

COLINZ LABORATORIES LIMITED

25th Annual Report

2010-2011

Dear Shareholders,

Sub : Green Initiative

The ministry of Corporate Affairs has taken a “ Green Initiative in corporate governance allowing paperless compliances by Companies through electronic mode and has issued circular on 21.04.11 and 29.04.11 stating that Companies can now send various notices and documents , including Annual Reports , to its shareholders through electronic mode to the registered e-mail addresses of shareholders”.

Your company propose to send future communication/documents including Notice of Annual General Meeting and Annual report of the company in electronic form through email.

Members who are holding Equity shares in demat mode are requested to register their e-mail ID with their Depository Participant Immediately, if already not registered .

Members who are holding Equity Shares in Physical form should send a scanned copy of their letter requesting for registering/changing their existing email ID, bearing the signature of the sole /first shareholder on “investor@bigshareonline.com” (These members are also requested to convert their physical holding to demat).

OR

Such members holding Equity shares in physical form can also write to the Registrar and share Transfer Agent of the company at their following address and inform their email ID quoting their folio number. The letter should be signed by sole /first holder as per the specimen signature recorded with the registrar and share Transfer Agent

M/s. Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai – 400072.

We seek your support to enable the Company to not only reduce paper consumption but also related costs. As a shareholder , this is your opportunity to support this initiative of the Government and contribute towards a Greener Environment.

Please note the as member of the Company , you will be entitled to be furnished free of cost with a copy of such communication/document upon receipt of a requisition from you, at anytime.

Thanking You,

For **COLINZ LABORATORIES LTD.**

DIRECTOR

25th Annual Report

BOARD OF DIRECTORS

DR. L. S. MANI, Chairman & Managing Director.
SHRI. N. K. MENON ,Whole-Time Director
SHRI. VASANT K. BHAT , Director
SHRI. KRISHNA KUMAR ATTRASSARY , Director

AUDITORS

S. V. BHAT & CO.
Chartered Accountants.

BANKERS

BANK OF BARODA.

REGISTERED OFFICE

A-101, PRATIK IND. ESTATE,
MULUND-GOREGAON LINK ROAD
NEXT TO FORTIS HOSPITAL
MUMBAI - 400 078.

WORKS

PLOT NO. 60, 'STICE', MUSALGAON
SINNAR-SHIRDI ROAD, SINNAR
NASIK - 422 103.

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NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Company will be held at the Registered Office of the Company, i.e. A-101, Pratik Ind. Estate, Mulund-Goregaon Link Road, Mumbai - 400 078, on Friday, 30th September, 2011, at 12.30 P. M. to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011, the Profit and Loss Account for the year ended on that date, together with Director's Report and also the Auditor's Report thereon.
2. To appoint Director in place of Mr. Vasant K. Bhat who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

For Colinz Laboratories Limited.

Regd. Office:
A-101, Pratik Ind. Estate
Mulund-Goregaon Link Road
Mumbai – 400 078.

DR. L. S. MANI
Chairman & Managing Director.

Date : 30-07-2011

NOTES :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. AN INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
 - (b) The Register of Members and Share Transfer Books of the Company will remain closed from, 23rd September, 2011 to 30th September, 2011. (both days inclusive)
 - (c) Members are requested to notify immediately any change in their address to the Registrar and Transfer Agent of the Company, M/s. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400072.
 - (d) Members intending to require any information about accounts to be explained in the meeting are requested to inform the Company in writing at least Ten days in advance of the date of Annual General Meeting.
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DIRECTORS' REPORT 2010-2011

To
The Shareholders,

Your Directors have the pleasure in presenting their 25th Annual Report and audited Accounts of your Company, for the year ended 31st March, 2011.

