

# **RANBAXY DRUGS LIMITED**

Head Office : 12<sup>th</sup> Floor, Devika Tower, Nehru Place, New Delhi-110 019

## **REPORT OF THE DIRECTORS**

Your Directors have pleasure in presenting Twenty Seventh Annual Report of the Company and Audited Accounts for the year ended December 31, 2010.

### **Operations**

The Company is not carrying any business activity. During the year under review, the Company recorded a loss of Rs. 52,372.

### **Particulars with respect of Conservation of Energy/Technology Absorption and Foreign Exchange Earnings and Outgo**

There are no particulars relevant to be furnished pertaining to conservation of energy/ technology absorption as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Foreign exchange earnings and outgo was nil, during the year.

### **Fixed Deposits**

The Company has not invited/received any fixed deposits during the year.

### **Particulars of Employees**

As the Company did not pay any remuneration during the year, there are no particulars to be furnished under Section 217 (2A) of the Companies Act, 1956, and the Rules made thereunder.

### **Directors' Responsibility Statement**

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, (Act) your Directors confirm that :

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, wherever applicable;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the accounting year and of the loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis.

# **RANBAXY DRUGS LIMITED**

Head Office : 12<sup>th</sup> Floor, Devika Tower, Nehru Place, New Delhi-110 019

## **Directors**

Mr. Omesh Sethi and Mr. Arun Sawhney resigned from the directorship of the Company effective June 24, 2010. The Directors place on record their appreciation for valuable services rendered by them during their tenure as Directors of the Company.

Mr. Sanjeev Mahna and Mr. T. L. Easwar were appointed as Additional Directors of the Company effective June 24, 2010 and hold office upto the date of this Annual General Meeting. The Company has received notices alongwith requisite deposit from a member under section 257 of the Companies Act, 1956, proposing the candidatures of Mr. Sanjeev Mahna and Mr. T. L. Easwar as Directors of the Company.

In accordance with Articles of Association of the Company, Mr. Sandeep Mehandroo, Director, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

## **Auditors**

M/s. B S R & Co., Chartered Accountants, retire as Auditors at the conclusion of the ensuing Annual General Meeting and has confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

## **Auditors' Report**

In regard to observation in the Auditors' report regarding use of funds raised on short term basis for long term investments, the Company had taken loan from Ranbaxy Laboratories Limited, the Holding Company, which was enhanced from time to time. This amount was used for purchase of land by the Company and towards capital expenditure incurred on the said land. The loan amount was not used for purchase of shares of Ranbaxy Drugs and Chemicals Company, as mentioned by the Auditors' in their report. The loan taken from the Holding Company has been outstanding for a long period and thus the same is de-facto a long term loan.

## **Compliance Certificate**

As per Section 383A of the Act and Companies (Appointment and Qualification of Secretary) Rules, 1988, the Company has obtained a Compliance Certificate from M/s. Nityanand Singh & Co., Company Secretaries in confirmation to the compliances of all the provisions of the Act.

On behalf of the Board of Directors

Place: Gurgaon  
Dated: March 22, 2011

Sd/-  
(SANDEEP MEHANDROO)  
DIRECTOR

Sd/-  
(SANJEEV MAHNA)  
DIRECTOR

# B S R & Co.

(Registered)  
Chartered Accountants

Building No.10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurgaon - 122 002 (India)

Telephone:+91-124-2549191  
Fax: +91-124-2549101

## Auditors' Report

To the Members of  
**Ranbaxy Drugs Limited**

- a) We have audited the attached Balance Sheet of Ranbaxy Drugs Limited ('the Company') as at 31 December 2010 and also the Profit and Loss Account and the Cash Flow Statement (collectively referred to as 'financial statements') 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.
- b) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, ('the Act'), we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.
- d) Further to our comments in the Annexure referred to above, we report that:
  - i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv) in our opinion, 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 Act, to the extent applicable;
  - v) on the basis of written representations received from the directors as at 31 December 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 December 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
  - vi) in our opinion and to the best of our information and according to the explanations

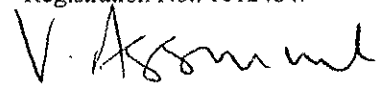
V. Aggarwal

given to us, the said financial statements give the information required by the Act, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 December 2010;
- (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Gurgaon  
Date: 22/02/2011

*For B S R & Co.*  
*Chartered Accountants*  
Registration No.: 101248W



**Vikram Aggarwal**  
*Partner*  
Membership No.: 089826

**Annexure to the Auditors' Report**  
(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets through which all fixed assets are verified once in a year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) No fixed assets have been disposed off during the year.
- (ii) The Company does not hold any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) The activities of the Company do not involve purchase of inventory and sale of goods and services. There was no purchase of fixed assets during the year. Accordingly, the provisions of clause (iv) of the Order are not applicable.
- (v) In our opinion, and according to the information and explanations given to us, there are no contracts or arrangements, the particulars of which need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the activities carried out by the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income-tax have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident fund, Employees' state insurance, Investor Education and Protection Fund, Sales-tax, Customs duty, Wealth tax, Excise duty, Service tax and other material statutory dues.

