

## Balance Sheet

Schedule	As at				
	31-March-2011		31-March-2010		
	RRU	Rs.	RRU	Rs.	
<b>SOURCES OF FUNDS</b>					
<b>SHAREHOLDERS' FUNDS</b>					
(a) Share Capital	1	5.40	8.68	5.40	8.68
(b) Reserves and Surplus	2	1,346.91	2,462.97	1,346.91	2,455.68
		<u>1,352.31</u>	<u>2,471.65</u>	<u>1,352.31</u>	<u>2,464.36</u>
<b>LOAN FUNDS</b>					
(a) Secured Loans	3	-	-	-	-
(b) Unsecured Loans	4	343.96	540.23	1,471.10	2,261.52
		<u>343.96</u>	<u>540.23</u>	<u>1,471.10</u>	<u>2,261.52</u>
<b>Net Deferred Tax Liability</b>				3.68	5.65
		<u>1,696.27</u>	<u>3,011.88</u>	<u>2,827.08</u>	<u>4,731.53</u>
<b>APPLICATION OF FUNDS</b>					
<b>FIXED ASSETS</b>					
(a) Gross Block	5	3.23	5.08	2.43	3.74
(b) Less : Depreciation & Amortisation		2.96	4.65	2.19	3.37
(c) Net Block		<u>0.27</u>	<u>0.43</u>	<u>0.24</u>	<u>0.37</u>
(d) Capital Work in Progress		-	-	-	-
		<u>0.27</u>	<u>0.43</u>	<u>0.24</u>	<u>0.37</u>
<b>INVESTMENTS</b>					
(a) Investments	6	-	-	-	-
<b>Net Deferred Tax Asset/ (Liability)</b>					
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>					
(a) Inventories	7	1,381.83	2,077.99	309.49	483.17
(b) Sundry Debtors	8	1,735.50	2,725.77	3,097.31	4,761.49
(c) Cash and Bank Balances	9	281.17	441.60	108.56	166.90
(d) Other Current assets	10	-	-	-	-
(e) Loans and Advances	11	427.92	672.09	109.77	168.74
		<u>3,826.42</u>	<u>5,917.45</u>	<u>3,625.12</u>	<u>5,580.30</u>
<b>Less: CURRENT LIABILITIES AND PROVISIONS</b>					
(a) Current Liabilities	12	3,582.08	5,626.05	3,170.72	4,874.34
(b) Provisions	13	-	-	-	-
		<u>3,582.08</u>	<u>5,626.05</u>	<u>3,170.72</u>	<u>4,874.34</u>
<b>Net Current Assets</b>		244.34	291.40	454.40	705.96
<b>Profit and Loss Account</b>		1,451.66	2,720.05	2,372.43	4,025.20
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>1,696.27</u>	<u>3,011.88</u>	<u>2,827.08</u>	<u>4,731.54</u>

All monetary and non-monetary items in the balance sheet have been translated at closing rate of 1 Ruble = Rs. 1.5706 (Rs. 1.5373)

## Profit &amp; Loss Account

	Schedule	For the year ended			
		31-March-2011		31-March-2010	
		RRU	Rs.	RRU	Rs.
<b>INCOME</b>					
(a) Sales & Operating Income	14	2,388.77	3,602.47	1,952.66	3,006.07
(b) Other Income	15	-	-	-	-
Total (a+b)		2,388.77	3,602.47	1,952.66	3,006.07
<b>EXPENDITURE</b>					
(c) Materials Consumed & Purchase of Traded Goods	16	1,757.09	2,752.29	1,844.05	2,866.68
(e) Personnel Costs	17	33.16	50.08	30.35	46.96
(f) Manufacturing and Other Expenses	18	604.28	912.96	528.41	822.76
(g) Research & Development Expenses		-	-	-	-
(h) Depreciation & Amortisation		0.17	0.25	0.17	0.26
Total (c to h)		2,394.70	3,715.58	2,402.98	3,736.66
<b>PROFIT BEFORE INTEREST, TAX AND EXCEPTIONAL ITEM</b>					
Net Interest expense/(income)	19	-	-	(0.77)	(1.18)
<b>PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>					
		(5.93)	(113.11)	(449.55)	(729.41)
<b>PROVISION FOR TAXATION:</b>					
Current Tax		22.96	31.55	57.03	87.70
Deferred Tax		(3.68)	(6.39)	62.21	92.19
		19.28	25.16	119.23	179.89
Short provision for tax of earlier years		(38.65)	(58.11)	-	-
		(19.37)	(32.95)	119.23	179.89
<b>PROFIT AFTER TAX AND BEFORE EXCEPTIONAL ITEMS</b>					
		13.44	(80.16)	(568.78)	(909.30)
Prior Period Adjustment					
Exceptional items		907.33	1,385.31	-	-
<b>NET PROFIT FOR THE PERIOD</b>					
		920.77	1,305.15	(568.78)	(909.30)
Balance Brought forward from Previous Year		(2,372.43)	(4,025.20)	(1,803.65)	(3,115.90)
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>					
		(1,451.66)	(2,720.05)	(2,372.43)	(4,025.20)
<b>APPROPRIATIONS</b>					
		-	-	-	-
<b>Balance Carried to Balance Sheet</b>		<u>(1,451.66)</u>	<u>(2,720.05)</u>	<u>(2,372.43)</u>	<u>(4,025.20)</u>