FINANCIAL RESULTS :

	2010-2011 (Rs. in Lacs)	2009-2010 (Rs. in Lacs)
Earnings before Interest, Depreciation & Tax (EBITDA)	49.23	49.99
<u>Less:</u> Bank Charges and Interest	15.61	17.68
Depreciation	25.77	25.70
Profit before Taxation	7.85	6.61
<u>Less/ (Add):</u> Provision for Current Tax	1.34	0.96
Provision for Deferred Tax	(0.78)	(2.81)
Profit after Taxation	7.29	8.46

OPERATIONS :

During the year under review, the total revenues of the company stood at Rs.606 lacs compared to 566 lacs. The Profit before Tax was Rs. 7.85 lacs. The net Profit after providing for income tax and Deferred Tax was Rs.7.29 lacs.

The earnings before Interest, Depreciation and tax was lower at 49.23 lacs during the year under review compared to Rs. 49.99 in the previous due to increase in the employee cost; particularly incurred to retain the productive field staff.

DIVIDEND :

Your Directors are unable to recommend any dividend during the year under review, considering the small surplus available and with a view to conserve funds towards margin monies.

LISTING OF SHARES:

The shares of your Company are listed in Stock Exchange, Mumbai. Annual Listing Fees for the year 2011-12 has been paid on time.

PUBLIC DEPOSITS :

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

DIRECTORS:

The Board consists of Executive and Non-Executive directors, including independent Directors, who have wide and varied experience in different disciplines of corporate functioning. In accordance with the provisions of Companies Act, 1956, and Article of Association of the Company, Shri Vasant K. Bhat retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed, along-with 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 profit of the company for that year;
- III. The Directors had taken proper and sufficient care 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;
- IV. The Directors have prepared the annual accounts on a going concern basis.

PERSONNEL:

During the year under review, relations between the Employees and the Management remained cordial.

Particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time are not applicable to your Company as there were no employees whose remuneration is in excess of limits prescribed.

CONSERVATION OF ENERGY:

Except for the consumption of Power (Electricity) the Company does not consume any other source of energy. Pharmaceutical company is not power intensive. Since it also involves multiple products, disclosure of consumption of power per unit of product is not meaningful.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

No imported technology is adapted by the Company. Continuous developmental efforts are made by our qualified and approved staff to formulate new products and innovation of existing products. Such efforts have benefited in improving the stability of our products and simplification of manufacturing procedures.

FOREIGN EXCHANGE:

During the year under review, Foreign exchange earned Rs.Nil,(Previous Year – Rs. NIL/-). Foreign exchange outgo was Rs. NIL, (Previous Year – NIL /-).

RESEARCH AND DEVELOPMENT:

Your Company has not incurred any expenditure on research and development other than the routine developmental work.

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, the following form part of this Annual Report:

- i) Management Discussion and Analysis.
- ii) Report on Corporate Governance.
- iii) Auditor's Certificate regarding compliance of conditions of Corporate Governance.

OTHER MATTERS:

Your Company is not a polluting industry and the requirements of Pollution Control Board, if any, are met with.

AUDITORS:

M/s. S. V. Bhat & Co., Chartered Accountants, retire as auditors of the Company at the conclusion of the 25th Annual General Meeting and are eligible for reappointment.

ACKNOWLEDGEMENT:

Your Directors would like to acknowledge the co-operation they received during the year under review from Bankers, Distributors as well as from various Government Departments and also the investing public. We would also like to place on record our profound admiration and sincere appreciation of the hard work put in by the members of the staff and workmen. We are grateful to you, for the confidence and faith you have reposed in us.

For and on behalf of the Board.

Dr. L. S. Mani
Chairman & Managing Director

Mumbai, 30th July, 2011

MANAGEMENT DISCUSSION AND ANALYSIS

This Report includes Management Discussion and Analysis as appropriate, so that duplication and overlap between Directors Report and Management Discussion and Analysis is avoided. The entire material is thus provided in a composite and comprehensive document.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company follows fair, ethical and transparent governance practice by adopting high standard of professionalism, honesty, integrity and ethical behavior. The Company has a well defined set of guidelines for its internal governance based on business ethics, Legal Compliance and professional conduct. The Company also has an adequate internal control system.

