory dues of Income, sales Tax, Service Tax, Customs Duty, Excise Duty, Provident Fund, Employee's State Insurance, Cess and other material statutory dues applicable to it. There are no arrears of undisputed statutory dues outstanding for a period of more than six months from the date on which they becomes due.



Ph.no: 9867564074
Email: paresh_rakesh_asso@icai.org
Address: C/703, Prithvi Palace, Link Road, Kandarpada, Dahisar (west), Mumbai- 400068

**PARESH
RAKESH**

ASSOCIATES

Chartered Accountants

b) According to the information and explanation given to us, & records of company examined by us, the following disputed amount of tax demanded have not been deposited with concern authorities as on 31st March, 2012.

Sr. No	Nature of Liability	Name of Statute	Amount	Period which the amount relates	Forum where the dispute is pending
1	Sales Tax	Central Sales Tax, 1956	4,19,028/-	2001-02	Joint Comm & Sales Tax
2	Sales Tax	GVAT Act	39,09,698/-	2007 To 2011	Commissioner of Sales Tax Appeal
3	Central Excise	Central Excise Act, 1944	1,19,928/-	2007-08	Commissioner of Central Excise (Appeals)
4	Central Excise	Central Excise Act, 1944	67,61,197/-	2007-08	Commissioner of Central Excise (Appeals)
5	Customs Duty	Customs Act, 1962	4,15,25,427/-	2004-05	Commissioner of Customs Appeals
	Total		5,27,35,278/-		

- x. The company has no accumulated losses at the end of the financial Year and has not incurred cash losses during this financial year or in the immediate preceding financial year.
- xi. According to the information and explanations given to us and based on the documents and records produced to us, the company has not defaulted in repayment of dues to financial institution or bank.
- xii. According to the information and explanations given to us, The Company has not granted any loans and advances on the basis of securities by way of Shares, Debentures and other securities.



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- xiii. In our opinion, the company is not a chit fund or a nidhi/mutual benefit Fund/society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's report) (Amendment) Order, 2003 (As Amended) are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the company is not dealing in shares and securities, debentures and other investments. Therefore the provisions of clause 4 (xiv) of the order are not applicable to the company.
- xv. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. In our opinion and on the basis of explanation given to us, broadly the term loans have been applied for the purpose for which they were raised.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment and vice-versa.
- xviii. The company has not made preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act,1956.
- xix. During the period covered by our audit report the company has not issued any debentures.
- xx. The company is a closely held limited company, & has not raised any money by Public issue during the year.
- xxi. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Paresh Rakesh & Associates.
Chartered Accountants.



(Signature)
(Rakesh Chaturvedi)
Partner
Mem. No. 102075
Firm Regi. No. 119728W

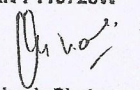
Place: Mumbai
Date: 01.09.2012

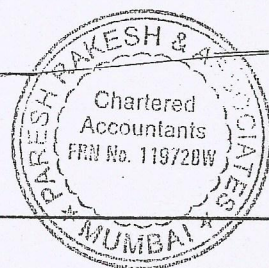
BAJAJ HEALTH CARE LIMITED

Balance Sheet as at 31st March, 2012

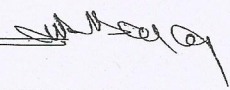
	Note	As at 31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	37,500,000	37,500,000
Reserves and Surplus	3	265,062,895	263,988,900
		302,562,895	301,488,900
Non Current liabilities			
Long Term Borrowings	4	174,268,442	120,144,795
Current liabilities			
Trade Payables	5	186,328,289	166,678,347
Short Term Borrowings	6	354,596,407	295,676,905
Short Term Provisions	7	37,500,000	70,700,000
Other Current Liabilities	8	157,006,562	117,548,015
		735,431,258	650,603,267
TOTAL		<u>1,212,262,595</u>	<u>1,072,236,962</u>
ASSETS			
Non Current Assets			
Tangible Assets	9	460,044,794	345,046,935
Capital Work in Progress	9	126,580,777	152,038,071
Long Term Investments	10	30,625	30,625
Deffered Tax Asset		2,231,945	2,742,645
Current assets			
Inventory	11	178,306,361	197,592,933
Trade Receivables	12	347,286,470	259,665,909
Cash and Bank Balances	13	5,476,651	1,151,984
Other Current Assets	14	92,304,971	113,967,860
		623,374,453	572,378,686
TOTAL		<u>1,212,262,595</u>	<u>1,072,236,962</u>
Notes to the Financial Statement	1 to 36		