There are no dues on account of Cess under Section 441A of the Companies Act, 1956, since the date, from which the aforesaid section comes into force, has not yet been notified by the Central Government.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax were in arrears as at 31 December 2010 for a period of more than six months from the date they became payable.

*V. Aggarwal*

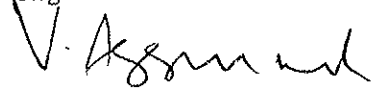
- (b) According to the information and explanations given to us, there are no dues of Income-tax which have not been deposited with the appropriate authorities on account of any dispute.
- (x) The Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth. *Further, the Company has incurred cash losses during the financial year and during the immediately preceding financial year.*
- (xi) In our opinion and according to the information and explanations given to us, the Company did not have any dues to financial institutions, bankers and debenture holders during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and 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.
- (xvi) In our opinion and according to the information and explanations given to us, the Company did not have any term loans outstanding during the year.
- (xvii) *According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short-term basis have been used for long-term investment. The Company has an outstanding loan from the holding company amounting to Rs. 3,161,916 as at the year end, which is repayable on demand and outstanding dues to sundry creditors amounting to Rs. 45,498. Out of this, Rs. 3,202,754 have been used by the Company for making investment in equity shares of Ranbaxy Drugs and Chemicals Company, which is in the nature of long term investment.*
- (xviii) The Company has not made any preferential allotment of shares during the year to firm/ parties/ companies covered in the register maintained under Section 301 of the Act.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by public issues.

V. Aggarwal

BSR & Co.

(xxi) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period covered by our audit.

For BSR & Co.  
Chartered Accountants  
Registration No.: 101248W



Vikram Aggarwal  
Partner  
Membership No.: 089826

Place: Gurgaon  
Date: 22/02/2011

**Ranbaxy Drugs Limited**  
**Balance Sheet as at 31 December 2010**  
(Amount in Rupees)

	Schedule	As At 31 December 2010	As At 31 December 2009
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' funds</b>			
Share capital	1	31,002,700	31,002,700
<b>Loan funds</b>			
Unsecured loans	2	3,161,916	3,161,916
<b>Total</b>		<u>34,164,616</u>	<u>34,164,616</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed assets</b>			
Land (freehold)		2,674,640	2,674,640
<b>Investments</b>	3	31,000,000	31,000,000
<b>Current assets, loans and advances</b>			
Cash and bank balances	4	4,660	60,239
<b>Less: Current liabilities and provisions</b>			
Current liabilities	5	45,498	48,705
<b>Net current (liabilities)/ assets</b>		<u>(40,838)</u>	<u>11,534</u>
<b>Profit and Loss Account (debit balance)</b>		530,814	478,442
<b>Total</b>		<u>34,164,616</u>	<u>34,164,616</u>
Significant accounting policies	7		
Notes to the financial statements	8		

The schedules referred to above form an integral part of the Balance Sheet

As per our report attached

For **BSR & Co.**  
Chartered Accountants  
Registration No.: 101248W

Sd/-  
**Vikram Aggarwal**  
Partner  
Membership No.: 089826

**Place:** Gurgaon  
**Date:** 22/02/2011

For and on behalf of the Board of Directors

Sd/-  
**Sandeep Mehandroo**  
Director

Sd/-  
**Sanjeev Mahna**  
Director

**Place:** Gurgaon  
**Date:** 22/02/2011

**Ranbaxy Drugs Limited**  
**Profit and Loss account for the year ended 31 December 2010**  
**(Amount in Rupees)**

	Schedule	For the year ended 31 December 2010	For the year ended 31 December 2009
<b>INCOME</b>		-	-
		<u>-</u>	<u>-</u>
<b>EXPENDITURE</b>			
Filing fee		2,625	9,500
Auditors' remuneration			
- Statutory audit fees		20,681	20,681
- Tax audit fees		-	3,309 *
- Others		6,894	-
Operating expenses	6	22,172	23,630
		<u>52,372</u>	<u>57,120</u>
* paid to previous statutory auditor			
<b>Loss for the year</b>		52,372	57,120
<b>Deficit brought forward from previous year</b>		478,442	421,322
		<u>530,814</u>	<u>478,442</u>
<b>Loss per equity share</b>			
Basic and diluted loss per share of face value of Rs. 10 each (refer to note 2 of schedule 8)		(0.02)	(0.02)