The Company has complied with the provisions of clause 49 of the Listing Agreement with the Bombay Stock Exchange which deals with the compliance of Corporate Governance requirement.

A) THE PHARMACEUTICAL BUSINESS:

Colinz Laboratories Ltd. is engaged in the manufacturing and marketing of pharmaceutical formulations particularly in gynaecological sector. The Indian pharmaceutical market is highly competitive and also still fragmented with over 20,000 players comprising of foreign multinationals, Indian multinationals, mid-size and small scale companies. Your Company falls under the SME sector. However, Colinz has established reputation as a quality supplier of medicines in the domestic market, wherever the company has operation.

B) OPPORTUNITIES, THREATS AND CONCERNS:

The Company's products are enjoying a good Brand image, particularly among gynaecologists. The Company has a potential to grow in future considering the fact that it is yet to open up its marketing operations in many states of the country, However, due to paucity of working capital, the company is unable to expand its marketing activities, to unrepresented areas.

The Company is a Revised Schedule 'M' complied unit, as per the requirement of D & C Act.

Your company, no doubt is focusing on those off patented products, and these products will have extended shelf life in the market, due to lesser discoveries of new molecules, considering the investment to be made and time and expenditure involved in developing such new molecules. However, the takeover of bigger Indian Pharma Companies by foreign MNC's , is a serious cause of concern to the national sector of pharma industry, particularly to SME's.

C) OUT LOOK:

Barring unforeseen deterrents and the issues outlined above, the Company does not foresee any major threats in its survival and moderate growth. However, the margins are likely to be under heavy pressure due to high inflation prevailing in the country resulting in increase in all inputs / costs.

D) FINANCE:

The financial management and cash flow have been satisfactory, during the year under review.

E) INTERNAL CONTROLS:

The Company has proper and adequate internal control system, in respect of efficiency of operations, financial reporting and compliance with applicable laws and regulations etc. There are adequate controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that all transactions are authorized, recorded and reported correctly.

F) HUMAN RESOURCES:

Human resources are highly valued asset for any industry particularly in pharmaceutical selling. Therefore the Company seeks to attract and retain technical and marketing staff. The Company also recognizes the importance of human assets and ensures that proper encouragement is extended to the employees to motivate them. The total number of employees as on 31-03-2011 was 130. The Company enjoyed excellent relationship with its employees during the year under review.

G) CAUTIONARY STATEMENT:

The above Management Discussion and Analysis section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors' envisage in terms of the future performance and outlook.

CORPORATE GOVERNANCE:

1) PHILOSOPHY:

Colinz Laboratories Ltd., has always strived to attain highest levels of transparency and accountability in all its operation and in its interactions with Shareholders, Government depts. creditors etc. Hence the Company has taken all appropriate steps to comply with the provisions of the prescribed Corporate Governance Code within the stipulated time.

2) BOARD OF DIRECTORS:

(a) Composition, Category of Directors and their other directorships as on 31-03-2011:

Name of the Director	Category of Directorship	No. of Directorships in the public companies
Dr. L. S. Mani	Chairman & Managing Director (Executive, Promoter)	None
Shri. N. K. Menon	Whole-Time Director (Executive)	None
Shri. Vasant K. Bhat	Non-Executive, Independent	None
Shri. A. Krishna Kumar	Non-Executive, Independent	None

(b) Number of Board Meetings: During the year ended 31-03-2011, 6 Board Meetings were held on 22-06-2010, 29-06-2010, 31-07-2010, 30-10-2010, 31-01-2011, 31-03-2011

(c) Directors' attendance record:

Name of the Director	Board Meetings attended during the year.	Whether attended last AGM
Dr. L. S. Mani	6	Yes
Shri. N. K. Menon	6	Yes
Shri. Vasant K. Bhat	6	Yes
Shri. A. Krishnakumar	6	Yes

3) COMMITTEES OF THE BOARD :

(a) Audit Committee

i) Terms of Reference :

Apart from all the matters provided in clause 49 of the listing agreement and Sec. 292-A of the Companies Act, 1956 the Audit Committee holds discussions with the Statutory Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors. It also reviews major accounting policies followed by the Company.

ii) Composition.