As per our Report of even date
For Paresh Rakesh & Associates
Chartered Accountants
FRN : 119728W


Rakesh Chaturvedi
Partner
M. no: 102075
Place: Mumbai
Date: 01/09/2012



For and on behalf of the Board
BAJAJ HEALTH CARE LIMITED


S K R Bajaj
Director

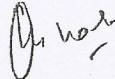

Anil C Jain
Director

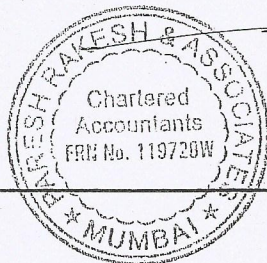
BAJAJ HEALTH CARE LIMITED

Profit and Loss Statement for the year ended 31st March, 2012

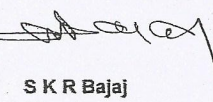
	Note	Year ended 31st March 2012	Year ended 31st March 2011
<u>INCOME</u>			
Revenue from operations	15	1,415,005,186	1,198,605,452
Other Income	16	1,072,566	4,379,911
Total Revenue		1,416,077,752	1,202,985,363
<u>EXPENDITURE</u>			
Purchases	17	1,101,119,100	987,613,555
Changes in Stock	18	25,659,576	-67,674,302
Employee Benefit Expenses	19	100,008,805	88,756,335
Financial Expenses	20	46,851,201	42,099,427
Depreciation and Ammortisations Expenses	9	56,081,338	47,108,468
Other Expenses	21	75,844,908	45,861,392
Total Expenses		1,405,564,928	1,143,764,875
Profit before tax		10,512,824	59,220,487
Tax expenses			
Current Tax		3,500,000	12,000,000
Deffered Tax		510,700	784,300
Earlier Years		2,949,248	3,814,539
Profit after tax		3,552,876	42,621,648
Earnings per equity share			
Basic & Diluted	29	1.58	18.94
Notes to the Financial Statement	1 to 36		


As per our Report of even date
For Paresh Rakesh & Associates
Chartered Accountants
FRN : 119728W


Rakesh Chaturvedi
Partner
M. no: 102075
Place: Mumbai
Date: 01/09/2012



For and on behalf of the Board
BAJAJ HEALTH CARE LIMITED


S K R Bajaj
Director


Anil C Jain
Director

BAJAJ HEALTH CARE LIMITED
Notes Forming part of Financial Statements

1] SIGNIFICANT ACCOUNTING POLICIES.

A. BASIS OF ACCOUNTING.

The financial statements are prepared under the historical cost convention on accrued basis and in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 1956, unless and otherwise specifically stated.

B. REVENUE RECOGNITION & SALES

- a) The Company recognizes sales at the point of dispatch of goods to the customers.
- b) Revenue is recognized in the appropriate circumstances when there are no significant uncertainties as regards its realization.
- c) Sales are stated at gross and include all taxes, but excludes interdivisional transfers.

C. FIXED ASSETS.

- a) Fixed Assets are stated at cost of acquisition or construction (net of recoverable taxes wherever availed) less accumulated depreciation.
- b) In the case of fixed assets acquired for new projects / expansion, interest cost on borrowings, and other related expenses incurred upto the date of completion of project are capitalised.
- c) Expenditure incurred towards fixed assets including advances paid towards the same are shown as capital work in progress till the completion of the assets.

D. DEPRECIATION.

Depreciation on all the fixed assets is provided on the W.D.V. method at the rates and in the manner prescribed under schedule XIV to the Companies Act, 1956.