**SCHEDULES**  
annexed to and forming part of the consolidated accounts

	As at			
	31-March-2011		31-March-2010	
	RRU	Rs.	RRU	Rs.
<b>SCHEDULE - 1 : SHARE CAPITAL</b>				
<b>Paid-up</b>				
Equity Shares	5.40	8.68	5.40	8.68
Less : Allotment Money in arrears	-	-	-	-
	<u>5.40</u>	<u>8.68</u>	<u>5.40</u>	<u>8.68</u>
Add : Shares Forfeited	-	-	-	-
	<u><u>5.40</u></u>	<u><u>8.68</u></u>	<u><u>5.40</u></u>	<u><u>8.68</u></u>
<b>SCHEDULE - 2 : RESERVES AND SURPLUS</b>				
<b>Share Premium Account</b>				
Balance as per last Balance Sheet	1,346.91	2,282.39	1,346.91	2,282.39
General Reserve		7.49		7.49
Foreign Currency Translation Reserve	-	173.09	-	165.80
	<u>1,346.91</u>	<u>2,462.97</u>	<u>1,346.91</u>	<u>2,455.68</u>
<b>SCHEDULE - 3 : SECURED LOANS</b>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SCHEDULE - 4 : UNSECURED LOANS</b>				
Short Term Loans from Others	343.96	540.23	1,471.10	2,261.52
	<u>343.96</u>	<u>540.23</u>	<u>1,471.10</u>	<u>2,261.52</u>
<b>SCHEDULE - 6 : INVESTMENTS</b> (Unquoted unless otherwise stated)				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SCHEDULE - 7 : INVENTORIES</b>				
Traded Goods	1,381.83	2,077.99	309.49	483.17
	<u>1,381.83</u>	<u>2,077.99</u>	<u>309.49</u>	<u>483.17</u>
<b>SCHEDULE - 8 : SUNDRY DEBTORS</b>				
(Unsecured)				
Debts over six months				
Considered Good	365.73	574.42	1,464.97	2,252.10
Doubtful	473.93	744.35	248.34	381.77
Less :- Provision	(473.93)	(744.35)	(248.34)	(381.77)
	<u>365.73</u>	<u>574.42</u>	<u>1,464.97</u>	<u>2,252.10</u>
Other Debts - Considered Good	1,369.77	2,151.35	1,632.34	2,509.39
	<u>1,735.50</u>	<u>2,725.77</u>	<u>3,097.31</u>	<u>4,761.49</u>
<b>SCHEDULE - 9 : CASH AND BANK BALANCES</b>				
Cash on hand	0.30	0.47	0.25	0.38
With Scheduled Banks in:	-	-	-	-
a) current accounts	-	-	-	-
b) fixed deposit accounts :	-	-	-	-
c) term deposit accounts :	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
With Non - Scheduled Banks in current accounts	280.87	441.13	108.31	166.51
With Non - Scheduled Banks in Fixed Deposit Accounts	-	-	-	-
	<u>281.17</u>	<u>441.60</u>	<u>108.56</u>	<u>166.90</u>
<b>SCHEDULE - 10 : OTHER CURRENT ASSETS</b> (Unsecured and considered good, unless otherwise stated)				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**SCHEDULES**