Significant accounting policies 7  
Notes to the financial statements 8

The schedules referred to above form an integral part of the Profit and Loss Account

As per our report attached

For **B S R & Co.**  
Chartered Accountants  
Registration No.: 101248W

For and on behalf of the Board of Directors

Sd/-  
**Vikram Aggarwal**  
Partner  
Membership No.: 089826

Sd/-  
**Sandeep Mehandroo**  
Director

Sd/-  
**Sanjeev Mahna**  
Director

Place: Gurgaon  
Date: 22/02/2011

Place: Gurgaon  
Date: 22/02/2011

**Ranbaxy Drugs Limited**  
**Cash Flow Statement for the year ended 31 December 2010**  
(Amount in Rupees)

	For the year ended 31 December 2010	For the year ended 31 December 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(52,372)	(57,120)
<b>Adjustments for working capital changes:</b>		
(Decrease)/ increase in current liabilities	(3,207)	23,990
<b>Net cash flows (used in) operating activities</b>	<u>(55,579)</u>	<u>(33,130)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
	<u>-</u>	<u>-</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from the unsecured demand loan	-	65,000
<b>Net cash flows generated from financing activities</b>	<u>-</u>	<u>65,000</u>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(55,579)</b>	<b>31,870</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60,239</b>	<b>28,369</b>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>4,660</u></b>	<b><u>60,239</u></b>

Note : The Cash Flow Statement has been prepared in accordance with the ' Indirect Method' specified in Accounting Standard 3, Cash Flow Statement, notified by Central Government in the Companies (Accounting Standards) Rule, 2006.

As per our report attached

For **B S R & Co.**  
Chartered Accountants  
Registration No.: 101248W

For and on behalf of the Board of Directors

Sd/-  
**Vikram Aggarwal**  
Partner  
Membership No.: 089826

Sd/-  
**Sandeep Mehandroo**  
Director

Sd/-  
**Sanjeev Mahna**  
Director

**Place:** Gurgaon  
**Date :** 22/02/2011

**Place:** Gurgaon  
**Date :** 22/02/2011

**Ranbaxy Drugs Limited**  
**Schedule forming part of the financial statements**  
**For the year ended 31 December 2010**  
**(Amount in Rupees)**

	As at 31 December 2010	As at 31 December 2009
<b>Schedule - 1</b>		
<b>Share capital</b>		
Authorised :		
9,000,000 (Previous year 9,000,000) Equity shares of Rs. 10 each	90,000,000	90,000,000
1,000,000 (Previous year 1,000,000) 10% Non-cumulative redeemable preference shares of Rs. 10 each	<u>10,000,000</u>	<u>10,000,000</u>
	<u><b>100,000,000</b></u>	<u><b>100,000,000</b></u>
Issued , subscribed and paid up		
3,100,020 (Previous year 3,100,020) equity shares of Rs.10 each ( the above shares are held by Ranbaxy laboratories Limited, the holding Company along with its nominees. Daiichi Sankyo Co., Ltd., Japan is the ultimate holding Company)	31,000,200	31,000,200
250 (Previous year 250) 10% Non-cumulative redeemable preference shares of Rs. 10 each (refer to note 5 of schedule 8)	2,500	2,500
	<u>31,002,700</u>	<u>31,002,700</u>
<b>Schedule - 2</b>		
<b>Unsecured loans</b>		
Demand loan from the holding company	3,161,916	3,161,916
	<u>3,161,916</u>	<u>3,161,916</u>
<b>Schedule - 3</b>		
<b>Investments</b>		
Long term		
Unquoted - Non-Trade		
3,100,000 (previous year 3,100,000) equity shares of Rs. 10 each fully paid of Ranbaxy Drugs and Chemicals Company	31,000,000	31,000,000
	<u>31,000,000</u>	<u>31,000,000</u>
<b>Schedule - 4</b>		
<b>Cash and bank balances</b>		
Balance with scheduled bank in current account	4,660	60,239
	<u>4,660</u>	<u>60,239</u>
<b>Schedule - 5</b>		
<b>Current liabilities</b>		
Sundry creditors (refer to note 6 of schedule 8)	45,498	48,705
	<u>45,498</u>	<u>48,705</u>