E. STOCK IN TRADE / PURCHASE.

- a) Finished Goods are valued at cost or net realizable value whichever is lower.
- b) Raw materials Purchase and in transit are accounted at cost.
- c) WIP are valued at cost of materials plus overheads.
- d) Inventories are valued on FIFO Basis.
- e) Purchases are recorded net of recoverable taxes.



F. CURRENT TAX & DEFERRED TAX

Income Tax is accounted for in accordance with AS22 on Accounting for taxes on Income issued by the ICAI. Tax comprises of both the current and deferred. Current tax is measured at the amount expected to be paid/recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted tax rates.

G. FOREIGN CURRENCY TRANSACTIONS

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- b) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

H. INCOME TAX

Provision for tax for the year comprises current income tax determined to be payable in respect of taxable income.

I. GOVERNMENT GRANTS

- a) Government grants are accounted for where it is reasonably certain that the ultimate collection will be made.
- b) Government grants related to C.S.T. Refund claim for 100% EOU of Baroda Unit for all four quarters are shown under current assets.

J. BORROWING COSTS

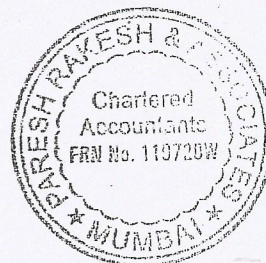
Borrowing costs which are directly attributable to acquisition, construction, or production of qualifying assets are capitalized as a part of cost of that assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

K. INVESTMENTS

Long term investments are stated at cost, less provision for diminution in value other than temporary.

L. PROVISIONS & CONTINGENT LIABILITIES

Provision is made in accounts if it becomes probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Contingent liabilities are not recognized till they crystallized, but are disclosed in the notes on account.



2 Share Capital

	As at 31st March, 2012	As at 31st March, 2011
Authorised Share Capital		
30 00 000 Equity Shares of 10/- each	3 00 00 000	3 00 00 000
20 00 000 Preference Shares of Rs. 10/- each	2 00 00 000	2 00 00 000
TOTAL	5 00 00 000	5 00 00 000
Issued, Subscribed and Paid up:		
22 50 000 Equity Shares of 10/- each fully paid up	2 25 00 000	2 25 00 000
15 00 000 7.5 Non cumulative redeemable preference shares of Rs. 10/- each fully paid (Redemtaon date: 19/06/2016)	1 50 00 000	1 50 00 000
TOTAL	3 75 00 000	3 75 00 000

2.1 The details of shareholders holding more than 5% shares

a. Equity Shares:

Name of the Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	% held	No. of Shares	% held
Mrs. Babita Bajaj	1 80 000	8.00	1 80 000	8.00
Mr. Sajankumar Bajaj	10 62 000	47.20	10 62 000	47.20
S K R Bajaj HUF	1 80 000	8.00	1 80 000	8.00
Ms. Namrata Bajaj	1 89 000	8.40	1 89 000	8.40
Ms. Nihita S Bajaj	1 89 000	8.40	1 89 000	8.40
Mr. Anil C Jain	1 64 000	7.29	1 64 000	7.29

2.2 The reconciliation of number of shares outstanding is set out below

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	No. of Shares	No. of Shares	No. of Shares
a Equity Shares at the beginning	22 50 000	22 50 000	22 50 000	22 50 000
Add/ (Less) : Changes during the Year	-	-	-	-
Equity Shares at the end of the year	22 50 000	22 50 000	22 50 000	22 50 000
b Preference Shares at the beginning	15 00 000	15 00 000	15 00 000	15 00 000
Add/ (Less) : Changes during the Year	-	-	-	-
Preference Shares at the end of the year	15 00 000	15 00 000	15 00 000	15 00 000