The Composition of the Audit Committee is as follows :

Name	Designation	Category of Directorship	Committee Meetings Attended
Shri. Vasant K. Bhat	Chairman	Non-Executive, Independent	6

Shri. A.Krishnakumar	Member	Non-Executive, Independent	6
Dr. L. S. Mani	Member	Executive, Promoter	6

(b) Remuneration Committee and Policy :

The non-mandatory requirement of setting up of a remuneration committee for remuneration of executive directors has not been adopted considering the nature and the size of the Company. The Board of Directors determines the remuneration payable to the Executive Directors taking into account their qualifications, experience, expertise and contribution. The details of the remuneration paid to the Executive Directors for the year ended 31-03-2011 are as follows.

Name	Salary
Dr. L. S. Mani	Rs. 7,59,500/-
Shri. N. K. Menon	Rs. 6,69,500/-

The Company pays sitting fees of Rs. 5,000/- per meeting to Non-Executive Directors.

(c) Investors Grievance Committee :

The Board has constituted an Investors Grievance Committee which looks into shareholders and investors grievances.

Following are the members of the Committee :

Name	Designation	Category of Directorship
Shri. Vasant K.Bhat	Chairman	Non-Executive, Independent
Dr. L. S. Mani	Member	Executive, Promoter

Compliance Officer : Shri. Vasant K. Bhat.

Number of complaints received from the shareholders during the year – Nil

Number of complaints redressed during the year – Nil

Number of complaints unsolved as on 31.03.2011 - Nil

4. SHAREHOLDERS :

(a) Means of Communication :

The quarterly, half yearly and annual audited financial results of the Company are sent to the stock exchanges immediately after they are approved by the Board. The results are published in accordance with the guidelines of the Stock Exchange.

(b) Share Transfers :

As per SEBI circular D & CC/FITTC/CIR-15/2002 dated 27-12-2002 the Company should have a common agency for share registry work. Accordingly, the Company has appointed M/s. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400072, as Common Agency for share registry work.

(c) General Body Meetings :

Details of the last 3 Annual General Meetings are as under.

Financial Year	Date	Time	Venue
2009-10	30-09-2010	12.30 PM	A-101, Pratik Ind. Estate, Mulund-

			Goregaon Link Road, Bhandup (W), Mumbai – 400 078.
2008-09	29-09-2009	12.30 PM	A-101, Pratik Ind. Estate, Mulund- Goregaon Link Road, Bhandup (W), Mumbai – 400 078.
2007-08	26-09-2008	12.30 PM	A-101, Pratik Ind. Estate, Mulund- Goregaon Link Road, Bhandup (W), Mumbai – 400 078.

(d) Postal Ballot :

For the year ended 31-03-2011, there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

(e) Details of Directors seeking appointment / re-appointment in 25th Annual General Meeting :
(In pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Shri. Vasant K. Bhat
Date of Birth	03-05-1971
Qualifications	BCOM , FCA
Date of Appointment	19-03-2003
Expertise in specific functional areas	Audit , Accounts, Finance , Taxation
List of other companies in which Directorship held	None
Chairman/Member of the committees of the Board of Directors of other companies in which he/she is a Director.	None

Additional Shareholders information:

(a) Annual General Meeting

Date : 30th September, 2011.

Time : 12.30 P. M.

Venue : A-101, Pratik Estate, Mulund-Goregaon Link Road, Mumbai – 400 078.

(b) Financial Calender

Financial Year : 1st April to 31st March.

For the financial year 2011-12, the tentative dates for declaration of un-audited / audited results will be as follows;

Quarter ending 30-06-2011	Before 31 st July, 2011.
Quarter ending 30-09-2011.	Before 31 st Oct, 2011.
Quarter ending 31-12-2011	Before 31 st Jan, 2012.
Quarter ending 31-03-2012 & Audited results for the year 2011-12	Before 31 st May, 2012.

