



GUFIC
BIOSCIENCES LIMITED

EXPANDING HEALTHCARE GLOBALLY
27TH ANNUAL REPORT 2010-2011

BOARD OF DIRECTORS

Mr. Jayesh P. Choksi	(Chairman & Managing Director)
Mr. Pranav J. Choksi	(Executive Whole time Director)
Dr. M. G. Dhapalapur	(Executive Whole time Director)
Mr. Sharat S. Gandhi	(Non-executive Independent Director)
Mr. Ashok M. Tarale	(Non-executive Independent Director)
Mr. Khantilal N. Sanghavi	(Non-executive Independent Director)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Prakash Khulbe

AUDITOR

Mayur Chokshi & Co
Chartered Accountants, Ground Floor, Tibrewala House,
33, Swastik Society, N.S. Road No 3, JVPD Scheme, Mumbai – 400 056

BANKERS

State Bank Of India
ICICI Bank
Corporation Bank
Bank of Baroda

REGISTERED OFFICE ADDRESS

Subhash Road – A,
Vile Parle (E),
Mumbai – 400 057.

ADMINISTRATIVE OFFICE

Old Sanskar Jyot School Bldg.
2nd & 3rd Floor, (Above Bank Of Maharashtra)
S.V. Road, Andheri (W), Mumbai - 400 058.
Tel.: 91- 22- 67261000. Email : gufic@guficbio.com
Website : www.guficbio.com

PLANT

National Highway No. 8, Near Grid,
Kabilpore Navsari, Gujarat 396 424
Tel.: 91 - 02637 - 239946 / 329424

REGISTRAR AND TRANSFER AGENTS

LINK INTIME INDIA PVT. LTD.
C – 13, Pannalal Silk Mills Compound,
L.B.S. Road, Bhandup (W) , Mumbai 400 078.
Tel No.: (022) 2594 6970
Fax (022) 2594 6969
Email: rnt.helpdesk@linkintime.co.in

27th Annual General Meeting

DAY & DATE

Monday, 26th September, 2011

TIME

2.30 PM.

VENUE

Hotel Parle International,
B. N. Agarwal Market,
Next to Dinanath Mangeshkar Hall,
Vile Parle (E), Mumbai - 400 057.

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₹ = Indian Rupee

GUFIC BIOSCIENCES LIMITED

Chairman's Message



Dear Shareholder,

It gives me immense pleasure to announce that our Company has grown from strength to strength in the past few years. Rather than diluting our resources into various segments we have consolidated and strengthened our base in core competent sectors. This is reflected via our consecutive growth in sales and profit.

The Indian pharmaceutical sector is highly fragmented with more than 20000 registered units. It has expanded drastically in the last two decades due to tax exemption areas. The leading 250 pharmaceutical companies control 70% of the market, with the market leader holding nearly 7% of the market share. This has lead to severe price competition in addition to Government Price Control.

The pharmaceutical industry in India meets 70% of the companies requirement for bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, capsules, orals and injectables. And as per a report (source: Corporate Catalyst India Pvt. Ltd.) there are about 250 large units and about 8000 small scale units which form the core or the pharmaceutical industry in India (including 5 central public sector units). These units produce the complete range of pharmaceutical formulations i.e. medicines ready for consumption by patients and bulk drugs i.e. chemicals having therapeutic value and used for production of pharmaceutical formulations.

Following the de-licensing of the pharmaceutical industry, industrial licensing for most of the drugs and pharmaceutical products has been done away with. Manufacturers are free to produce any drug duly approved by the Drug Control Authority. Technologically strong and totally self-reliant, the pharmaceutical industry in India has low costs of production, low R&D costs, innovative scientific manpower, strength of national laboratories and an increasing balance of trade. The Pharmaceutical Industry, with its rich scientific talents and research capabilities, supported by Intellectual Property Protection regime is well set to take on the international market.

Taking up from last year as we had mentioned we would be strengthening our core competency i.e. manufacturing of high and life saving injectables, we have increased and upgraded our current lyophilization facility and also pleased to announce that we shall be starting our separate hormonal facility for injectables by the month of November 2011. This new setup will give us an added boost to expand and establish our foothold in the field of hormonal medicines especially injectables. This will also give us an opportunity by providing a channel to offer new molecules of our pipeline and also those awaiting authorization from the Drug Controller at Delhi. We shall be self sufficient to offer our R&D products by manufacturing them at our own facility and hence maintain our intellectual property.

In the last 3 yrs. we have consolidated our services to cater the domestic market by upgrading our existing facilities, however, we now feel a need to setup a new regulatory superior facility of similar or higher capacity to offer our innovative products and new drug delivery systems for the international market. For this we are already in dialogue with international marketing companies to setup a joint venture which will be much more superior, regulatory wise and sophisticated to handle audits of regulated countries and as per the progress of our talks we shall be announcing the news soon.

Also in regard to our API division we have grown by almost 30% in terms of volume, however, due to fall in the selling price of the products due to competition and the rupee appreciation this is reflected only as a 5% increase in value. However, in the year 2011-2012 we have lined up capacity expansions which will be in place by January 2012 which will give us a substantial boost for the sales value in the coming years.

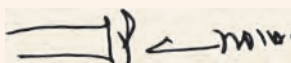
Our Pharma marketing has been our focus sector since the last two years and again this year we have grown by 28% which has further helped to increase our profits. We have been successful to launch some brand extensions for Sallaki Group which has been accepted very well in the market. Last year we substantially increased our field coverage area by around 40% which has affected the bottom line on a short term basis, however it has helped us to form a good base to launch new products over a wider geographical base, hence maximizing the reach and exposure of our innovative products to a larger medical and consumer audience.

The Consumer Product Division has suffered a slight dip since 10% excise was introduced on the sanitary napkin products in February'10 budget by which we had to alter a strategy to maintain maximum possible profitability. However, 2011 budget has rolled back the duty to 1% hence we can see a good growth in this year. We are also in the process of launching one more innovative product in the consumer segment which is called as Relieve & Relax. This will give us a good boost in the years to come.

Finally coming to our R&D pipeline, last year we witnessed the first commercialization of our innovative congestive failure product which started paying us dividends. There will be 3 more patents which will be filed in addition and more than a dozen new products or drug delivery systems will be added this year to our pipeline which will be either first time in India or first time in the world in terms of their drug delivery systems. This year we have also focused our R&D resources to come out with innovative delivery systems for our herbal products, at the same time provided a standardized formulations free from heavy metals and steroids. This helps to give our company an innovative edge and superior image in the herbal market space and assists our Ayurvedic Medical Practitioners to have an effective and patient compliant therapy for acute and chronic illnesses.

The Board promises that the Company shall achieve laid down targets for the future which in turn will yield higher returns to shareholders in form of increased share value and higher rate of dividend.

Yours truly,
For Gufic Biosciences Limited



Jayesh P. Choksi
Chairman & Managing Director

GUFIC BIOSCIENCES LIMITED

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report of the Company, together with the Audited Accounts for the financial year ended 31st March, 2011.

FINANCIAL SUMMARY:

₹ in ,000

	2010-11	2009-10
Sales and Other Income	718,965	633,321
Earnings Before Interest, Depreciation and Tax Amortisation (EBIDTA)	62,964	56,285
Interest	21,194	22,724
Depreciation	18,066	16,625
Profit Before Tax (PBT)	23,704	16,936
Provision for Tax	6,041	6,100
Short / (Excess) Tax Provisions of Earlier Year	168	(1571)
Provision for Deferred Taxation	2,854	129
Profit After Tax (PAT)	14,641	12,278
Surplus Brought Forward	82,165	74,397
Balance Available for Appropriation	96,805	86,674
Appropriations:		
Dividend	3,868	3,868
Tax on dividend	642	642
Transfer to General Res.	--	--
Surplus Carried Forward	92,295	82,165

FINANCIAL HIGHLIGHTS:

During the year under review the sales increased to ₹. 715783393 in comparison to previous year's ₹. 628864052 reflecting an increase of 13.82%.. EBITA increased by 11.57% and PBT increased by 38.97 %. PAT increased by 19.25%.

DIVIDEND:

The Directors are pleased to recommend a Dividend of 5 % per equity share of ₹.1 each for the financial year ended 31st March 2011.

LISTING:

Your Company is listed with the Bombay Stock Exchange Limited at P. J. Towers, Dalal Street, Mumbai 400 001, bearing Scrip Code No. 509079 and with the

National Stock Exchange of India Limited at Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 bearing Scrip Code GUFICBIO. The listing fees for the year 2011- 2012 has already been paid by the Company.

FIXED DEPOSITS:

During the year under review, your Company has not accepted any deposits from the public.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of provisions of Section 217(2AA) of the Companies Act, your Directors' confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- appropriate accounting policies have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give a true and air view of the state of affairs of the Company at the end of the financial year ended 31st March, 2010 and of the profits of the Company for that period;
- 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;
- the annual accounts have been prepared on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement is annexed hereto.

CORPORATE GOVERNANCE:

A Report on Corporate Governance along with a Certificate from the Auditors of the Company regarding compliances with the conditions of Corporate Governance pursuant to Clause 49 of the Listing Agreement is annexed hereto.

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

The information required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

EMPLOYEES:

There are no employees drawing remuneration above the limits specified under Section 217 (2A) of the Companies Act, 1956.

DIRECTORS:

Dr. M.G. Dhapalapur, Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. Khantilal N. Sanghavi, Director of the Company, retires at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

AUDITORS:

Comments given by the Auditors in their Audit Report when read together with the notes to Accounts are self explanatory and needs no further comments.

COST EFFECTIVENESS AND EFFICIENCY:

The Board and Senior Management of the Company are committed to ensure efficiency and cost effectiveness. The Management is striving hard to improve yield and productivity of manufacturing and marketing processes. The Company is making highest possible efforts to maintain quality and therapeutic effectiveness of its products. Enterprise Resource Planning (ERP) system is effectively contributing for speedy and effective communication between different offices of the Company placed all over Country including Factory Premises and Administrative Office.

APPRECIATION:

Your Directors wish to place on record their appreciation of the dedication, commitment and contribution of all the stakeholders and employees of the Company.

For and on behalf of the Board of Directors

Jayesh P. Choksi
Chairman & Managing Director

Mumbai
31st August 2011

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

INDUSTRY OVERVIEW & OPPORTUNITIES

The Indian Pharmaceutical Sector, has been slowly, but diligently plugging away with a consistent growth rate of 8 to 9 per cent. The sector, which is pegged at US\$ 20 billion (90,000 crores), is the third largest in the world in terms of volume and is well known for its state of art technology and wide range of products (Source: Process India Magazine)

The Domestic pharma sector continued its strong show in 2010 and recorded a 16.5% growth during January-December.

The Year 2010 was also the second successive year of strong growth for the industry. The Rs. 46,787-crore pharma market has been on an upswing over the last four years with a growth of 13-17% buoyed by a strong demand, improved spending on healthcare and rising middle class incomes.

Almost all companies recorded a growth of 6% to 8% for the fiscal year 2010-11.

Over 95% of the country's demand for pharmaceutical products is met by the Indian industry, and only the remainder 5% is dependent on imports.

Indian herbal market is registering an extremely significant growth and is likely to reach Rs. 14,500 crore (Rs 145,000 million) by 2012 and exports to Rs. 9000 crore (Rs. 90,000 million) with a CAGR of 20% and 25% respectively, according to findings of the Associated Chambers of Commerce and Industry of India (Assocham).

In a Chamber Study on 'Herbal Industry Biz Potential' has revealed that currently, the Indian herbal market size is estimated at Rs. 7000 crore (Rs 70000 mn) and over Rs. 3600 crore (Rs 36000 mn) of herbal raw materials and medicines are exported by India.