3 Reserves and Surplus

	As at 31st March, 2012		As at 31st March, 2011	
Capital Reserve				
As per Last Balance Sheet	5 60 623	5 60 623	5 60 623	5 60 623
Add/(Less): Changes during the Year	-	-	-	-
Capital Redemption Reserve				
As per Last Balance Sheet	50 00 000	50 00 000	50 00 000	50 00 000
Add/(Less): Changes during the Year	-	-	-	-
Shares Premium				
As per Last Balance Sheet	6 75 00 000	6 75 00 000	6 75 00 000	6 75 00 000
Add/(Less): Changes during the Year	-	-	-	-
Profit and Loss Account				
As per last Balance Sheet	19 09 28 277	15 09 30 327	15 09 30 327	15 09 30 327
Add/ (Less): Prior Period Adjustment	- 24 78 881	-	-	-
Add: Transferred from Profit and Loss Account	35 52 876	4 26 21 648	4 26 21 648	4 26 21 648
Less : Proposed dividend on Preference Shares	-	- 11 25 000	- 11 25 000	- 11 25 000
Less: Proposed Dividend on Equity Shares	-	-	-	-
Less: Tax on Dividend	-	- 3 73 698	- 3 73 698	- 3 73 698
TOTAL	26 50 62 895	26 39 88 900	26 39 88 900	26 39 88 900



	As at 31st March, 2012		As at 31st March, 2011	
4 Long Term Borrowings				
Secured				
Term Loan from Bank		16 25 18 810		10 92 89 919
Unsecured Loans				
Deferred Sales Tax Loan	19 17 731		23 04 876	
Deposits From Selling Agents	98 31 901	1 17 49 632	85 50 000	1 08 54 876
TOTAL		17 42 68 442		12 01 44 795

4.1 Term Loans From Banks are Secured against Mortgage of all immovables, hypothecation of all movable properties of the company & are guranted by 2 Directors In their individual capacity. Term Loan also incudes Term Loan for Motor Vehicle which is Secured against Hypothecation of respective vehicale for which Laon is taken.

4.2 Repayment Schedule	2013-2014	2014-2015	2015-2016	2016-2017
Year				
Amount Payable (Principal Only)	5 42 58 313	5 25 24 100	4 57 99 289	99 37 128

	As at 31st March, 2012		As at 31st March, 2011	
5 Trade Payables				
Micro Small & Medium Enterprises				
Others	18 63 28 289	18 63 28 289	16 66 78 347	16 66 78 347
TOTAL		18 63 28 289		16 66 78 347

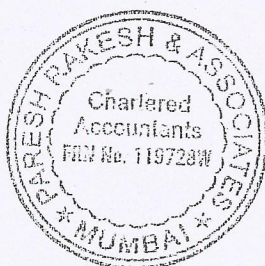
6 Short Term Borrowings				
Secured				
Working Capital Loan Form Bank		28 54 30 761		24 27 86 063
Unsecured Loans				
From Director and Shareholders		2 09 70 297		1 02 72 585
Inter Corporate Deposits		4 81 95 349		4 26 18 257
TOTAL		35 45 96 407		29 56 76 905

6.1 Working Capital loans from banks are Secured against Book debt, Stock, all immovable properties, hypothecation of all movables properties of the company and are guaranteed by directors, Promoters & corporate gurantee of its associates concern .

7 Short Term Provisions				
Provision for Income Tax		3 75 00 000		7 07 00 000
TOTAL		3 75 00 000		7 07 00 000

8 Other Current Liabilities				
Current Maturity of Long Term Borrowings		7 87 30 456		5 18 96 256
Sundry Creditors For Expenses		3 86 33 823		3 09 61 211
Sundry Creditors for Capital Goods		1 28 33 837		1 61 33 761
Advances Recd		4,009.00		4 49 429
Other Payables		2 68 04 437		1 81 07 358
TOTAL		15 70 06 562		11 75 48 015

8.1 Other Payables include Statutory Liabilities and Tax Deducted at Source payable



BAJAJ HEALTHCARE LTD.
Notes Forming part of Financial Statements
Schedule - 9 - Tangible Assets