**Ranbaxy Drugs Limited**  
**Schedule forming part of the financial statements**  
**For the year ended 31 December 2010**  
**(Amount in Rupees)**

	<b>For the year ended 31 December 2010</b>	<b>For the year ended 31 December 2009</b>
<b>Schedule - 6</b>		
<b>Operating expenses</b>		
Legal and professional	20,957	22,968
Bank charges	1,056	397
Miscellaneous	159	265
	<u>22,172</u>	<u>23,630</u>

**Ranbaxy Drugs Limited**  
**Schedules to the financial statements**  
**(Amount in Rupees)**

**SCHEDULE - 7**

**Significant accounting policies**

***Basis of accounting***

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India (ICAI), and the relevant provisions of the Companies Act, 1956, to the extent applicable.

***Use of estimates***

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

***Fixed assets and depreciation***

Fixed assets are stated at the cost of acquisition or construction, less accumulated depreciation and impairment losses. Cost comprises purchase price and any attributable costs of bringing the assets to their working condition for intended use.

***Investments***

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined, separately in respect of each category of investment.

***Provisions, contingent liabilities and contingent assets***

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognised in the financial statements of the period in which the change occurs.

**Ranbaxy Drugs Limited**  
**Schedules to the financial statements**  
**(Amount in Rupees)**

**SCHEDULE – 7 (Cont'd)**

*Taxes on income*

Income tax expense comprises current tax (i.e amount of tax for the year determined in accordance with the Income-tax law) and deferred tax charge or credit.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Minimum alternative tax (MAT) payable under the provisions of the Income Tax Act, 1961 is recognized as an asset in the year in which credit becomes eligible and if there is convincing evidence that the company will pay the normal tax in the future. MAT is set off to the extent allowed, in the year in which the Company becomes liable to pay income taxes at the enacted tax rates.

*Earnings per share*

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

**Ranbaxy Drugs Limited**  
**Schedules to the financial statements**  
**(Amount in Rupees)**

**SCHEDULE – 8**

**Notes to the financial statements**

**1. Background**

The Company was set up in 1984 to carry on the business of dealing in pharmaceutical and related products. However, the Company has not commenced this business activity.

**2. Loss per share**

<b>Particulars</b>	<b>For the year ended 31 December 2010</b>	<b>For the year ended 31 December 2009</b>
Weighted average number of equity shares	3,100,020	3,100,020
Net loss after tax attributable to equity shareholders	(52,372)	(57,120)
Basic and diluted loss per share	(0.02)	(0.02)
Nominal value per equity share	10	10

**3. Segment information**

In the opinion of the management, there is only one segment as envisaged by Accounting Standard 17 “Segment Reporting”. Accordingly, no disclosure for segment reporting has been made in the financial statements.

**4. Related party disclosures**

**a) The following transactions were carried out with related parties:**

<b>Related party</b>	<b>Nature of transactions</b>	<b>Description of relationship</b>	<b>Year ended 31 December 2010</b>	<b>Year ended 31 December 2009</b>
Daiichi Sankyo Co., Ltd., Japan	-	Ultimate holding company	-	-
Ranbaxy Laboratories Limited	-	Holding company	-	-
	Unsecured loan received		-	65,000

**Ranbaxy Drugs Limited**  
**Schedules to the financial statements**  
**(Amount in Rupees)**

**b) Balances outstanding**

<b>Related party</b>	<b>Nature of transactions</b>	<b>Description of relationship</b>	<b>As at 31 December 2010</b>	<b>As at 31 December 2009</b>
Ranbaxy Laboratories Limited	Demand loan	Holding company	3,161,916	3,161,916
Ranbaxy Drugs and Chemicals Company	Investment	Fellow subsidiary company	31,000,000	31,000,000

c) Also refer to Schedule 1 of the financial statements in relation to the holding company interest in the share capital of the Company.

- 10% non cumulative redeemable preference shares are held by Ranbaxy Laboratories Limited, the holding company and are redeemable after expiry of 10 years from the date of allotment in May 2008.
- The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, there are no overdues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act.

**For and on behalf of the Board of Directors**

Sd/-  
**Sandeep Mehandroo**  
*Director*

Sd/-  
**Sanjeev Mahna**  
*Director*

Place: Gurgaon  
Date: 22/02/2011