(c) Book closure :

The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 23rd September, 2011 to Friday, 30th September, 2011 (both days inclusive)

(d) Listing in stock exchanges and stock codes :

The shares of the Company are listed in The Stock Exchange, Mumbai.

Code of the Company is 531210

The ISIN number allotted to the Company for demat of shares are as under

NSDL INE923C01011

CDSL INE923C01011

(e) Stock Data:

High/Low of Market Price of Company's Equity shares traded in the Stock Exchange Mumbai during the financial year ended on 31-03-2011 was as follows:

Month	High	Low	Month	High	Low
April 2010	5.99	4.70	October 2010	7.30	6.04
May 2010	6.10	5.55	November 2010	6.82	5.28
June 2010	6.81	5.46	December 2010	9.14	6.39
July 2010	8.84	6.85	January 2011	9.94	7.72
August 2010	8.70	6.71	February 2011	8.45	6.89
September 2010	7.90	6.43	March 2011	8.89	8.35

(f) Distribution of Shareholding as on 31-03-2011.

Range (In Rs.)	Total Holders	% of Total Holders	Total Holding in Rs.	% of Total Capital
1 - 500	1362	67.66	280871	6.14
501 - 1000	239	11.87	203404	4.45
1001 - 2000	156	7.75	266472	5.84
2001 - 3000	131	6.51	382691	8.37
3001 - 4000	17	0.84	61784	1.35
4001 - 5000	11	0.55	51183	1.12
5001 - 10000	24	1.19	167186	3.66
10001 & above	73	3.63	3157409	69.07
Total	2013	100.00	45710000	100.00

(g) Shares held in physical and dematerialised form :

As on 31-03-2011, 12.20% of the shares were held in dematerialised form and the rest in physical form.

(h) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity : Not applicable.

(i) Plant Location :

Plot No. 60, STICE, Sinnar-Shirdi Road, Musalgaon, Sinnar, Dist. Nasik – 422 103.

(j) Share Transfer System :

The Company has appointed M/s. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072, as Registrar & Transfer Agents.

Tel : 022-28470652 /53

Fax : 022-28475207

Email : investor@bigshareonline.com

(k) Disclosures :

The Company has not entered into any transaction of material nature with the promoters, the Directors, their relatives etc. that may have any potential conflict with the interests of the Company.

The Company has complied with requirements of the stock exchange, SEBI and other statutory authorities on all matters related to capital markets during the last three years. There were no penalties imposed nor any strictures imposed on the Company by the Stock Exchange, SEBI or any other statutory authority relating to the above.

CEO's Certification

The Board of Colinz Laboratories Ltd. has laid down a code of conduct for all the Board Members and the Senior Management. All the Board Members and the Senior Management personnel have affirmed compliance of the code.

Place: Mumbai.

Date: 30-07-2011

Dr. L. S. Mani
Chairman & Managing Director

S. V. BHAT & CO.

Chartered Accountants

www.svbca.com

201, Bhagtani Enclave
Behind Asian Paints,
LBS Marg, Bhandup (W)
Mumbai - 400 078
Tel.No.022-67105872
E-mail:- svbhatandco@gmail.com

CERTIFICATE

To the Members of
COLINZ LABORATORIES LTD.

We have examined the compliance of the conditions of Corporate Governance by Colinz Laboratories Ltd., for the year ended on 31-03-2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.

The compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For S. V. Bhat & Co.
Chartered Accountants

Mumbai, dated. 30th July, 2011

AUDITORS' REPORT

TO THE SHAREHOLDERS OF M/S. COLINZ LABORATORIES LIMITED.

We have audited the attached Balance Sheet of M/s. Colinz Laboratories Limited as at 31st March, 2011, the Profit and Loss Account and 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.

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 misstatements. 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 the Management, as well as

evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1] As required by the Companies (Auditors' Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the annexure, a statement on the matters specified in paragraph 4 of the said Order.