FIXED ASSETS	GROSS BLOCK 1/4/2011	ADDITION DUR. YR.	DEDUCTION DUR. YR.	GROSS BLOCK 31/03/2012	RATE OF DEP.	DEP. UP TO 1/4/2011	DEP. FOR THE YEAR	DEDUCTION DUR. YR.	TOTAL DEP.	NET BLOCK 31/03/2012	NET BLOCK 31/03/2011
AIR CONDITION	2,129,699	257,163	-	2,386,862	0	823,471	205,685	-	1,029,157	1,357,705	1,306,227
COMPUTER	8,330,606	941,017	-	9,271,623	0	5,547,097	1,302,175	-	6,849,273	2,422,350	2,783,509
ELECTRICAL EQUIPMENT	15,557,216	2,013,659	-	17,570,875	0	6,622,990	2,016,394	-	8,639,384	8,951,491	8,934,226
FACTORY BUILDING	196,011,443	38,563,673	-	234,575,116	0	62,511,807	14,277,019	-	76,788,826	157,786,290	133,499,636
FLAT AT TIRTHAK DEVELOPERS	2,303,800	377,000	-	2,680,800	0	205,133	118,479	-	323,612	2,357,188	2,096,667
GUEST HOUSE AT PARKH	992,070	-	-	992,070	0	127,362	43,235	-	170,597	821,473	864,708
FIRE FIGHTING EQUIPMENT	255,455	38,843	-	294,298	0	117,646	28,241	-	145,887	148,411	137,809
FLAT AT TARAPUR	338,220	-	-	338,220	0	90,628	12,380	-	103,008	235,212	247,592
FURNITURE & FIXTURE	11,711,452	251,501	-	11,962,953	0	6,065,989	1,045,577	-	7,111,567	4,851,386	5,645,462
LAB EQUIPMENT	11,628,483	4,782,347	-	16,410,830	0	4,786,782	1,753,044	-	6,539,826	9,871,003	6,841,700
LAND	31,500,355	-	-	31,500,355	-	-	-	-	-	31,500,355	31,500,355
MOTOR VEHICLE	9,153,174	815,020	535,284	9,432,910	0	2,261,317	1,924,612	388,939	3,796,990	5,635,920	6,891,856
OFFICE EQUIPMENT	2,186,001	1,058,314	-	3,244,315	0	981,256	356,351	-	1,337,606	1,906,709	1,204,746
PLANT & MACHINERY	270,699,488	122,127,005	-	392,826,493	0	129,561,892	32,900,504	-	162,462,395	230,364,098	141,137,597
RESIDENTIAL BLDG AT TARAPUR	2,675,226	-	-	2,675,226	0	922,381	97,642	-	1,020,023	1,855,203	1,952,845
TOTAL	565,672,667	171,225,542	535,284	736,362,945		220,625,752	56,081,238	388,939	276,218,151	460,044,794	345,046,935
Previous Year				565,672,667					220,625,752	345,046,935	152,038,071
Capital Work in Progress										126,580,777	



BAJAJ HEALTH CARE LIMITED

Notes Forming part of Financial Statements

	As at 31st March, 2012	As at 31st March, 2011
10 Long Term Investments		
(Unquoted)		
500 Shares of Tima Cooperative Society limited of Rs. 10/- Each (P. Y 500)	5 000	5 000
2500 Equity Sahres of Saraswat Co-op Bank of Rs. 10 Each (P. Y 2500)	25 000	25 000
25 Shares of Sharao Vithal Co-op Bank of Rs. 5 Each (P Y: 500)	625	625
TOTAL	<u>30 625</u>	<u>30 625</u>
11 Inventory		
Closing Stock		
Raw Material	11 25 97 656	15 76 61 973
Finished Goods	5 40 47 455	3 43 41 252
Packing Credit	32 87 133	35 88 596
Stores and Spares	83 74 117	20 01 112
(As Valued and certitfd by Management)		
TOTAL	<u>17 83 06 361</u>	<u>19 75 92 933</u>
12 Trade Recievables		
(Unsecured and Considered Good)		
Over Six Months	79 23 247	45 30 542
Others	33 93 63 223	25 51 37 665
TOTAL	<u>34 72 86 470</u>	<u>25 96 68 207</u>
13 Cash and Bank Balances		
Balance with Bank		
In Current Account	44 17 576	1 64 865
In Deposit Account	<u>5 94 100</u>	<u>5 75 984</u>
Cash In Hand	4 64 975	4 11 134
TOTAL	<u>54 76 651</u>	<u>11 51 983</u>
14 Other Current Assets		
Advances Receivable in cash or kind for Value to be received	3 65 35 003	3 22 11 543
Deposit With Public Authorities and Others	2 28 93 598	2 04 38 912
Advance Tax / Tax Deducted at Source	3 28 76 370	6 13 17 405
TOTAL	<u>9 23 04 971</u>	<u>11 39 67 860</u>
15 Revenue from Operations		
Manufacturing Sales	80 20 42 570	69 13 09 330
Trading Sales	2 73 35 559	2 60 48 874
Add: Duties & Taxes on Sales	<u>10 87 66 029</u>	<u>9 42 65 234</u>
Export Sales		
Manufacturing Export Sales	46 43 90 994	38 45 03 714
High Seas Sale	86 19 451	
Duties and Taxes on Export Sale	<u>38 50 583</u>	<u>24 78 300</u>
TOTAL	<u>1 41 50 05 186</u>	<u>1 19 86 05 452</u>