Bulk drugs market shown growth in domestic as well as overseas market. Bulk drug segment is moving steadily and efficiently to become one of the major contributor in growth of Pharma Sector.

CRAMS, after becoming a promising medium for India pharma industry, represents India as a global hub for CRAMS.

GUFIC BIOSCIENCES LIMITED

According to IMS Health report, Developed countries are expected to further propel the CRAMS industry to grow at CAGR of nearly 32% by 2013 as India offers global pharma companies both quality and cost advantage.

The Indian Pharma Industry as seen above even though on a growth is also facing considerable degree of perceived threat. The level of sophistication has increased substantially in the last few years owing to stricter domestic rules for manufacturing marketing and product development. Exports from India have also faced issues such as patent infringement, audit failures and reduced margins due to steep domestic inflation.

We are of the view that in the next few years there will be an increase of M&A as regulatory authorities become more and more strict and margins continue to be challenged. For survival the key will be innovation, stronger pipelines and regulatory compliant or superior manufacturing plants. Launching new products in India also will be more challenging due to stricter clinical trials, protocol and toxicity studies. Also due to inflation the cost of developing a new product and their registration has also become very high which has made India loose to some extent its competitive edge as a R&D, product manufacturing and clinical trial services hub.

After you read the above, it may appear that there are several issues and concern which face the industry however; we as Management view this as an opportunity which will favour Companies having strong R&D platform and substantial infrastructure to tackle the above. This will help to filter good quality products and also safeguard investment and intellectual property which would otherwise be very easy to mimic and hence create margin pressure. As mentioned in our Chairman's speech we are setting up several initiatives to further expand and upgrade our manufacturing setup and R&D pipeline. It will pay good dividends in the years to come.

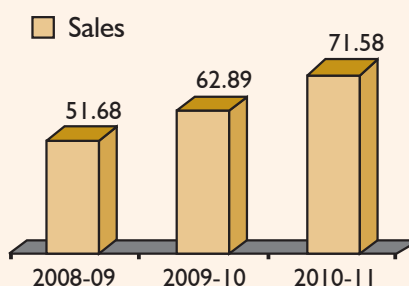
Apart from our brands such as Sallaki, Stretchnil, Roll On, Shapers, we have been able to gradually create new brands such as Ridol OZ, GLX, Rabol. We also look forward to our new product launches such as Relieve & Relax, Tinko & Artisure. As we are in a process of expanding and upgrading our infrastructure, our profits have increased but not substantial however, this may change from this coming year if the conditions remain progressive and on course. The top line will continue to

increase as more and more products are launched and also increase in field coverage (initiates last year) starts reaping benefits.

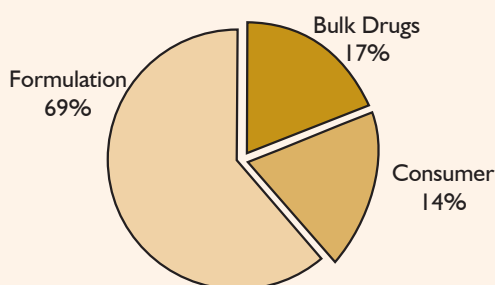
COMPANY PERFORMANCE

Given below are some highlights of our last years performance.

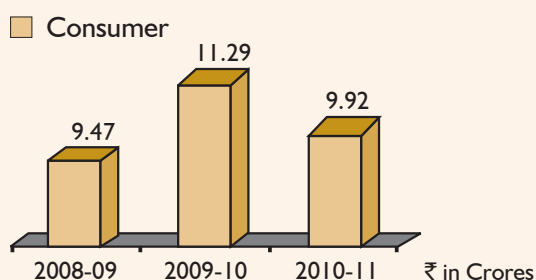
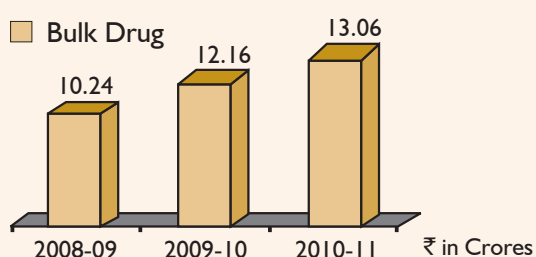
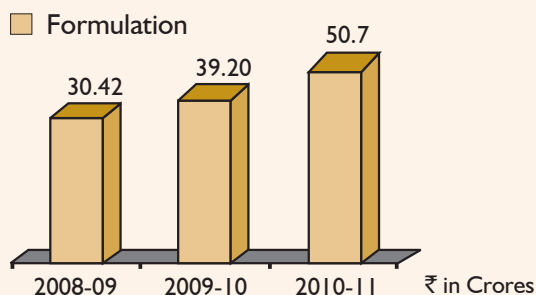
- Sales of the Company increased by 13.82%
- Sales of the Formulation Division increased by 28.42%
- Sales of Bulk Drug Division increased by 10.38%



SEGMENT WISE PERFORMANCE



Sales		₹ in '000	
Segment	2010-11 (A)	2009-10 (B)	2008-09
Pharma			
A. Formulation	507017	391999	304226
B. Bulk Drugs	130636	121600	102416
Consumer	99234	112933	94693
Chemicals	--	--	15830
Agro Products	--	13625	7197
Total	736886	640156	524362



HUMAN RESOURCES DEVELOPMENT

The Success of any organisation depends on the workforce and your organisation is no exception to it. Our employees are our assets.

Besides other functions motivating employees is one of the major functions of our HR Department which is



done through rewards, especially for those who have done well. The HR Department evaluates performance of employees and those who have exceeded expectations are compensated for their actions.

The HR Department ensures that employees are satisfied with the Company, which results in good staff retention rates. This is especially crucial in increasing stability within the organisation. It also makes employees identify with the Company and instills a sense of loyalty.

The HR Department's main objective is to bring out the best in their employees and thus contribute to the success of the Company.

The organisation ensures that all the employees under its wing are just enough to increase value to the organisation.

Your Company will continue to focus on current & future workforce needs & the programmes necessary to provide the highest quality services to customers and stakeholders. GUFIC's growth is attributed to the experts in every department in the organisation.

INTERNAL CONTROL SYSTEM

Integrated system of communication, control and reporting has given all requisite tools to the Management to manage effectively and efficiently. Internal controls are designed to ensure compliance with policies of the company, to comply with statutory requirements, to prevent any fraud or misuse of the resources and to protect shareholders' interest. Electronic internal control system, internal audit system has made possible to effectively manage stocks placed at the C & F agent and at the factory premises of the company.

DISCLAIMER

Management Discussion and analysis Report contains forward-looking statements, which may be identified by the use of the words in that direction or connoting the same. All statements that address expectation or projection about the future are forward-looking statements. The Company's actual results, performance or achievements could thus differ materially from those projected in such forward-looking statements. The Company assumes no responsibilities to public amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

GUFIC BIOSCIENCES LIMITED

CORPORATE GOVERNANCE REPORT

Corporate Governance and practices in accordance with the provisions of the Revised Clause 49 of the Listing Agreement:

I. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on investor service and protection envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, government and lenders. The Company is committed to achieving the highest standards of corporate governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time. The Company continues to take necessary steps towards achieving this goal.

2. BOARD OF DIRECTORS:

(A) Composition and size of the Board

The Board of Directors comprises of Six (6) Directors. The Board has an optimum combination of 3 Executive and 3 Non-Executive Directors. The Chairman is an Executive Non-Independent Director and 3 Non-Executive Directors on the Board are holding Directorship in Independent capacity.

(B) Non executive directors' compensation and disclosures

No fees/compensation is paid to non-executive directors, including independent directors, which requires previous approval of shareholders in general meeting.

The Non-Executive Directors are entitled to payment of sitting fees only made within the limits prescribed under the Companies Act, 1956 without approval of the Central Government.

(C) Provisions as to Board & Committees

Five (5) Board Meetings were held during the financial year 2010 - 2011 and the gap between two Board Meetings did not exceed 4 months. The Board meetings were held on 5th May, 2010, 11th August, 2010, 30th August, 2010, 12th November, 2010 and 14th February, 2011. The names of members of the Board, No of Board

Meeting held during the financial year 2010-2011, their attendance at the Company's Board Meetings, Last Annual General Meeting, the number of Directorship and Chairmanship / Membership in other Companies are given below:

Name of the Director	Category	No. of Board Meeting held attended during 2010-2011		Whether attended Last AGM	No. of Directorship in other Companies	No. of membership in other Companies	
		Held	Attended			Chairman-ship	Member-ship
Mr. J. P. Choksi	CMD	5	5	Yes	9	Nil	Nil
Mr. P. J. Choksi	ED	5	5	Yes	6	Nil	Nil
Mr. K. N. Sanghavi	NED (I)	5	5	Yes	Nil	Nil	Nil
Dr. S. S. Gandhi	NED (I)	5	5	Yes	Nil	Nil	Nil
Mr. A. M. Tarale	NED (I)	5	5	Yes	Nil	Nil	Nil
Dr. M. G. Dhapalapur	ED	5	5	Yes	Nil	Nil	Nil

Notes:

- Category of Directorship : CMD Chairman and Managing Director, ED Executive Director, NED (I) Non-Executive and Independent
- Membership in only Audit Committee and Shareholders' Grievances Committee have been considered for committee positions as per Listing Agreement.
- None of the Directors is a member in more than 10 committees and is not a Chairman in more than 5 Committees across all companies in which he is a Director.

As per the requirement of Clause 49 of the Listing Agreement the Company has held one Board meeting in every quarter and the maximum time gap between any two meetings were not more than four months.

The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meetings. Adequate information is circulated as part of the Board papers and is also made available at the Board Meetings to enable the Board to take informed decisions. Where it is not practicable to attach Supporting / relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the Agenda.

(D) Code of Conduct

The Board has laid down a code of conduct for all Board members and senior management of the company. The code of conduct is posted on the website of the company.

The Annual Report of the company contains a declaration signed by the CEO that all Board members and senior management personnel had affirmed compliance with the code for the year 2010-11.

3. AUDIT COMMITTEE:

(A) Qualified and Independent Audit Committee

The Audit Committee consists of Three (3) Directors, Non Executive and Independent.

The Head of Internal Audit and Representative of Statutory Auditors are invitees to the Committee meetings.

The Company Secretary acts as a Secretary to the Committee.

The present composition of the Audit committee and Meetings attended by them during the financial year 2010-11 ended on 31st March, 2011, is as follows:

Name of Director	Designation	Category	Meetings Attended
Mr. Ashok Tarale	Chairman	NED (I)	5
Dr. Sharat Gandhi	Member	NED (I)	5
Mr. Khantilal Sanghavi	Member	NED (I)	5

NED (I) - Non Executive and Independent Director

Mr. Khantilal N. Sanghavi the then Chairman, now member of Audit Committee attended the last Annual General Meeting held on 30th September, 2010

(B) Meetings of Audit Committee

The audit committee should meet at least four times in a year and not more than four months shall elapse between two meetings.

During the financial year under review, Five (5) meetings of the Audit Committee were held i.e. on 5th May, 2010, 11th August, 2010, 30th August, 2010, 12th November, 2010 and 14th February, 2011.

The requisite quorum was present at all audit committee meetings as per Clause 49 of the Listing Agreement.

(C) Terms of reference and powers of Audit Committee:

Terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the revised Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956.

Powers of the Audit Committee – The audit committee has powers that include the following:

- to investigate any activity of the company within its terms of reference,
- to seek information from any employee,
- to obtain outside legal or other professional advice,
- to secure attendance of outsiders with relevant expertise, if it considers necessary.

4. SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE :

Composition

The Committee comprises of Three (3) Directors and Committee functions under the Chairmanship of an Independent Director. The present composition of the Shareholders' & Investors' Grievance Committee and meetings attended by them during the financial year 2010-11 ended on 31st March, 2011, is as follows:

Name	Position held	Category
Dr. Sharat Gandhi	Chairman	NED (I)
Mr. Ashok Tarale	Member	NED (I)
Khantilal Sanghavi	Member	NED (I)

The Company Secretary acts as a Compliance Officer of the Committee

Meeting of the Shareholders' & Investors' Grievance Committee

During the year 4 [four] meetings were held on 5th May, 2010, 11th August, 2010, 12th November, 2010 and 14th February, 2011.

Powers and Role of Committee

- The Committee is empowered to collect the relevant information from all departments, which would be useful to satisfy the requirements of the shareholders.
- Give required information to shareholders and solve the problems, complaints, grievances etc. of the shareholders promptly.
- Looks into redressal of shareholders' complaints like delays in transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.
- Oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

GUFIC BIOSCIENCES LIMITED

Summary of Investors Complaints received and resolved to the satisfaction of the shareholders during the financial year 2010-2011

During the year, the Company received 3 complaints from shareholders, relating to matters regarding non receipt of dividend warrants posted by the Company, non receipt of fresh Demand Draft, non receipt of duplicate share certificate, non receipt of demat credit and non receipt of certificate send for exchange. All complaints were attended and resolved. At the close of the financial year there were no complaints remaining unattended thereto.

Amount Transferred to IEPF Account

As per the provision of Section 205C of the Companies Act, 1956, the Company is required to transfer the unclaimed Dividends, remaining unclaimed and unpaid for a period of seven years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government.

The Company has transferred unclaimed dividends, remaining unclaimed and unpaid for the financial year 2002-2003 to the Investor Education and Protection Fund (IEPF).

5. REMUNERATION COMMITTEE :

I. Composition

The Board of Directors of the Company has constituted a Remuneration Committee, despite it being a non mandatory requirement, which has been reconstituted from time to time.

Presently the Remuneration Committee comprises of the following qualified and independent directors.

2. Meeting of the Remuneration Committee

During the financial year 2010-2011 no Remuneration Committee Meeting was held.

Name	Position held	Category
Dr. Sharat Gandhi	Chairman	NED (I)
Mr. Ashok Tarale	Member	NED (I)

NED (I) - Non Executive and Independent Director

3. Role of the Committee

To determine the policy on specific remuneration packages for Executive / Whole- time Directors including pension rights and any compensation payments.

Recommends to the Board the remuneration of the Executive Directors in all its forms (i.e. salary, contribution to provident fund, superannuation fund, gratuity, bonus, stock option, compensation for loss of office, other amenities, perquisites etc.).

Takes into account the financial position of the Company, profitability and trend in the industry, appointee's qualification, experience, past performance, past remuneration etc. and brings out objectivity in determining the remuneration package, while striking a balance between company's interest and that of the shareholders.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

The Details of remuneration paid to Managing Director and Whole-time Directors during the financial year 2010-2011:

Sr. No.	Name of Director	Salary / Remuneration (p.a) in ₹.	Perquisites / Allowances (₹.)	Performance Linked Bonus / Commission (₹.)	Stock Options
1.	Jayesh Choksi	10,80,000	3,84,000	2,63,810	Nil
2.	Pranav Choksi	78,000	4,02,000	8,400	Nil
3.	M. G. Dhapalapur	80,400	2,58,600	6,000	Nil

III. Subsidiary Companies

The Company neither has any Subsidiary Company nor is it a Subsidiary of any other Company.

6. GENERAL BODY MEETINGS :

Details of Venue, Date and Time of the Last Three Annual General Meetings are as Follows:

Year	Location	Date	Time
2009-2010	Hotel Parle International, Vile Parle (E) Mumbai-57	30.09.10	2:30 PM
2008-2009	Hotel Parle International, Vile Parle (E) Mumbai-57	30.09.09	2:30 PM
2007-2008	Hotel Parle International, Vile Parle (E) Mumbai-57	20.12.08	2:30 PM

7. MEANS OF COMMUNICATION :

The Company regularly intimates quarterly unaudited as well as yearly audited financial results to the stock exchanges, immediately after the same are taken on record by the Board. These results are published in Business Standard (English edition), Mumbai Lakshadweep (Hindi edition). These are not sent individually to the shareholders.

The Company's results, annual reports and official news releases are displayed on the company's web-site www.guficbio.com. The said company's website also containing basic information about the company includes information about the company's business, financial information, shareholding pattern, compliance with corporate governance, company's director, registrar & transfer agent, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances etc. The Company had meetings with and made presentations to the institutional investors and analysts during the year.

The Management Discussion and Analysis Report forms part of this Annual Report.

All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the Company's shares are listed, for dissemination to the shareholders.

8. INDEPENDENT DIRECTORS :

None of the Independent Directors have any pecuniary relationship or transactions with the Company, its Promoters, its Directors, its senior management and/or associates companies as follows

9. CEO AND CFO CERTIFICATION :

The Chairman and Managing Director and the Chief Financial Officer of the Company have given annual certification on financial results and internal controls to the Board in terms of Clause 49 and annexed to this report.

10. GENERAL SHAREHOLDERS INFORMATION

AGM: Date, Time and Venue	26th September, 2011 at 2.30 p.m. at Hotel Parle International, Vile Parle (E) Mumbai 400 057
Financial calendar First Quarter Results - Second Quarter Results - Third Quarter Results - Last Quarter Results -	2nd week of Aug., 2010 2nd week of Nov., 2010 3rd week of Feb., 2011 2nd week of May, 2011
Date of Book Closure	20th September 2011 to 26th September 2011 (Both days inclusive)
Dividend Payment Date	The dividend recommended, if declared at the forthcoming Annual General Meeting will be dispatched within 30 days.

Listing Bombay Stock Exchange National Stock Exchange	(Stock Code: 509079) (Stock Code:GUFIC BIO)
Demat ISIN	INE742B01025 Demat Arrangement are made with NSDL and CDSL
Registrar and Transfer Agents	Link Intime India Pvt. Limited C 13, Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (W), Mumbai 400078 Tel No. (022) 2594 6970 Fax No. (022)2594 6969 Email: rnt.helpdesk@linkintime.co.in
Share Transfer System	All the transfers received are processed and approved by the Share Transfer and Investors Grievance's Committee.
Dematerialization of the Shares	Over 99.71 % of the shares of the Company have been dematerialized.
Outstanding GDRs/ ADRs, Warrants or any Convertible Instruments	N. A.
Address for Correspondence	Company Secretary Gufic Biosciences Limited Subhash Road- A, Vile Parle (E), Mumbai 400057

Distribution of Shareholding (As on 31st March 2011)

	SHAREHOLDERS		NUMBER OF SHARES	
	NUMBER	%	NUMBER	%
UP TO 5000	14736	97.3959	9372403	12.1169
5,001-10,000	240	1.5863	1796202	2.3222
10,001-20,000	96	0.6345	1349305	1.7444
20,001-30,000	27	0.1785	673547	0.8708
30,001-40,000	9	0.0595	315645	0.4081
40,001-50,000	7	0.0463	312907	0.4045
50,001-1,00,000	6	0.0397	452740	0.5853
1,00,001 & ABOVE	9	0.0595	63077251	81.5478
TOTALS	15130	100.0000	77350000	100.0000

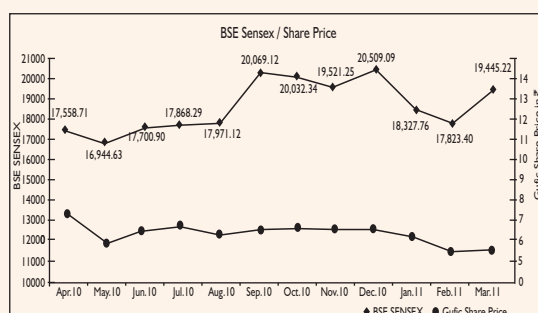
GUFIC BIOSCIENCES LIMITED

Monthly Highs and Lows

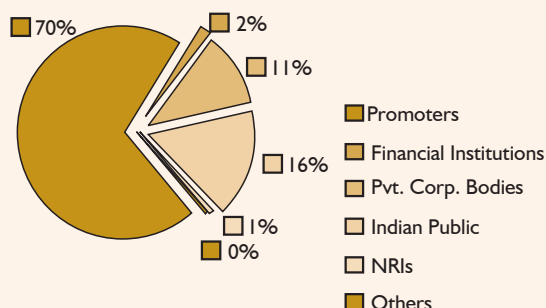
(₹ in '000)

Month	Bombay Stock Exchange Ltd.			National Stock Exchange of India Ltd.		
	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
April, 10	7.80	6.50	236858	7.60	6.40	337548
May, 10	7.35	4.91	178490	7.45	5.25	277576
June, 10	7.30	5.15	312216	7.50	4.90	430871
July, 10	7.80	6.32	414653	8.00	6.30	490884
Aug., 10	7.45	6.20	388478	7.40	6.35	323656
Sept., 10	7.49	6.30	313997	7.50	6.30	307342
Oct., 10	7.60	6.50	342516	7.55	6.25	439163
Nov., 10	7.43	5.73	252339	7.40	5.50	4117071
Dec., 10	7.18	5.40	170961	7.20	5.30	217250
Jan., 11	6.90	5.10	124946	6.95	5.80	175933
Feb., 11	7.04	5.15	96529	6.85	5.30	234529
March, 11	6.45	4.70	245983	6.60	5.20	292128

Comparison of the Company's share price with BSE sensex



Shareholding Pattern As On 31st March, 2011



Category of Shareholders	No. of Shares held	% of holding
A. Promoters' Holding		
1. Promoters	54027663	69.85
- Indian Promoters	-	-
- Foreign Promoters	-	-
2. Persons Acting in Concert	--	--
B. Non-Promoter Holding		
3. Institutional Investors		
a. Mutual Funds & UTI	--	-
b. Banks, Financial Institutions, Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	1199517	1.55
c. FIIs	-	-
4. Others		
a. Private Corporate Bodies	8761718	11.33
b. Indian Public	12644561	16.35
c. NRIs / OCBs	501189	0.64
d. Others		
Clearing Member	109053	0.14
Market Makers	106299	0.14
TOTAL	77350000	100.00

11. DISCLOSURES :

During the year under review besides the transactions reported in Notes to Accounts (Refer note No.27) there were no other related transactions with the promoters, directors, management and subsidiaries that has potential conflict with the interest of the Company at large. During the last three years, there were no strictures or penalties imposed by SEBI or the stock Exchange or any statutory authority for non compliance of any matter related to capital markets. The Company has complied with all mandatory requirements of the Clause 49 of the Listing Agreement. The Company has reviewed the Non Mandatory requirements under Clause 49 and these shall be adopted / complied by the Company on need basis. The Remuneration Committee, a Non-Mandatory requirement, has been constituted and the details on this have been mentioned earlier in this Report. Besides these, efforts are being made to move towards the regime of unqualified financial statement.

12. DECLARATION ON CODE OF CONDUCT

As provided under clause 49 of the Listing Agreement with the Stock Exchange(s), it is hereby declared that all the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended 31st March, 2011. A declaration by CEO affirming compliance to the Code of Conduct by Board Members and Senior Management Executives is also annexed separately at the end of this report.

CEO/CFO CERTIFICATIONS UNDER CORPORATE GOVERNANCE REPORT

A. Declaration regarding compliance with the Code of Conduct by Board Members and Senior Management personnel

This is to certify that as per Clause 49 of the Listing Agreement:

1. The code of conduct has been laid down for all the Board Members and Senior Management and other employees of the Company.
2. The code of conduct has been posted on the website of the Company.
3. The Board members and Senior Management Personnel have affirmed compliance with the Company's code of conduct for the year 2009-10.