annexed to and forming part of the consolidated accounts

	As at			
	31-March-2011		31-March-2010	
	RRU	Rs.	RRU	Rs.
<b>SCHEDULE - 11: LOANS AND ADVANCES</b>				
(Unsecured and considered good)				
Advances recoverable in cash or in kind or for value to be received				
	181.60	285.22	12.82	19.70
Less : Provision for Doubtful Advances	-	-	-	-
	<u>181.60</u>	<u>285.22</u>	<u>12.82</u>	<u>19.70</u>
Balance with the Excise Department / VAT	174.49	274.06	32.21	49.52
Balance with the Customs Department	71.83	112.81	15.28	23.48
Advance Tax Paid net of Provisions	-	-	49.46	76.03
	<u>427.92</u>	<u>672.09</u>	<u>109.77</u>	<u>168.74</u>
<b>SCHEDULE - 12 : CURRENT LIABILITIES</b>				
Sundry Creditors	56.55	88.86	433.15	665.88
Due to Subsidiary Companies	3,514.23	5,519.45	2,735.72	4,205.62
Other Liability	11.30	17.74	0.17	0.27
Taxes / Vat Payable	-	-	-	-
Advances from Customers	-	-	1.68	2.58
	<u>3,582.08</u>	<u>5,626.05</u>	<u>3,170.72</u>	<u>4,874.34</u>
<b>SCHEDULE - 13: PROVISIONS</b>				
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>For the year ended</b>				
	31-March-2011		31-March-2010	
	RRU	Rs.	RRU	Rs.
<b>SCHEDULE - 14 : SALES &amp; OPERATING INCOME</b>				
<b>Sales</b>				
Sales (net of Sales Tax & VAT)	2,386.95	3,599.69	1,618.84	2,501.43
Total	2,386.95	3,599.69	1,618.84	2,501.43
Less : Excise Duty / ICMS collected	-	-	-	-
	<u>2,386.95</u>	<u>3,599.69</u>	<u>1,618.84</u>	<u>2,501.43</u>
<b>Operating Income</b>				
Export Benefits	-	-	-	-
Net Foreign Exchange Gains	-	-	333.82	504.64
Other Operating Income	1.82	2.78	-	-
	<u>2,388.77</u>	<u>3,602.47</u>	<u>1,952.66</u>	<u>3,006.07</u>
<b>SCHEDULE - 15 : OTHER INCOME</b>				
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SCHEDULE - 16 : MATERIALS COST</b>				
<b>Purchase of Traded Goods</b>	2,829.43	4,347.11	1,897.13	2,931.90
<b>(INCREASE)/DECREASE IN STOCK</b>				
Opening Stocks				
Traded Goods	309.49	483.17	256.41	417.95
	<u>309.49</u>	<u>483.17</u>	<u>256.41</u>	<u>417.95</u>
Less: Closing Stocks				
Traded Goods	1,381.83	2,077.99	309.49	483.17
	<u>1,381.83</u>	<u>2,077.99</u>	<u>309.49</u>	<u>483.17</u>
	<u>(1,072.34)</u>	<u>(1,594.82)</u>	<u>(53.07)</u>	<u>(65.22)</u>
	<u>1,757.09</u>	<u>2,752.29</u>	<u>1,844.05</u>	<u>2,866.68</u>
<b>SCHEDULE - 17 : PERSONNEL COSTS</b>				
Salaries, Wages and Bonus	26.80	40.43	25.16	38.94
Contribution to Provident, Gratuity and other Funds	5.69	8.65	5.20	8.02
Welfare Expenses	0.67	1.00	-	-
	<u>33.16</u>	<u>50.08</u>	<u>30.35</u>	<u>46.96</u>

**SCHEDULES**  
annexed to and forming part of the consolidated accounts

	For the year ended			
	31-March-2011 RRU	Rs.	31-March-2010 RRU	Rs.
<b>SCHEDULE - 18 : MANUFACTURING &amp; OTHER EXPENSES</b>				
Selling, Publicity & Medical Literature Expenses	164.68	256.93	81.68	126.90
Sales & Turnover Taxes	7.13	9.85	-	-
Provision for Doubtful Debts	313.77	473.05	321.18	501.32
Bad Debts written off	10.06	15.00	1.54	2.35
Travelling, Conveyance & Vehicle Expenses	(0.11)	(0.16)	0.11	0.04
Printing & Stationery Expenses	0.12	0.17	-	-
Communication Expenses	0.56	0.85	0.42	0.64
Insurance	2.83	4.29	4.20	6.48
Rent	46.66	70.52	35.36	54.71
Rates & Taxes	-	-	0.01	0.01
Auditors Remuneration & Expenses	2.51	3.76	1.96	2.85
Net Foreign Exchange Loss	30.95	40.24	-	-
General Charges	25.12	38.46	81.97	127.46
	<u>604.28</u>	<u>912.96</u>	<u>528.41</u>	<u>822.76</u>
<b>SCHEDULE - 19 : NET INTEREST EXPENSE/(INCOME)</b>				
	-	-	-	-
Received	-	-	0.77	1.18
	-	-	<u>(0.77)</u>	<u>(1.18)</u>

ZAO TORRENT PHARMA  
SCHEDULE - 5: FIXED ASSETS

(Roubles in Lacs)