	As at 31st March, 2012	As at 31st March, 2011
16 Other Income		
Dividend Received	5 075	5 075
Export Benefit	-	59 239
Interest on Fixed Deposit Received	4 38 776	11 72 661
Insurance Claim Received	-	9 62 942
Profit on sale Of fixed Assets	18 655	1 26 642
Profit on Consignment sale	-	3 86 897
Other Income	-	4 069
Scrap sale	4 25 238	2 30 606
Sundry Balances Written back	1 84 822	14 31 780
TOTAL	10 72 566	43 79 911
17 Purchases and Other Direct Expenses		
Purchases	78 72 76 370	73 06 67 219
Excise Duty & Sales Tax	11 30 87 008	9 76 56 721
Effluent Treatment Chgs	60 71 030	24 99 183
Fuel charges	4 24 50 279	2 17 68 367
Furnace Oil / LDO	50 89 565	1 37 62 356
Freight Forwarding & Transport	4 76 96 205	3 45 13 772
Material Testing & Inspection Charges	53 28 924	34 29 417
Processing & Labour Charges	4 30 45 521	4 16 69 651
Power Charges	4 04 12 000	2 99 57 422
Repairs & Maintenance Plant & Mach.	28 31 953	38 86 265
Stores & Spares	63 22 836	55 23 738
Water Charges	15 07 409	2,279,445.00
TOTAL	110 11 19 100	98 76 13 555
18 Changes in Stock		
Raw Material		
Opening Stock	15 76 61 973	8 53 78 331
Less: Closing Stock	11 25 97 656	4 50 64 317
		15 76 61 973
		-7 22 83 642
Fininshed Goods		
Opening Stock	3 43 41 252	3 95 64 211
Less: Closing Stock	5 40 47 455	-1 97 06 203
		3 43 41 252
		52 22 959
Packing Material		
Opening Stock	35 88 596	29 74 977
Less: Closing Stock	32 87 133	3 01 463
		35 88 596
		-6 13 618
TOTAL	2 56 59 576	-6 76 74 302
19 Employee Benefit Expenses		
Salary	9 06 70 645	8 07 73 721
Staff Welfare	46 06 264	31 12 087
Provident Funds and Other Contributions	47 31 896	48 70 527
TOTAL	10 00 08 805	8 87 56 335
20 Financial Expenses		
Bank Charges	64 82 520	60 86 128
Processing Fees	4 58 509	6 00 148
Interest On Buyers Credit	19 26 358	9 89 646
Interest On CC, LC & PC facilities	94 84 879	1 37 43 293
Interest On Post Shipment & Bill Disc Facility	15 96 277	4 23 175
Interest on Unsecured Loan	65 78 795	60 16 403
Interest on Term Loan	2 63 70 294	1 58 00 324
Less: Interest Capitalised	- 60 46 430	- 15 59 690
TOTAL	4 68 51 201	4 20 99 427