Jayesh P. Choksi
Chief Financial Officer

Mumbai
31st August 2011

B. Certification of Financial Results

The Board of Directors
Gufic Biosciences Ltd.
Mumbai

- (A) I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Jayesh P. Choksi
Chief Executive Officer

Mumbai
31st August 2011

GUFIC BIOSCIENCES LIMITED

CONSERVATION AND CONSUMPTION OF ENERGY, FOR FOREIGN EXCHANGE EARNINGS AND OUTGO

I. (A) CONSERVATION OF ENERGY

Details of conservation of energy are as follows:

Power & Fuel Consumption

		Year ended 31.03.11	Year ended 31.03.10
(a) Electricity			
Purchased Units Kwh		2103803	1881070
Total amount ₹		12125116	11135221
Rate per unit ₹ (average)		5.76	5.92
(b) Furnace Oil			
Quantity Ltrs.		262218	304901
Total Cost ₹		7301039	7228773
Average Cost ₹		27.84	23.71

(B) CONSUMPTION PER UNIT OF PRODUCTION

Since the Company manufactures several formulations and bulk drugs in the same factory it is not practical to Apportion consumption of Electricity and Furnace Oil to unit of Product.

II. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earning amounted to ₹ 114167 thousand and for the previous year it was ₹ 115344 thousand and the total foreign exchange outgo amounted to ₹ 37389 thousand and for the previous year it was ₹ 48446 thousand.

For and on behalf of the Board of Directors

Jayesh.P Choksi
Chairman & Managing Director

Mumbai
31st August, 2011

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To,
The Members of Gufic Biosciences Ltd.,

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges in India, for the financial year ended 31st March, 2011.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of corporate Governance, as stipulated in Clause 49 of the said Listing Agreements.

We state that as per the records maintained, no investor grievances against the company are pending for a period exceeding one month before shareholders/investors Grievance Committee.

We further state that, such compliance is neither an assurance as to the future viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mayur Chokshi & Co.
Chartered Accountants

Mayur Chokshi
Proprietor
Firm Registration No. 106116W
Membership No. 33936

Mumbai
31st August, 2011

AUDITORS' REPORT

To;

The Members of Gufic Biosciences Ltd.,

1. We have audited the attached Balance Sheet of "GUFIC BIOSCIENCES LTD" as at March 31, 2011, the Profit and Loss Account and also the Cash Flow Statement 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.
2. We conducted the audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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.
3. As required by the Companies (Auditor's Report) Order, 2003, 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.
4. Further to our comments in the annexure referred to above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account;
 - d) On the basis of written representation received from the Directors, as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as at March 31, 2011 from being

appointed as Director in term of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

- e) Attention is invited to the fact that we have relied upon the Board's / Management's assertions, opinion, view, representation and various other certificates produced before us, *inter-alia*, in respect of and as detailed in the note nos. 1, 2, 4, and 14 to the Schedule 19.II.
- f) Our observation on the said accounts are given below:
 - (i) *Non adherence to the revised accounting standards 15 issued by the ICAI on Employees Benefits in relation to provision for compensated leave benefits, impact unascertained (Refer Note I to schedule 19 (I))*
 - (ii) *We are unable to express our opinion on recoverability of debts of ₹ 10469 thousand which are outstanding for more than one year and of Loans and Advances of ₹ 4099 thousand which are outstanding for more than three years. In the absence of appropriate evidences, we are unable to ascertain its recoverability and its impact on the accounts of the Company. However, in the opinion of the management no provision is required in respect of such debts since they are good and recoverable in nature. (Refer Note No. 9 and 32 to schedule 19 (II))*
 - (iii) *Certain transactions entered into by the Company with companies in which Directors are interested in violation of Section 297 of the Companies Act, 1956, which requires the prior approval of the Central Government,. (Refer Note 31 to Schedule 19 (II))*
- g) In our opinion, and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- h) In our opinion and to the best of our information and according to the explanations given to us, the said accounts with notes thereon when read in conjunction with the para (e) above, give the information required by the Companies Act, 1956, in the manner so required and **subject to para 4(f)** above, the impact whereof can not be ascertained, give a true and fair view in conformity with the accounting principles generally accepted in India:

GUFIC BIOSCIENCES LIMITED

- i] In the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2011 ;
- ii] In the case of the Profit and Loss Account, of the profit for the year ended on that date and
- iii] In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Mayur Chokshi & Co.

Chartered Accountants

Mayur Chokshi

Proprietor

Firm Registration No. 106116W

Membership No. 33936

Mumbai

31st August, 2011

ANNEXURE TO THE AUDITOR'S REPORT

(ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2011 OF GUFIC BIOSCIENCES LIMITED)

- i. (a) The Company is in the process of updating its records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets of the Company, have been physically verified by the Management during the year. In our opinion, period of verification is reasonable having regard to the size of the company and nature of its assets. No material discrepancies have been reported on such verification.
- (c) The Company has not disposed off any substantial part of its fixed assets so as to affect its going concern.
- ii. (a) According to the information and explanations given to us and based on the certificate issued by the internal auditor, who has conducted physical verification and valuation fixed assets, we state that ;
 - (a) the Inventory of the Company has been physically verified by the Management during the year. In our opinion frequency of verification needs to be increased.
 - (b) the procedures of physical verification of inventory 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 is maintaining proper records of its inventory and the discrepancies which were noticed on physical verification of Inventory as compared to book records, have been properly dealt with in the books of account.
- iii (a) According to the information and explanations given to us, the Company has not granted secured or unsecured loans to companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. except interest free security deposits given (Refer note 17 of schedule 19 II)
- (b) According to the information and explanations given to us ,the Company has taken advances in the nature of loans from four Companies / Parties covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount of loans taken during the year was ₹ 31908 thousands and the year end balance was ₹ 31208 thousand.
- (c) The advances / loans are interest free in nature and other terms and conditions of loans taken by the company , secured or unsecured are *prima facie* not prejudicial to the interest of the company.
- (d) There are no specific stipulation as to repayment of such advances / loans.
- iv. 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, for fixed assets and sale of services. *However, internal control procedures in respect of purchase of Inventory and sale of goods need to be strengthened so as to commensurate with the size of the company.* Other than above, no major weaknesses have been noticed in the internal control systems.
- v. (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that during the year , the particulars of contracts/arrangements that were required to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in register maintained u/s 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 have been made at prices 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 deposits from the public within the meaning of section 58A and 58 AA or any other provisions of the Companies Act, 1956, and the rules framed thereunder during the year . To the

best of our knowledge and according to information and explanations given to us, no order has been passed by the Company Law Board or any court or any other Tribunal.

- vii. *In our opinion, Company has an internal audit system which needs to be strengthened so as to commensurate with the size of the Company and nature of its business.*
- viii. According to information and explanations provided to us, the Central Government has prescribed under section 209(1)(d) of the Companies Act, 1956 the maintenance of cost records in respect of certain products manufactured by the Company viz. Formulations, Bulkdrugs. We have broadly reviewed the books of account maintained by the company and are of the opinion that *prima facie*, the prescribed accounts and records have been maintained by the company. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for any other products of the company.
 - (a) According to the information and explanations given to us and according to the records of the Company, *we have to state that, the company has not been regular in depositing undisputed statutory dues of Provident fund, Employees' State Insurance, Income Tax, Service Tax, Income tax deducted at source, Sales tax and Excise Duty.* We are informed that there are undisputed demand outstanding, as at 31st March 2011 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are dues in respect of Income Tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess, which have not been deposited.
- ix. The Company does not have accumulated losses at the end of the financial year March 31, 2011. Without considering the effect of our observation stated in the Auditor's Report the impact where of on the profits can not be ascertained, the Company has not incurred any cash losses during the financial year ended March 31, 2011 and in the immediately preceding financial year.
- x. 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 banks.
- xi. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge

of shares and other securities.

- xii. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
- xiii. The Company does not deal or trade in shares, securities, debentures and other investments.
- xiv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- xv. According to the information and explanations given to us, the Company has not obtained any term loan during the year.
- Xvi. According to the information and explanation given to us and on the overall examination of the Balance Sheet and Cash Flow of the Company, we report that the Company has neither raised any long term nor short term funds during the year.
- xvii The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xviii The Company did not issue any debentures during the year.
- xix. The Company has not raised any money through a public issue during the year.
- xx. Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For Mayur Chokshi & Co.
Chartered Accountants

Mayur Chokshi
Proprietor
Firm Registration No. 106116W
Membership No. 33936

Mumbai
31st August, 2011

GUFIC BIOSCIENCES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	SCH No.	(₹)	As at 31.3.2011 (₹)	As at 31.3.2010 (₹)
I. SOURCES OF FUNDS				
(1) SHAREHOLDERS' FUNDS:				
Share Capital	1	77,350,000		77,350,000
Reserves and Surplus	2	107,016,045		96,885,260
			184,366,045	174,235,260
(2) LOAN FUNDS :				
Secured Loans	3	161,411,134		149,336,140
Unsecured Loans	4	45,973,695		23,097,427
			207,384,829	172,433,567
(3) DEFERRED TAX LIABILITY (NET) (See Note no. 29 to Schedule 19(II))			25,188,206	22,334,425
TOTAL			416,939,080	369,003,252
II. APPLICATION OF FUNDS				
(1) FIXED ASSETS:	5			
Gross Block		294,111,263		251,696,944
Less: Depreciation		120,902,259		102,932,189
Net Block		173,209,004		148,764,755
Capital Work-in-Progress		--		22,465,318
			173,209,004	171,230,073
(2) INVESTMENTS	6		92,465	92,465
(3) CURRENT ASSETS, LOANS AND ADVANCES:				
Inventories	7	127,667,200		103,553,218
Sundry Debtors	8	176,407,463		150,453,649
Cash and Bank Balances	9	9,474,558		10,799,539
Loans and Advances	10	119,128,138		119,436,334
			432,677,359	384,242,740
<u>Less:</u>				
CURRENT LIABILITIES AND PROVISIONS:	11			
Current Liabilities		177,850,216		175,030,222
Provisions		11,189,532		11,531,804
			189,039,748	186,562,026
NET CURRENT ASSETS			243,637,611	197,680,714
TOTAL			416,939,080	369,003,252

NOTES TO THE ACCOUNTS

19

Schedules Referred to above form an integral part of the Financial Statements

As per our Report of even date attached

For Mayur Chokshi & Co
Chartered Accountants

For and on behalf of the Board of Directors

Mayur Chokshi
Proprietor
Firm Registration No. 106116W
(Membership No.33936)
Mumbai - 31st August, 2011

Jayesh P. Choksi
Chairman &
Managing Director

Khantilal. N. Sanghavi
Director

Prakash Khulbe
Company Secretary

Mumbai - 31st August, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	SCH. No.		Year Ended 31.3.2011	Year Ended 31.3.2010
		(₹)	(₹)	(₹)
INCOME				
Sales and Services	12	715,783,393		628,864,052
Other Income	13	3,181,658		4,457,416
Increase/(Decrease) stock	14	29,162,752		(20,859,833)
			748,127,803	612,461,635
EXPENDITURE				
Cost of Materials	15	398,567,190		319,643,983
Personnel Cost	16	42,129,012		37,153,173
Manufacturing and Other Expenses	17	244,467,699		199,379,582
Financial Charges	18	21,193,704		22,723,932
Depreciation and Amortisation		18,065,963		16,625,262
			724,423,568	595,525,932
Profit Before Taxes			23,704,235	16,935,703
Provision for Taxation				
- Current Tax		6,041,000		6,100,000
- Deferred Tax		2,853,781		129,292
- Short / (Excess) Tax Provisions of Earlier Years		168,816		(1,571,478)
			9,063,597	4,657,814
Profit After Tax			14,640,638	12,277,889
Balance brought forward from Previous Year			82,164,620	74,396,584
Profit available for Appropriation			96,805,258	86,674,473
Less: Appropriations				
(a) Proposed Dividend			3,867,500	3,867,500
(b) Dividend Tax			642,353	642,353
Balance carried to Balance sheet			92,295,405	82,164,620
Basic and Diluted Earnings Per Share			0.19	0.16
NOTES TO THE ACCOUNTS				
19				