2] Further to our comments in the Annexure referred to in paragraph 1 above, we state 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 appears from our examination of such books.
- c] The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the Books of Accounts.
- d] In our opinion and to the best of our information, Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards issued by the Institute of Chartered Accountants of India, referred to in Section 211 (3C) of the Companies Act, 1956.
- e] On the basis of the written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as at 31st March, 2011 from being appointed as a Director in terms of Section 274(1) (g) of the Companies Act, 1956.
- f] In our opinion and to the best of our information and according to the explanations given to us, the said accounts alongwith notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii) in the case of Profit and Loss Account, of the profit of the Company 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.

Date : 17th May , 2011
Place : Mumbai.

For S. V. BHAT & CO.
FIRM REG.NO.- 101298W

S.V.Bhat
(Proprietor)
MEMBERSHIP No. – 37237

ANNEXURE

Re: COLINZ LABORATORIES LIMITED. (Referred to in paragraph 1 of our Report of even date)

- 1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified during the year by the management. According to the information and explanations given to us, no material discrepancies were noticed on verification.
 - (c) There was no disposal of any fixed assets during the year.
- 2. (a) The inventory has been physically verified during the year by the Management. In our Opinion, the frequency of verification is reasonable.

- (b) The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business.
 - (c) The Company has maintained proper records of inventory. No material discrepancies were noticed on physical verification of inventory.
3. The Company has not granted or taken any loans, secured or unsecured, to or from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clause (b), (c), (d), (e), (f) and (g) of sub-para (iii) of para 4 of the order are not applicable.
 4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
 5. (a) The Particulars of contracts or arrangements referred to in section 301 of the Act, have been entered in the register maintained under that section.

(b) The transaction made in pursuance of contracts or arrangements referred to in section 301 of the Act are, in our opinion, at prices which are reasonable having regard to the prevailing market prices at the relevant time.
 6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
 7. In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of business.
 8. The Central Government has not prescribed maintenance of Cost Records under Section 209 (1)(d) of the Companies Act, 1956.
 9. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, provisions of Employees State Insurance Act is not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31-03-2011 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
 10. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
 11. In our opinion and according to the information and explanations given to us the company has not defaulted in repayment of dues to a financial institution or bank.
 12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In respect of shares, securities or other investments dealt in or traded by the Company, proper records are maintained in respect of transactions and contracts and timely entries have been made therein. All the investments are held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantee for loans taken by others from Bank or Financial Institutions.
16. On the basis of the records examined by us and relying on the information compiled by the Company for co-relating the funds raised to the end use of term loans, we have to state that, the Company has, prima-facie, applied the term loans for the purposes for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments by the Company.
18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 and therefore the question of the price at which shares have been issued is prejudicial to the interest of the Company does not arise.
19. The Company has not issued debentures and therefore the question of creation of security in respect of debentures does not arise.
20. The Company has not raised monies by public issues during the year and therefore the question of disclosure and verification of end use of such monies does not arise.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Date : 17th May ,2011
Place : Mumbai.

For S. V. BHAT & CO.
Chartered Accountants
FIRM REG.NO:- 101298W

S. V. BHAT.
Proprietor
MEMBERSHIP No. – 37237

45,76,000 Equity Shares of Rs. 10/- each.		<u>4,57,60,000</u>	<u>4,57,60,000</u>
---	--	---------------------------	--------------------

Subscribed and Paid-up :

45,71,000 Equity Shares of Rs. 10/- each fully called up	4,57,10,000		
Less : Allotment Money in arrears other than By Directors	<u>1,02,75,000</u>	<u>3,54,35,000</u>	<u>3,54,35,000</u>
	TOTAL :	<u>3,54,35,000</u>	<u>3,54,35,000</u>

SCHEDULE 2 : RESERVES & SURPLUS

Capital Reserve :