Particulars	Gross Block (At Cost)						Depreciation & Amortization						Net Block	
	As at 1-Apr-10	Additions up to 31-Mar-11	Deductions up to 31-Mar-11	As at 31-Mar-11	Forex Adjustments	As at 31-Mar-11	As at 1-Apr-10	For the year ended 31-Mar-11	On deduction up to 31-Mar-11	As at 31-Mar-11	Forex Adjustments	As at 31-Mar-11	As at 31-Mar-11	As at 31-Mar-10
<b>I. TANGIBLES :</b>														
Furniture and Fixtures, Office and Factory Appliances	3.03	0.20	-	3.23	-	3.23	2.79	0.17	-	2.96	-	2.96	0.27	0.24
<b>II. INTANGIBLES :</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Product Licenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>3.03</b>	<b>0.20</b>	<b>-</b>	<b>3.23</b>	<b>-</b>	<b>3.23</b>	<b>2.79</b>	<b>0.17</b>	<b>-</b>	<b>2.96</b>	<b>-</b>	<b>2.96</b>	<b>0.27</b>	<b>0.24</b>
<b>Previous Year</b>	<b>2.43</b>	<b>-</b>	<b>-</b>	<b>2.43</b>	<b>-</b>	<b>2.43</b>	<b>2.02</b>	<b>0.17</b>	<b>-</b>	<b>2.19</b>	<b>-</b>	<b>2.19</b>	<b>0.24</b>	<b>-</b>

RATES 1.54 1.51 1.51 1.57 1.54 1.51 1.51 1.57

ZAO (Rs in Lacs)

Particulars	Gross Block (At Cost)						Depreciation & Amortization						Net Block	
	As at 1-Apr-10	Additions up to 31-Mar-11	Deductions up to 31-Mar-11	As at 31-Mar-11	Forex Adjustments	As at 31-Mar-11	As at 1-Apr-10	For the Period ended 31-Mar-11	On deduction up to 31-Mar-11	As at 31-Mar-11	Forex Adjustments	As at 31-Mar-11	As at 31-Mar-11	As at 31-Mar-10
<b>I. TANGIBLES :</b>														
Furniture and Fixtures, Office and Factory Appliances	4.67	0.30	-	4.96	0.11	5.08	4.29	0.25	-	4.55	0.10	4.65	0.43	0.37
<b>II. INTANGIBLES :</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>4.67</b>	<b>0.30</b>	<b>-</b>	<b>4.96</b>	<b>0.11</b>	<b>5.08</b>	<b>4.29</b>	<b>0.25</b>	<b>-</b>	<b>4.55</b>	<b>0.10</b>	<b>4.65</b>	<b>0.43</b>	<b>0.37</b>
<b>Previous Year</b>	<b>3.65</b>	<b>-</b>	<b>-</b>	<b>3.65</b>	<b>0.09</b>	<b>3.74</b>	<b>3.04</b>	<b>0.26</b>	<b>-</b>	<b>3.30</b>	<b>0.07</b>	<b>3.37</b>	<b>0.37</b>	<b>-</b>

**ZAO TORRENT PHARMA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED AS ON 31 MARCH 2011**

**Fig in Rouble**

	Year ended 31-Mar-2011	Year ended 31-Mar-2010
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>PROFIT BEFORE TAX</b>	<b>90,138,688</b>	<b>(44,954,947)</b>
Adjustments for :		
Depreciation, Amortisation and Impairment	16,730	16,729
Provision for Doubtful Debts	31,377,172	32,117,556
Bad Debts Written-off	1,006,472	154,489
Foreign Exchange (Gain)/Loss on Borrowings	-	-
Net Borrowing Cost	-	(77,349)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>122,539,061</b>	<b>(12,743,521)</b>
Adjustments for changes in working capital :		
Debtors, Loans and Advances and Other Current Assets	74,219,137	63,037,207
Inventories	(107,234,298)	(5,307,380)
Current Liabilities and Provisions	41,137,470	89,830,192
<b>CASH GENERATED FROM OPERATIONS</b>	<b>130,661,370</b>	<b>134,816,498</b>
Direct Taxes Paid	(667,725)	131,311
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>129,993,645</b>	<b>134,947,809</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(19,844)	-
Interest Received	-	77,349
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(19,844)</b>	<b>77,349</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term debt repaid	(112,713,456)	(160,027,910)
Net Short Term debt taken / (repaid)	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(112,713,456)</b>	<b>(160,027,910)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>17,260,345</b>	<b>(25,002,752)</b>
Effect of Exchange Rate Changes on Foreign Currency Cash and Cash Equivalents	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>10,856,419</b>	<b>35,859,171</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>28,116,764</b>	<b>10,856,419</b>
<b>Note: Cash and Cash Equivalents as at end of the year</b>		
Cash and Bank balances	28,116,764	10,856,419
	<b>28,116,764</b>	<b>10,856,419</b>