Schedules Referred to above form an integral part of the Financial Statements

As per our Report of even date attached

For Mayur Chokshi & Co

Chartered Accountants

For and on behalf of the Board of Directors

Mayur Chokshi
Proprietor
Firm Registration No. 106116W
(Membership No.33936)
Mumbai - 31st August, 2011

Jayesh P. Choksi
Chairman &
Managing Director

Khantilal. N. Sanghavi
Director

Prakash Khulbe
Company Secretary

Mumbai - 31st August, 2011

GUFIC BIOSCIENCES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31.3.2011 (₹)	As at 31.3.2010 (₹)		As at 31.3.2011 (₹)	As at 31.3.2010 (₹)
SCHEDULE			6 INVESTMENTS:		
I SHARE CAPITAL:			Long Term Investments (NON-TRADE)		
AUTHORISED:			Unquoted:		
100,000,000 Equity Shares of Re.1 Each	100,000,000	100,000,000	Investment in Government Securities		
	100,000,000	100,000,000	National Saving Certificate (At Cost)	42,565	42,565
ISSUED & SUBSCRIBED:			Investment in Shares:		
7,73,50,000 Equity shares of Re.1 each fully paid up.	77,350,000	77,350,000	Saraswat Co-op.Bank Ltd. 4990 Equity Shares of ₹ 10 each fully paid (At Cost)	49,900	49,900
Of the above shares 5,52,50,000 Equity shares were allotted as fully paid Bonus share by capitalisation of Share Premium and General Reserve.			Aggregate of:		
	77,350,000	77,350,000	Book Value of Un Quoted Investments	92,465	92,465
2 RESERVE & SURPLUS:			7 INVENTORIES (AT COST):		
General Reserve	13,470,640	13,470,640	(As verified, valued and certified by the Management) (Refer Note 1 and 2 to Sch.19 II.)		
Capital Reserve	1,250,000	1,250,000	Raw Materials, Lower of cost or realisable value	44,441,151	54,219,864
Profit and Loss Account	92,295,405	82,164,620	Packing Materials, at cost	19,911,560	15,181,617
			Work-in-Process, at cost	9,739,627	7,575,318
TOTAL	107,016,045	96,885,260	Finished Goods, at Lower of cost or market value	53,574,862	26,576,419
3 SECURED LOANS:				127,667,200	103,553,218
From Banks:			8 SUNDRY DEBTORS		
(Refer Note 7 to Sch. 19 II)			(Unsecured Considered good): [Refer Note 4 and 9 to Sch. 19 II.]		
a) Cash Credit from a Bank	95,424,118	78,884,721	Outstanding for more than six months	19,263,377	32,116,095
b) Foreign Currency Working Capital Term Loan from a Bank	35,720,000	45,140,000	Other Debts	157,144,086	118,337,554
c) Term Loans from a Bank	24,251,566	22,711,892		176,407,463	150,453,649
d) Vehicles Loans	6,015,450	2,599,527			
	161,411,134	149,336,140	9 CASH & BANK BALANCES:		
4 UNSECURED LOANS:			(a) Cash on Hand	79,860	94,237
From Director	30,957,673	10,043,882	(b) Balances with scheduled banks		
From Others	1,755,000	250,000	In Current A/c	7,129,072	7,818,969
			In Unclaimed Dividend A/c	520,669	469,257
Other Loans & Advances:			In Fixed Deposit (Pledged to Banks.)	1,744,957	2,417,076
Security Deposits from C and F Agents	13,261,022	12,803,545		9,474,558	10,799,539
	45,973,695	23,097,427			
5. FIXED AND INTANGIBLE ASSETS					
Note : Please refer next page					

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

5. Fixed and Intangible Assets as at 31-03-2011

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	Op.Balance (₹)	Additions in year (₹)	Deduction / Depletion in year (₹)	As at 31.03.2011 (₹)	Op.Balance (₹)	For the Year (₹)	Deduction for year (₹)	Total Accumulated Depreciation (₹)	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
TANGIBLE ASSETS										
A) Plant and Machinery	133213150	32657564	—	165870714	42803731	7315888	—	50119619	115751095	90409420
B) Airconditioners	14792277	189000	—	14981277	3119741	705757	—	3825498	11155779	11672536
C) Office Equipments	21603638	30657	—	21634296	7088789	1027252	—	8116041	13518254	14514848
D) Computers	6610794	802205	—	7412999	6323256	221322	—	6544578	868422	287539
E) Electrical Installation	6278581	953807	—	7232388	1006507	307738	—	1314245	5918143	5272073
F) Vehicles	9763142	8754411	2317184	16200369	3637201	1440845	95893	4982153	11218215	6125943
G) Furniture and Fixture	3947764	755184	—	4702948	945982	265506	—	1211488	3491460	3001783
H) Capital Exp on Factory Building not owned by co. (x)	14078678	588675	—	14667353	8829315	2849160	—	11678475	2988878	5249363
TOTAL - (A)	210288025	44731503	2317184	252702344	73754521	14133468	95893	87792096	164910248	136533504
PREVIOUS YEAR (B)	202352780	10207634	2272389	210288025	62579361	12273661	1098502	73754521	136533504	139773419
INTANGIBLE ASSETS										
A) Computer Software (XX)	2628104	—	—	2628104	2561853	54413	—	2616266	11838	66251
B) Brand (XXX)	24925200	—	—	24925200	17447640	2492520	—	19940160	4985040	7477560
C) Technical Know How (XXX)	13855615	—	—	13855615	9168175	1385562	—	10553737	3301878	4687440
TOTAL - (C)	41408919	—	—	41408919	29177668	3932495	—	33110163	8298756	12231251
PREVIOUS YEAR (D)	41408919	—	—	41408919	24826067	4351601	—	29177668	12231251	16582852
TOTAL (A) + (C)	251696944	44731503	2317184	294111263	102932189	18065963	95893	120902259	173209004	148764755
PREVIOUS YEAR (B) + (D)	243761699	10207634	2272389	251696944	87405428	16625262	1098502	102932189	148764755	156356271

Note : (X) Capital Expenditure on factory building not owned by the Company is amortised over a period of 5 years.

(XX) Computer Software is amortised on straight line basis over a period of 3 years.

(XXX) Brand and R&D Knowhow are amortised on a straight line basis over a period of 10 years.

GUFIC BIOSCIENCES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31.3.2011 (₹)	As at 31.3.2010 (₹)
10 LOANS, ADVANCES AND DEPOSITS:		
(Unsecured, Considered Good) (Refer Note 4 and 32 to Sch.19 II)		
Advances recoverable in cash or in kind or for value to be received	73,610,785	66,798,589
Balance with Central Excise	2,645,013	9,861,268
Security Deposits	42,000,000	42,000,000
Fringe Benefit Tax Receivable	279,000	279,000
Prepaid Expenses	593,340	497,477
	119,128,138	119,436,334
11 CURRENT LIABILITIES AND PROVISIONS:		
CURRENT LIABILITIES (Refer Note 4 to Sch. 19 II)		
Sundry Creditors (Refer Note 10 to Sch. 19 II)	147,192,628	134,024,416
Other Liabilities	17,151,034	14,837,277
Advances From Customer	1,850,055	14,173,635
Provision for Gratuity	5,852,729	5,088,472
Provision for Leave		
Encashment	4,049,187	3,756,480
Bank Overdraft, as per books of accounts only	1,246,967	2,692,518
Unclaimed Dividend	507,616	457,424
	177,850,216	175,030,222
PROVISIONS		
Proposed Dividend	3,867,500	3,867,500
Tax on Proposed Dividend (Current Year)	642,353	642,353
Tax on Proposed Dividend (Earlier Years)	1,299,635	657,282
Provision for Income Tax and for Fringe Benefit Tax (Net of Advance Tax) (Refer Note 33(ii) to Sch.19 II)	5,380,044	6,364,669
	11,189,532	11,531,804

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Year Ended 31.3.2011 (₹)	Year Ended 31.3.2010 (₹)
12 SALES AND SERVICES:		
Sales (Net of returns and Sales Tax)	693,659,847	602,629,724
Less: Excise Duty Collected	21,102,941	11,292,106
Total (A)	672,556,906	591,337,618
Processing Charges (Gross, Tax deducted at Source ₹ 860247, Prev. Yr: ₹ 948361)	43,226,487	37,526,434
Total (B)	43,226,487	37,526,434
Total (A+B)	715,783,393	628,864,052
13 OTHER INCOME:		
Interest received (Gross, Tax deducted at Source ₹ 9186, Prev. Yr: ₹ 44430)	97,346	265,183
Dividend received (Gross)	5,000	10,000
Scrap Sales	1,430,759	1,128,162
Export Benefits Received	1,558,863	1,911,048
Sundry Balances Written Back (Net)	40,552	50,362
Miscellaneous Income	20,638	642,345
Insurance Claim received	28,500	139,781
Exchange Difference (Net)	--	310,535
	3,181,658	4,457,416
14 INCREASE/(DECREASE) IN FINISHED GOODS AND WORK IN PROCESS:		
Opening stock:		
Finished Goods	26,576,419	39,303,300
Work- in- Process	7,575,318	15,708,270
	34,151,737	55,011,570
Closing Stock:		
Finished Goods	53,574,862	26,576,419
Work- in- Process	9,739,627	7,575,318
	63,314,489	34,151,737
	29,162,752	(20,859,833)