BAJAJ HEALTH CARE LIMITED

Notes Forming part of Financial Statements

- 22) Term Loans, Post Shipment Credits, Pre-shipment credits, Buyers credit and Cash Credits are secured by security trust consisting of registered mortgage in respect of the company's Immovable properties and hypothecation in case of movable properties such as plant and machinery, Fixture, vehicles, stock of raw materials, Semi-Finished and Finished goods work in process etc. and is further secured by personal guarantees of the directors Mr. S.K.R. Bajaj , Mr. Anil C Jain and corporate guarantee of Bajaj Health & Nutritions Pvt.Ltd.
- 23) In opinion of the Directors Current Assets Loans and advances have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business. All the outstanding liabilities other than those stated under contingent liabilities have been provided for.
- 24) The balance of Sundry Debtors, Creditors and Loans & Advances are subject to confirmations and reconciliation.
- 25) The revised schedule VI notified under Companies Act, 1956 has become applicable to the company during the current year. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary to confirm to revised schedule VI classification and are to be read in relation to the amounts and other disclosures relating to current year
- 26) Since no specific intimation has been received from any of the suppliers regarding the status of their registration as Micro, Small, or Medium as defined under Micro, Small and Medium Enterprises Department(MSMED) Act, 2006 as at 31st March 2012, disclosure relating to amounts unpaid as at the year end, if any, have not been furnished. However, the Company has been regular in paying to the Vendors as per agreed terms and conditions and hence the management feels there is no requirements for any provision towards interest.
- 27) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. NIL (Rs.1,52,57,988/-last year)

28) **Deferred Tax Assets:**

Deferred Tax Assets as on 31st March 2012 comprises of the following:

Particulars	(Amt. in Rs.)	
	As at 31.3.2012	As at 31.3.2011
Timing Difference on account of depreciation on fixed asset	22,31,945/-	27,42,645/-



BAJAJ HEALTH CARE LIMITED
Notes Forming part of Financial Statements

29) Earning Per Share:

(Amt In Rs)

Particulars	As at 31.3.2012	As at 31.3.2011
Profit After Tax	35 52 876	42,621,648
Less: Prior Period Adjustment for Employee Benefits	(24 78 881)	-
Less: Proposed Dividend on Equity and Preference Shares	-	(22 50 000)
Less: Tax on Dividend	-	(3 73 698)
Net Profit (For Equity Shareholders)	10 73 995	39 997 950
No. of Equity Shares of F.V. Rs.10 each	2,250,000	2,250,000
Basic EPS	0.48	17.78
Diluted EPS	0.48	17.78

30) **CONTINGENT LIABILITIES :**

Letter of credits issued by Banks US \$ 11,64,850/-
(Previous year US \$ 7,15,250/-)

Claim Against company not acknowledged as debts:

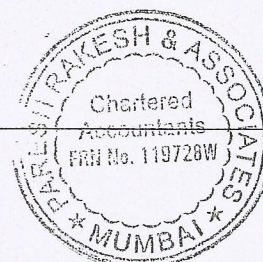
- a) Central Excise, Custom Duty, Central Sales Tax, GVAT & Income Tax Liability: Rs. 5,27,35,278/- (Previous year Rs. 12,30,695/-). This represents the demands made by authorities which in opinion of company are not sustainable and hence are appealed against with appropriate authority.

31) **RELATED PARTY DISCLOSURES :**

The following transactions have been done with the related parties as defined under the AS 18 issued by the ICAI.

Names of related parties with whom transactions have taken place during the year.

Key Management Personnel-Category I	Mr. S.K.R.Bajaj-CMD Mr. Anil C.Jain-VCMD Mr. Gopal Mehta-Director Mr. Dhananjay Hatle-Director
Relative of key management personnel-Category II	Babita Bajaj Namrata Bajaj S.K.R.Bajaj HUF Padma Jain
Enterprises owned or significantly influenced by key management personnel or their relatives-Category III	Bajaj Health & Nutritions Pvt Ltd Bansal Pharma Ltd
Enterprise owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Firm-Category IV	Nil



BAJAJ HEALTH CARE LIMITED
Notes Forming part of Financial Statements

Transactions with related parties during the year.

(Amt. in Rs.)

SR NO.	PARTICULARS	CATEGORY I	CATEGORY II	CATEGORY III	CATEGORY IV
1.	Remuneration	50,77,572 (52,27,572)	6,24,000 (5,55,000)	Nil	Nil
2.	Rent Paid	Nil	3,60,000 (3,60,000)	6,42,000 (6,30,000)	Nil
3.	Interest Paid (net of interest recd)	10,01,625 (8,29,830)	Nil Nil	14,14,624 (8,67,674)	Nil
4.	Unsecured Loan Taken (incl. Op. Bal)	2,32,22,071 (86,76,585)	Nil Nil	5,98,96,573 (3,55,85,654)	Nil
5.	Unsecured Loan Repaid	22,51,774 (5,90,000)	Nil Nil	3,87,01,230 (1,99,67,397)	Nil
6.	Balance outstanding as on 31.3.2011 of Unsecured loan taken	2,09,70,297 (80,86,585)	Nil (Nil)	2,11,95,343 (1,56,18,257)	Nil

Note: Amount shown in brackets represents the amount of previous year.

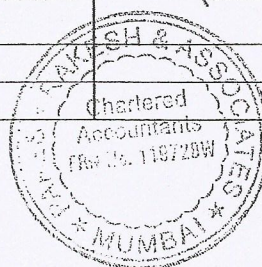
32) PAYMENT TO AUDITORS	<u>31/03/2012</u>	<u>31/03/2011</u>
Audit Fees (Excluding Service Tax)	1,75,000	1,75,000

33) Segment Information as per Accounting Standard 17:

Information about Primary Business Segments

(Rupees in lakhs)

Particulars	Mfg of Bulk Drugs	Formulation & sales of Medicines	Total
Revenue :			
Total External Sales	13,866.21	283.84	14,150.05
Net External Sales (Excluding excise & Sales tax)	12,735.47	283.71	13,019.18
Inter Segment Sales	27.64	(27.64)	-
Total Revenue	13,893.85	256.20	14,150.05
Total Net Revenue	12,763.11	256.07	13,019.18
Segment Result Before Interest , Exceptional Items & Tax	886.78	(313.14)	573.64
Less : Finance Charges			468.51
Profit Before Taxes			105.13



BAJAJ HEALTH CARE LIMITED
Notes Forming part of Financial Statements

Information about Secondary Segments : Geographical

(Rupees in lakhs)

Particulars	India		Outside India		Total	
	2012	2011	2012	2011	2012	2011
Gross Sales	9,381.44	8,116.23	4,768.61	3,869.82	14,150.05	11,986.05
Less: Taxes	1092.36	942.65	38.51	24.78	1130.87	967.43
Net Sales	8289.08	7,173.58	4,730.10	3,845.04	13019.18	11,018.62

- Business Segment:

The Company has Disclosed Business Segment as the Primary Segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organizational structure and internal reporting system.

The Company's Operations predominantly relate to manufacture of Bulk Drugs business. Other Business Segments Comprises Formulation of medicines and sale it to open Market.

- Segment Revenue :

Segment Revenue & Segment Results include the respective amounts identifiable to each of the segments as also amounts allocated on reasonable basis.

34). Disclosure under Accounting Standard 15 (Employee Benefits):

1	No of Employees covered	360
2	Retirement Age	60 Yrs
3	Benefits	As per Gratuity Act
4	Present Value of Past Service Gratuity Liability	Rs. 26 89 401/-
5	Annual Contribution	Rs. 6 01 466/-
6	Mortality Rate	As per 1994-96 LIC Mortality Tables (Std.)
7	Salary Escalation	4% for each year
8	Discounting rate	8%

35). EXPENDITURE IN FOREIGN CURRENCY.

	<u>31/03/2012</u>	<u>31/03/2011</u>
CIF Value of Import in	Rs. 52,23,21,223	Rs. 48,14,61,387
Other Expenses in Rs.	Rs. 3,903,964	Rs. 25,04,223

36). INCOME IN FOREIGN CURRENCY.

	<u>31/03/2012</u>	<u>31/03/2011</u>
FOB Value of exports in	Rs. 4,54,025,756	Rs. 39,15,95,602