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Year Ended 31.3.2011 (₹)	Year Ended 31.3.2010 (₹)		Year Ended 31.3.2011 (₹)	Year Ended 31.3.2010 (₹)
15 COST OF MATERIAL and FINISHED GOODS:			17 MANUFACTURING and OTHER EXPENSES:		
(A) Consumption of Raw Material			MANUFACTURING EXPENSES		
Opening stock	54,219,864	40,661,899	Consumable stores	2,805,762	2,115,068
Add: Purchases	172,285,742	175,167,426	Power and fuel	21,318,004	20,405,233
	226,505,606	215,829,325	Labour charges	14,762,970	10,245,699
Less: Closing stock	44,441,151	54,219,864	Factory Expenses	405,947	22,367
	44,441,151	54,219,864	Rent	120,000	134,400
(A)	182,064,455	161,609,461	Rates and Taxes	1,410,348	57,540
(B) Consumption of Packing Material			Excise Duty	2,688,844	1,580,309
Opening stock	15,181,617	11,391,645	(A)	43,511,874	34,560,616
Add: Purchases	46,091,843	20,059,307	OTHER EXPENSES:		
	61,273,460	31,450,952	Repairs and Maintenance -		
Less: Closing Stock	19,911,560	15,181,617	- To Building	2,216,550	872,558
(B)	41,361,900	16,269,335	- To Machinery	3,341,003	2,279,949
(C) Purchase of Finished Goods			- To Others	1,536,739	1,176,698
	175,140,835	141,765,187	Sales Tax Expenses	1,028,754	1,254,042
(C)	175,140,835	141,765,187	Printing and Stationery (Net)	1,917,548	1,939,478
(A+B+C)	398,567,190	319,643,983	Postage, Telephone and Fax Expenses (Net)	2,867,558	2,697,021
16 PERSONNEL COST:			Directors' Sitting Fees	30,000	30,000
Salaries and wages	34,701,360	31,574,727	Office Rent	5,151,002	6,994,200
Bonus	1,211,205	1,067,027	Insurance Charges	1,427,845	1,414,052
Contribution of Provident and Other funds	2,544,533	2,503,223	Traveling, Conveyance and Vehicle Expenses (Net)	8,855,174	7,169,796
Director's Remuneration (Refer Note 15 to Sch. 19 II.)	2,561,210	1,147,630	Legal and Professional Fees	11,606,349	9,907,057
Staff Welfare Expenses	1,110,704	860,566	Sundry Expenses	4,257,678	4,679,270
	42,129,012	37,153,173	Foreign Currency Exchange Difference (Net)	2,306,904	--
			Testing and Laboratory Expenses	5,630,233	3,863,360
			Auditors' Remuneration	386,050	386,050
			Transport and Forwarding	18,019,712	15,275,609
			Commission and Brokerage	11,973,950	10,675,899
			Marketing Expenses	74,103,012	53,750,000
			Sales Promotion Expenses	14,533,622	10,880,268
			Advertisement Expenses	10,718,878	6,419,388
			Discount	18,675,972	17,620,738
			Loss on Sale of Asset	371,292	99,987
			Donations	--	10,000
			Bad Debts	--	5,423,546
			(B)	200,955,825	164,818,966
			(A+B)	244,467,699	199,379,582
			18 FINANCIAL CHARGES		
			Bank Charges	3,075,917	3,768,042
			Interest on Term Loan	3,397,950	1,109,697
			Interest on OD Facility	13,781,279	16,436,370
			Interest to Others	938,558	1,409,823
				21,193,704	22,723,932

GUFIC BIOSCIENCES LIMITED

ACCOUNTING POLICIES AND NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011.

SCHEDULE-19

I. SIGNIFICANT ACCOUNTING POLICIES:

(A) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS :

The Financial Statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards pursuant to Companies (Accounting Standards) Rules, 2006. All income and expenditure having material bearing on the financial statements are recognised on accrual basis.

The preparation of financial statements requires the Management to make certain estimates and assumptions in the reports amounts of assets and liabilities (Including contingent liabilities) as on the date of the financial statements and reported income and expenditure during the reported period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

(B) FIXED ASSETS:

Fixed Assets are stated at cost of acquisition or construction (net of cenvat credits) .All costs relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use.

(C) INTANGIBLE ASSETS:

Cost relating to acquisition of Brands and Technical Know-how are capitalised and ammortised on a straight line basis over a period of ten years. Software cost is ammortised on Straight line basis over a period of three years.

(D) INVESTMENTS:

Long term investments are carried at cost less provision, if any, for permanent diminution in value of such investments. Current investments are stated at lower of cost and quoted/fair value computed category wise.

(E) INVENTORIES:

Raw-materials and packing materials are valued at lower of cost or market value. Work-in process and Finished Goods are valued at cost and includes element of production overheads. Traded goods are valued at cost. Material-in-Transit valued at cost incurred to date. Consumable stores are charged to the profit and

loss account in the year of its purchases.

(F) REVENUE RECOGNITION

- (i) The Company recognises sale on despatch of goods to customers. Sales are exclusive of excise duty, sales tax and sales returns.
- (ii) Export Benefits under Duty Entitlement Pass Book Scheme, is estimated and accounted in the year of exports.
- (iii) Revenues from services are recognised when such services are rendered.

(G) EXCISE-DUTY:

Excise duty is recognised on goods manufactured for sales purpose.

(H) DEPRECIATION/AMORTISATION:

- (i) Depreciation on all the fixed assets have been charged in accordance with rates specified in Schedule XIV of Companies Act, 1956 on straight line basis.
- (ii) Capital Expenditure incurred on the assets not owned by the company are amortised over a period of five years.
- (iii) Depreciation on addition to assets or sale of assets is calculated pro-rata from the month such addition or upto the month of sale , as the case may be.

(I) RETIREMENT BENEFITS:

Liability in respect of Defined Benefit Plan for Gratuity is accounted based on the Actuarial valuation, arrived at after considering the part funding through Gratuity Policy, in accordance with the method stated in the Accounting Standard 15 (Revised) on "Employees Benefits" The liability in respect of Leave Encashment has been provided as per the rules of the Company.

The contribution to Provident Fund and other recognised funds are calculated as per the prescribed rates under the relevant law and contributions are recognised in the Profit and Loss Account on an accrual basis.

(J) FOREIGN CURRENCY TRANSACTIONS:

Foreign Currency transactions arising during the year are recorded at the rate of exchange prevailing on the date of transaction. Transactions which remained unsettled on Balance Sheet date are restated at the closing rate prevailing on that date. All exchange differences are dealt with in the statement of Profit & Loss Account , except those relating to the acquisition of fixed assets which are adjusted in the cost of assets.

(K) ACCOUNTING FOR TAXES:

Deferred tax is recognised, for all timing

differences, subject to consideration of prudence, in respect of Deferred Tax Assets.

(L) SUBSIDY ON FIXED ASSETS:

Subsidy received as contribution towards cost of capital Investment project is considered as Capital Reserve.

(M) OPERATING LEASE - AS 19 LEASES

Lease charges paid for operating leases are charged to profit and loss account on a straight-line basis over the lease term.

II NOTES ON BALANCE SHEET AND PROFIT & LOSS ACCOUNT

1. During the earlier year, the Company introduced different modules of an ERP System integrating few of its operations at different points of time. Consequently, the Company discontinued its legacy system. Subsequently, it was found that various accounts / data could not be reconciled and as a result, the Company decided to defer further implementation until the deficiencies are resolved. Consequently, the Company reverted to legacy financial accounting systems to record transactions of the earlier as well as of the current year and draw up its books of accounts and is continuing on its dual accounting system.

As a result, some data, particularly quantitative information, has been compiled based on limited information available including from the new ERP Modules, which itself has not been tested for its accuracy. Management represents and confirms that it has taken enough care/diligence to ensure that the presented data / accounts, so computed, are materially correct and that the books of accounts shall be duly reconciled and necessary entries arising therefrom, which in the opinion of the Board will not be material, shall be given effect to in the subsequent year.

2. The Company has appointed internal auditor, an independent Chartered Accountant to carry out the audit of stock records maintained by the Company. The Audit *inter-alia* includes physical verification and valuation of inventory, summary of quantitative data with its value lying at all its factories and branches including inventory lying with the third parties and has issued a certificate dt. 15th May, 2011 valuing the inventory at ₹ 127667 thousand as at 31.03.2011 and accordingly the same has been incorporated in accounts.
3. In compliance with Accounting Standard-2 (AS-2) revised, Excise Duty liability estimated at ₹ 809 thousand (Previous year ₹ 233 thousand) on Finished goods lying in factory premises has been loaded on the valuation of Finished goods.

However, it has no impact on the Profit and Loss Account.

4. Confirmations have not been obtained with respect to balances of Unsecured Loans, Sundry Debtors, Deposits, Loans and Advances, Sundry Creditors and Other Liabilities. These balances are subject to confirmations from the respective parties and consequential reconciliations and adjustments arising therefrom, if any. The management, however, does not expect any material variation.
5. Previous year figures have been regrouped, reclassified and rearranged wherever necessary.
6. In the opinion of the management inventories of ₹ 127667 thousand (Previous year 103553 thousand) shown in Balance Sheet are good and do not include any slow moving, or dead stock. Due provision is made for the near expiry material and depletion in its value, if any. In the opinion of the management, all the current assets including inventories, loans and advances have a value on a realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

7. Secured Loans are secured as under:

A) Cash Credit and Foreign Currency Working Capital Term Loan from a Bank:

Secured against hypothecation of entire current assets, Plant and Machinery at Navsari Unit of the Company.

B) Term Loans from a Bank:

Secured by hypothecation and / or Equitable Mortgage over assets purchased under the term loans, other specific assets, and further extension of charge created for the cash credit facilities.

(A) and (B) above are further secured by registered mortgage of certain intangible rights as well as immovable properties of an associate company, guaranteed by the Managing Director of Company, corporate guarantee of an associate company together with hypothecation of Plant and Machinery and other movable assets at Navsari Unit.

C) Vehicle Loans:

Secured by charge on specific vehicles purchased.

8. The amount of lease payments in respect of operating leases recognised in the profit and loss account was ₹ 6810 thousand (Previous year Rs.7114 thousand) The minimum future payments during non-cancellable periods under the foregoing arrangements in the aggregate for each

GUFIC BIOSCIENCES LIMITED

of the following periods is as follows :

- Not later than one year ₹ 120 thousand
(Previous year ₹ 120 thousand)
- Later than one year but not later than five years ₹ Nil
- Later than five years ₹ Nil

During the current year ended March 31, 2011 the lease payments recognised in the Profit and Loss Account for the aforesaid arrangements amounts to ₹ 6810 thousand (Previous year ₹ 7114 thousand)

- No Provision has been made for doubtful Debts amounting to ₹ 10469 thousand (Previous year ₹ 25560 thousand) which are outstanding for more than one year. The management is of the opinion that these debtors are good and realisable.

- Sundry Creditors - Dues to Micro and Small Enterprises

In terms of the notification issued by the Department of Company affairs, the Company is required to make certain disclosure under the head "Sundry Creditors" in respect of dues to Micro Enterprises and Small Enterprises as defined under the "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED ACT). The Company has not yet started process of inviting information from its vendors regarding their status under MSMED Act. The Company has also not received any memorandum by such suppliers (as required to be filed with the notified authority under the MSMED Act, 2006) claiming their status as micro or small or medium enterprises. Therefore, bifurcation between Total Outstanding Dues of Micro Enterprises and Small Enterprises and other dues are not disclosed under the head "Sundry Creditors" under the head Current Liabilities and Provision.

- An amount of ₹ 2284 thousand (Previous year ₹ 1381 thousand) being accrued under the duty entitlement passbook and other scheme as per Import-Export policy, as detailed in significant accounting policies above has been included under the head export benefits.

- Gratuity benefit plans:** The Company's Provision for Gratuity as at the close of the year has been computed by the Actuary appointed for the purpose as per the AS 15(Revised), adopting the "Projected Unit Credit Method". The Company has also taken the Policy to partly fund the liability.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following tables summarise

the components of net benefit expense recognised in the profit and loss account and amounts recognised in the balance sheet.

Gratuity Liability

	Apr 10- Mar 11	Apr 09- Mar 10
I. Assumptions :		
Discount Rate	8.25%	8.00%
Rate of Return on Plan Assets	8.25%	8.00%
Salary Escalation	3.00%	3.00%
Attrition Rate	1.00%	1.00%
II. Table Showing Change in Benefit Obligation :		
Liability at the beginning of the Period	8,392,693	7,705,785
Interest Cost	671,415	616,463
Current Service Cost	473,536	397,218
Past Service Cost (Vested Benefit)	--	500,997
Benefit Paid	(494,150)	(1,777,312)
Actuarial (gain)/loss on obligations	313,455	949,543
Liability at the end of the Period	9,356,950	8,392,693
III. Tables of Fair value of Plan Assets :		
Fair Value of Plan Assets at the beginning of the Period	2,775,501	546,899
Expected Return on Plan Assets	222,040	43,752
Contributions	165,539	2,757,322
Benefit Paid	(494,150)	(1,777,312)
Actuarial gain/(loss) on Plan Assets	20,022	1,204,840
Fair Value of Plan Assets at the end of the Period	2,688,952	2,775,501
Total Actuarial Gain/(Loss) To Be Recognised	(293,433)	255,297
IV. Actual Return on Plan Assets :		
Expected Return on Plan Assets	222,040	43,752
Actuarial gain/(loss) on Plan Assets	20,022	1,204,840
Actual Return on Plan Assets	242,062	1,248,592
V. Amount Recognised in the Balance Sheet :		
Liability at the end of the Period	9,356,950	8,392,693
Fair Value of Plan Assets at the end of the Period	2,688,952	2,775,501
Difference	(6,667,998)	(5,617,192)
Amount Recognised in the Balance Sheet	(6,667,998)	(5,617,192)
VI. Expenses Recognised in the Income Statement :		
Current Service Cost	473,536	397,218
Interest Cost	671,415	616,463
Expected Return on Plan Assets	(222,040)	(43,752)
Past Service Cost (Vested Benefit) Recognised	--	500,997
Net Actuarial (Gain)/Loss To Be Recognised	293,433	(255,297)
Expense Recognised in Profit and Loss A/c	1,216,344	1,215,629

VII. Amount Recognised in the Balance Sheet :	Apr 10- Mar 11	Apr 09- Mar 10
Opening net liability	5,617,192	7,158,886
Expense as above	1,216,344	1,215,629
Employers Contribution paid	(165,539)	(2,757,322)
Closing net Liability	6,667,998	5,617,192
VIII. Other Details		
No of Members	193	160
Salary per month	1,419,516	1,323,894
Contribution for next year	681,368	635,469
IX. Category of Assets		
Insurer Managed Funds	2,688,952	2,775,501
Total	2,688,952	2,775,501
X. Experience Adjustment		
Experience adjustments on plan liabilities (Gain)/Loss	475,219	949,543
Experience adjustments on plan Assets Gain/(Loss)	20,022	1,204,840

(13) CONTINGENT LIABILITIES:

	As at 31.3.11 ₹ '000	As at 31.3.10 ₹ '000
A) Estimated amount of contract remaining to be executed on capital account and not provided for	4251	6940
B) Letter of Credit	1015	2468
C) Bank Guarantee	1749	1689
D) Claims against company not acknowledge as Debts, being disputed	10886	10886
E) Labor Cases	3411	4563
F) In respect of Income Tax Assessment Dues	--	32

Additional Note:

- (14) Considering the nature, existing and projected sales and profitability, the Board is of the opinion that no impairment of assets is required. Being too technical, Auditors have relied upon the same and hence impairment, if any, has not been recognised.

(15) MANAGERIAL REMUNERATION UNDER SECTION 198 OF THE COMPANIES ACT, 1956:

	Year Ended 31.03.2011 ₹ '000	Year Ended 31.03.2010 ₹ '000
Managing Director's Remuneration		
Basic	849	606
HRA	372	360
Commission	255	182
Director's Sitting Fees	30	30
Total	1506	1178

Computation of Net profit as per Sec.349 of the Companies Act, 1956 for Calculation of Commission Payable to Director:

Profit before taxes	23704	16936
Add: Commission	255	182
Add: Director Remuneration	1251	996
Add: Loss on sale of car	371	100
Add: Sundry Balances written off	41	(50)
Net Profit as per u/s 309(5) of the Companies Act, 1956	25541	18163
Commission Payable to Managing Director @1%	255	182

(16) AUDITORS REMUNERATION

Statutory Audit Fees	331	331
Tax Audit Fees	55	55

(17) LOANS & ADVANCES INCLUDE AMOUNTS DUE FROM COMPANIES IN WHICH DIRECTORS ARE INTERESTED:

Security Deposits:

Company has given interest free security deposit to the following companies:

	As at 31.3.11 ₹ '000	As at 31.3.10 ₹ '000
Gufic Private Limited.	30000	30000
Maximum amount outstanding	30000	30000
Gufic Chem Pvt. Ltd.	12000	12000
Maximum amount Outstanding	12000	12000
Total Deposits	42000	42000

A) Security Deposits were given to Gufic Private. Ltd for use of it's factory premises at Navsari for the company's manufacturing activities under an operating lease for a period of 10 years . Gufic Private Ltd. has created an equitable mortgage on the said factory premises in favour of the Bank for availing the credit facilities to the company. Hence, the said deposits are secured and considered good. The company has also paid lease rentals of ₹120 thousands during the year for use of the factory premises.

B) Security deposits to Gufic Chem Private Ltd was given for supply of products at concessional rate to the Company. Such deposits are unsecured and considered good.

	Balance due ₹ '000	Max. Balance during year ₹ '000
Loans & Advances		
Gufic Chem Pvt. Ltd.	2236	6539
Previous year	5435	8058
Gufic Stridden Biopharma Pvt. Ltd.	671	982
Previous year	832	832
Jal Pvt. Ltd.	1146	1683
Previous year	1159	1309

GUFIC BIOSCIENCES LIMITED

	Year Ended 31.3.2011 ₹ '000	Year Ended 31.3.2010 ₹ '000
(18) EXPENDITURE IN FOREIGN CURRENCY:		
A) Value of Imports on C.I.F Basis : Raw Materials / Merchant Goods	32913	42917
B) Expenditure in Foreign Currency :		
Travelling Expenses	2357	1559
Commission and Other Expenses	2119	3970
(19) EARNINGS IN FOREIGN CURRENCY:		
Export sales calculated on FOB basis	114167	115344

Additional information required by Paragraph 3 and 4 of part II of Schedule VI to the Companies Act, 1956

		Year Ended 31.03.2011		Year Ended 31.03.2010	
		Qty. in '000	Value ₹ in '000	Qty. in '000	Value ₹ in '000
(20) TURNOVER (Refer Note 19 II.1) Unit					
(a) Formulation (Manufacturing)					
Tablets	Nos.	63279	119069	29937	86209
Capsules	Nos.	1899	6017	1763	5533
Ointments	Tubes.	735	16880	645	12881
Syrups/Suspension	Bottles	478	12736	558	12233
Injection	Vial	2941	150508	2148	123624
Powder	Gms.	4419	1738	4122	1632
Lotion	Nos.	515	43770	365	33325
Total (A)			350718		275438
(b) Formulation (Trading)					
Tablets	Nos.	8319	28481	59212	46003
Capsules	Nos.	4067	9526	3181	5573
Syrup / Suspension	Bottles	411	8543	642	9879
Injections	Vials	260	24713	1220	19593
Powder	Gms.	2106	607	4952	793
Ointments	Tubes.	71	807	25	435
Others		-	21742	-	22853
Sanitary Napkins	Nos.	26284	40694	36242	59807
Lotion	Kgs.	10	82	5	37
Castor Oil	Kgs.	1754	77110	705	28895
Total (B)			212306		193868
(c) Bulk Drugs(Manufacturing)					
Chemicals	Kgs.	138	130636	125	119699
Total (C)			130636		119699
(d) Agro Products and Tissue Culture (Manufacturing)					
Seeds and Plants		-	-	12	13625
Total (D)			-		13625
Total (A+B+C+D)			693660		602630

21. CONSUMPTION OF MATERIALS (Refer Note 19 II.1 and 2)

	Unit	Qty. in '000	Year Ended 31.03.2011 Value ₹ in 000	Qty. in '000	Year Ended 31.03.2010 Value ₹ in 000
I. Formulation & Bulk Drugs (Manufacturing)					
(a) Chemicals	Kgs.	88	81550	72	65537
(b) Sugar	Kgs.	40	1167	40	1197
(c) Herbals	Kgs.	63	9583	45	9044
(d) Chemicals(Bulk Drug)	Kgs.	907	76927	909	82107
(e) Agro Products/Others	Kgs.	—	12837	—	3725
(f) Packing Material	Kgs.	--	41362	--	16269
(A)			223426		177879
II). Purchase of Finished Goods			175141		141765
(B)			175141		141765
(A+B)			398567		319644

Note: Consumption includes cost of material expired / destroyed / wastage.

Value of Imported and Indigenous Raw Materials Consumed.

		Year Ended 31.03.2011 Value ₹ in 000		Year Ended 31.03.2010 Value ₹ in 000
	%		%	
(a) Imported	4.55	10168	6.23	11073
(b) Indigenous	95.45	213258	93.77	166805
	100	223426	100	177879

GUFIC BIOSCIENCES LIMITED

22. COST OF THE GOODS TRADED BY THE COMPANY (Refer Note 19 II. I)

		Year Ended 31.03.2011		Year Ended 31.03.2010	
		Qty	Value	Qty	Value
	Unit	in '000	₹ in '000	in '000	₹ in '000
(a) Purchase					
Tablets	Nos.	8209	14717	58556	20310
Capsule	Nos.	4409	4663	3517	2567
Syrup and Suspension	Bottles	330	5047	659	6515
Injections	Vials	195	17494	1236	13805
Lotion	Bottles	10	81	-	-
Powder	Gms	2144	304	5169	521
Ointments	Tubes	53	184	32	159
Castor Oil	Kgs.	1754	76733	705	28753
Others		-	22661	-	20853
Seeds and Plants	Nos.	-	-	12	11253
Sanitary Napkins	Nos.	28534	33257	35607	37029
(b) Sales					
Tablets	Nos.	8319	28481	59212	46003
Capsules	Nos.	4067	9526	3181	5573
Syrup and Suspension	Bottles	411	8543	642	9879
Injections	Vials	260	24713	1220	19593
Lotion	Bottles	10	82	5	37
Powder	Gms	2106	607	4952	793
Ointments	Tubes	71	807	25	435
Sanitary Napkins	Nos.	26284	40694	36242	59807
Others		-	21742	-	22853
Castor Oil	Kgs.	1754	77110	705	28895
Seeds and Plants		-	-	12	13625

23. OPENING STOCK

		As at 31.03.2011		As at 31.03.2010	
	Unit	Qty in '000	Value ₹ in '000	Qty in '000	Value ₹ in '000
Formulations					
Tablets	Nos.	5653	8210	3846	9687
Capsules	Nos.	316	640	179	444
Ointments	Tubes	159	2172	158	2997
Syrup/Suspension	Bottles	86	1368	167	2728
Injections	Vials	71	2471	54	5653
Powder	Gms.	655	179	833	248
Lotion	Nos.	34	1621	36	1224
Bulk Drugs					
Chemicals	Kgs.	9	4289	16	11216
Formulation Trading					
Tablets	Nos.	2083	1958	2739	1393
Capsule	Nos.	648	517	311	207
Lotion	Nos.	-	-	5	35
Sanitary Napkins	Nos.	967	602	1602	1072
Syrup/Suspension	Bottles	159	1321	142	1084
Injections	Vials	87	944	72	1131
Ointment	Tubes	37	235	30	184
Powder	Gms.	217	51	-	-
Total			26576	39303	

24. CLOSING STOCK (Refer Note 19 II.1 and 2)

		As at 31.03.2011		As at 31.03.2010	
		Qty	Value	Qty	Value
	Unit	in '000	₹ in '000	in '000	₹ in '000
Formulations					
Tablets	Nos.	9416	17918	5653	8210
Capsules	Nos.	676	1796	316	640
Ointments	Tubes	121	2532	159	2172
Syrup/Suspension	Bottles	77	1813	86	1368
Injections	Vials	132	10786	71	2471
Powder	Gms.	1206	352	655	179
Lotion	Nos.	99	3592	34	1621
Bulk Drugs					
Chemicals	Kgs.	9	4816	9	4289
Formulation – Trading					
Tablets	Nos.	1972	3236	2083	1958
Capsules	Nos.	990	1227	648	517
Powder	Gms.	255	60	217	51
Syrup/Suspensions	Bottles	77	1106	159	1321
Injections	Vials	23	748	87	944
Ointments	Tubes	20	148	37	235
Sanitary Napkins	Nos.	3217	3444	967	602
Total			53575	26576	

25. CAPACITIES AND PRODUCTION (Refer Note 19 II.1)

			Year Ended 31.03.2011	Year Ended 31.03.2010
	Unit	Installed Capacity in 000 (*)	Actual Production in 000 (**)	Actual Production in 000
FORMULATIONS:				
Tablets	Nos.	120000	67043	31744
Capsules	Nos.	45000	2258	1900
Syrup / Suspensions	Bottles	6000	469	477
Ointments/Cream	Tubes	9600	697	647
Powder	Gms.	--	4970	3943
Lotion	Nos.	3600	580	363
Injection	Vials	24000	3002	2165
Bulk Drugs	Kgs.	163	137	118

* The Installed Capacities are as Certified by the Management (Single Shift)

** Production refers to production for sales purpose only.

GUFIC BIOSCIENCES LIMITED

26. INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

₹ in '000

Sr. Particulars	Formulations		Bulk Drugs		Consumer		Agro Products		Total	
No.	31.3.2011	31.3.2010	31.3.2011	31.3.2010	31.3.2011	31.3.2010	31.3.2011	31.3.2010	31.3.2011	31.3.2010
1 SEGMENT REVENUE										
Sales and Services (Inclusive of Excise and Net of returns)	507017	391999	130636	121600	99234	112933	--	13625	736886	640156
Add: Unallocated Income									3182	14827
TOTAL SEGMENT REVENUE	507017	391999	130636	121600	99234	112933	--	13625	740068	644614
2 SEGMENT RESULTS	98361	72291	22469	19046	18557	20635	--	2371	139387	114343
Less: Unallocated Expenses									76423	58058
Financial Charges									21194	22724
Depreciation									18066	16625
Tax Provision									9064	4658
PROFIT AFTER TAX									14641	12278
3 OTHER INFORMATION										
Segment Assets	385129	263889	51735	64760	37896	32276	--	18058	474760	378983
Add: Unallocated Assets									131219	176582
Total Assets									605979	555565
Segment Liabilities	56954	47720	58637	49533	6155	8241	--	368	121746	105861
Add: Unallocated Liabilities									299867	275469
Total Liabilities									421613	381330
Capital Expenditure										
Capital Expenditure Incurred	42101	8801	2631	1406	--	--	--	--	44732	10208
Unallocated Capital Expenditure									--	--
Depreciation	13148	11404	986	840	--	--	--	30	14133	12274
Unallocated Depreciation									3932	4352

₹ In '000

4 ADDITIONAL INFORMATION	In India		Out of India		Total	
	31.3.2011	31.3.2010	31.3.2011	31.3.2010	31.3.2011	31.3.2010
1. Revenue by Location of Customer	622719	524812	114167	115344	736886	640156
2. Segment Assets by Location of the Customer	605979	555565	--	--	605979	555565
3. Capital Expenditure by Location of the Customer	44732	10208	--	--	44732	10208

Note: The Company has disclosed Business Segment as the Primary Segment. The Company has identified Business segment into Formulations, Bulk Drugs, Consumer Products , and Agro Products after taking in to account the nature of Product, the differing risks and returns, the Organisational Structure and Internal reporting system. Segment reporting as prepared by the management has been incorporated here in above and the same has been relied upon by the Auditors.

27. RELATED PARTY DISCLOSURES AS PER AS-18:

Details of material (more than 10% of the total related party transaction of the same type) transaction with related party

₹ in '000

Name of the Party Nature of Relationship	Gufic Chem Pvt Ltd (Controlled Through Key Managerial Personnel)	Gufic Pvt Ltd	Jal Pvt Ltd	Gufic Stridden Ltd.	Jayesh P. Choksi (Managing Director)	Pranav J. Choksi (Executive Director)	Vipula J. Choksi (Relatives of Managing Director)	Dhyuti J. Choksi	Total
Nature of Transaction	This year (Previous year)	This year (Previous year)	This year (Previous year)	This year (Previous year)	This year (Previous year)	This year (Previous year)	This year (Previous year)	This year (Previous year)	This year (Previous year)
Purchase of Goods and exp. re-imbursement	6099 (3676)	33215 (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	39314 (3676)
Sale of Goods	703 (767)	11886 (--)	-- (--)	128 (123)	-- (--)	-- (--)	-- (--)	-- (--)	12717 (890)
Usage of Service	4684 (2550)	76105 (721)	1308 (1177)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	82097 (4448)
Service Render	-- (--)	-- (--)	-- (--)	180 (93)	-- (--)	-- (--)	-- (--)	-- (--)	180 (93)
Rent	-- (--)	120 (120)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	120 (120)
Security Deposit	12000 (12000)	30000 (30000)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	42000 (42000)
Loans/Advances given	-- (--)	-- (17)	-- (1159)	-- (44)	-- (--)	-- (--)	-- (--)	-- (--)	-- (1220)
Loans/Advances received	-- (--)	-- (--)	-- (--)	-- (--)	26279 (7851)	4679 (2193)	250 (250)	-- (--)	31208 (10294)

28. EARNINGS PER SHARE (EPS):

	Year Ended 31.03.2011 ₹ in '000	Year Ended 31.03.2010 ₹ in '000
Profit After Taxes	14641	12278
No. of Equity Share	77350	77350
Earning Per Share	0.19	0.16

29. DEFERRED TAX LIABILITIES:

	Deferred tax Liability /Asset as at 1.4.2010 ₹ in'000	Current Year ₹ in '000	Deferred Tax Liability /Asset as at 31.3.2011 ₹ in'000
Deferred Tax Liabilities:			
Difference between book and income tax depreciation	25960	1662	27622
Total (A)	25960	1662	27622
Deferred Tax Assets:			
Expenses Disallowed			
1. Gratuity	2852	646	3498
2. Leave Encashment	1450	171	1621
3. Other Disallowances	(676)	(2008)	(2684)
Total (B)	3626	(1192)	2434
Deferred Tax Liability (Net) (A-B)	22334	2854	25188

GUFIC BIOSCIENCES LIMITED

30. Borrowing Cost capitalised as Fixed Assets in F.Y. 2010-2011 ₹1128 thousand. (Previous Year ₹911)
31. The Company has entered into various transactions on an Arm's-Length basis in the ordinary course of business with Companies in which Directors are interested which requires the prior approval of the Central Government u/s 297 of the Companies Act, 1956. The Company has yet to apply for compounding of offence of inadvertent non-compliance with the provisions of Sec 297 of the Act in respect of the past transactions and regularising the future transactions.
32. Loans and Advances includes old receivable due for more than three yrs ₹4099 thousand which in the auditors' opinion may not be recoverable and not been provided for.
33. i) Current Tax includes interest of ₹240 thousand for the delayed payment of Income Tax Dues.
ii) Provision for Tax under Current Liabilities and Provisions
Provision for Income Tax under Current Liabilities and Provision is net of Advance Tax of ₹29598 thousand. Similarly, Fringe Benefit Tax Receivable under Loans, Advances and Deposits is net of Provision for Fringe Benefit Tax of ₹489 thousand

As per our Report of even date attached
For Mayur Chokshi & Co
Chartered Accountants

For and on behalf of the Board of Directors

Mayur Chokshi
Proprietor
Firm Registration No. 106116W
(Membership No.33936)
Mumbai - 31st August, 2011

Jayesh P. Choksi
Chairman &
Managing Director

Khantilal. N. Sanghavi
Director

Prakash Khulbe
Company Secretary

Mumbai - 31st August, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details

Registration No.

33519

Balance Sheet Date

31.03.2011

State Code

11

Registration Date

23.07.1984

II. Capital raised during the year (₹ in '000)

Public Issue

Nil

Bonus Issue

Nil

Right Issue

Nil

Private Placement

Nil

III. Position of mobilisation and deployment of funds (₹ in '000)

Total Liabilities

416939

Sources of Funds

Paid Up Capital

77350

Secured Loans

161411

Application of funds

Net Fixed Assets

173209

Net Current Assets

243638

Misc. Expenditure

—

Total Assets

416939

Reserves and Surplus

107016

Unsecured Loans

45974

Investments

92

Deferred Tax Liability

(25188)

Accumulated Losses

—

IV. Performance of company (₹ In '000)

Total Income

748128

Profit Before Tax

23704

Earning Per Share in Rs.

0.19

Total Expenditure

724424

Profit After Tax

14641

Dividend Rate %

5

V. Generic Names of Three Principal Products / Services Of the Company (As per monetary Terms)

Item Code No. (ITC Code)

300490.01

294200.90

560110.00

Product and Description

Ayurvedic Medicine

Bulk Drug-Lidocaine

Sanitary Napkins

As per our Report of even date attached

For Mayur Chokshi & Co

Chartered Accountants

For and on behalf of the Board of Directors

Mayur Chokshi

Proprietor

Firm Registration No. 106116W

(Membership No.33936)

Mumbai - 31st August, 2011

Jayesh P. Choksi

Chairman &

Managing Director

Mumbai - 31st August, 2011

Khantilal. N. Sanghavi

Director

Prakash Khulbe

Company Secretary

GUFIC BIOSCIENCES LIMITED

CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF LISTING AGREEMENT FOR THE YEAR ENDED MARCH 31, 2011

	Year Ended 31.03.2011 ₹	(₹ In '000) Year Ended 31.03.2010 ₹
A. Cash flow from operating Activities		
Net Profit before tax	23704	16936
Add : Adjustment for:		
Depreciation	18066	16625
Provision for Gratuity/Leave Encashment	1057	995
Interest	21194	22724
Loss on sale of Assets	371	100
Dividend / Interest Received	(102)	(275)
Sundry Bal W/off)	(41)	(50)
Operating profit before Working Capital Changes	64249	57055
Adjustments For:		
Inventories	(24114)	3512
Debtors	(25954)	(28438)
Loans & Advances	308	(36854)
Current Liabilities	1752	51059
Cash Generated from Operations	16241	46334
Income Tax Paid	(7194)	(5692)
Dividend Tax Paid	--	(1200)
Fringe Benefit tax	--	(1071)
Net Cash Generated from Operating Activity (A)	9047	38371
B. Cash Flow From Investing Activities		
Interest Received	97	265
Sale of Fixed Assets	1850	1074
Purchase of Fixed Assets	(22266)	(30994)
Dividend Received	5	10
Net Cash From Investing Activities (B)	(20314)	(29645)
C. Cash Flow from Finance Activities		
Increase /Decrease in Borrowings	34951	23732
Dividend Paid	(3815)	(3798)
Interest Paid	(21194)	(22724)
Net Cash From Finance Activity (C)	9942	(2790)
Net Increase in Cash or Cash equivalent (A+B+C)	(1325)	5936
Cash and Cash Equivalent at Beginning of Period	10800	4864
Cash and Cash Equivalent at the end	9475	10800

As per our Report of even date attached
For Mayur Chokshi & Co
Chartered Accountants

For and on behalf of the Board of Directors

Mayur Chokshi
Proprietor
Firm Registration No. 106116W
(Membership No.33936)
Mumbai - 31st August, 2011

Jayesh P. Choksi
Chairman &
Managing Director

Khantilal. N. Sanghavi
Director

Prakash Khulbe
Company Secretary

Mumbai - 31st August, 2011

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Consumer products stable.


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GUFIC
BIOSCIENCES LIMITED

Regd. Off.: Subhash Rd.-A, Vile Parle (E), Mumbai - 400 057. (INDIA)

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S.V. Road, Andheri (West), Mumbai 400 058. (INDIA)

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