State Special Capital Incentive received		31,00,000	27,00,000
Share Premium Account	2,03,55,000		
Less : Allotment Money in arrears other than By Directors	<u>51,34,750</u>	<u>1,52,20,250</u>	<u>1,52,20,250</u>
Balance in Profit & Loss Account		<u>65,26,010</u>	<u>57,97,184</u>
	TOTAL :	<u>2,48,46,260</u>	<u>2,37,17,434</u>

SCHEDULE 3 : SECURED LOANS

From Banks:

Cash Credit Account.		1,15,91,998	1,24,78,938
<i>[Secured by Hypothecation of Stock in Trade/ Book Debts]</i>			
Term Loan from Bank of Baroda		13,94,146	23,73,180
<i>[Secured by Hypothecation of Plant & Machinery]</i>			
Car Loans from ICICI Bank Ltd		97,502	2,52,248
<i>[Secured by Hypothecation of Car]</i>			
	TOTAL :	<u>1,30,83,646</u>	<u>1,51,04,366</u>

SCHEDULE 4: UN SECURED LOANS

Sales Tax Deferred (Interest free) (Payable within 1 year Rs.6,65,024/- Transferred to Current Liability)		1,53,82,815	1,60,47,839
	TOTAL :	<u>1,53,82,815</u>	<u>1,60,47,839</u>

SCHEDULE 6 : INVESTMENTS

	Face Value Rs.	No. of Shares	31-3-2011 Rupees	31-3-2010 Rupees
(a) Equity shares [fully paid, quoted]				
3i Infotech	10	600	30,000	30,000
Akruti City Ltd	10	12	6,480	6,480
Ansal Properties & Infrastructure Ltd.	5	200	1,01,926	1,01,926
Arvind Mills	10	500	60,681	60,681
Bajaj Holdings & Investments Ltd.	10	50	73,319	73,319
Bajaj Auto Ltd.	10	100	28,678	28,678

Bajaj Finserv Ltd.	5	50	27,770	27,770
Bank of Baroda	10	500	1,18,534	1,18,534
Bank of Maharashtra	10	300	6,900	6,900
Bell Ceramics	10	333	21,880	21,880
Bharat Forge Ltd.	2	30	3,804	3,804
Bharti Shipyard Ltd.	10	200	64,841	64,841
Cairn India Ltd	10	1015	1,62,400	1,62,400
CESC Ltd	10	200	1,28,627	1,28,627
Coal India Ltd	10	88	21,560	-
Eveready Industries Ltd.	5	500	17,645	17,645
GTL Infrastructure Ltd	10	213	4,000	4,000
Gangotri Textiles Ltd	5	1200	-	70244
Gujarat Sidhee Cement Ltd	10	1000	24,186	24,186
HFCL Ltd.	1	500	12,192	12,192
HDFC Ltd.	2	100	64,762	-
HDIL	10	100	14,505	-
Hindustan Organic Chemicals Ltd	10	1000	66,283	66,283
Hindustan Oil Exploration Co Ltd	10	500	81,322	81,322
IDBI Ltd	10	200	15,717	15,717
IDFC Ltd	10	2000	1,64,446	1,64,446
Idea Cellular Ltd	10	990	1,30,834	1,30,834
IRB Infrastructure Ltd	10	100	16,457	-
Jagran Prakashan Ltd	02	143	27,967	27,967
Kausalya Infrastructure Ltd	10	176	10,560	10,560
Kingfisher Airlines	10	200	10,641	-
Lanco Infrastructure Ltd	1	3210	77,040	77,040
Lumax Auto Technologies Ltd.	10	372	-	27900
Macleod Russels Ltd	5	250	8,823	17,645
Mahindra Lifespace Developers	10	200	1,84,668	1,84,668
Maars Software Ltd	10	5000	57,340	57,340
Morepen Laboratories Ltd.	2	500	7,455	7,455
NTPC Ltd	10	500	71,801	71,801
Neyveli Lignite Ltd.	10	400	22,868	22,868
Panama Petrochem Ltd	10	250	32,369	64,739
Polaris Software Lab Ltd.	5	200	32,299	32,299
Punj Lloyd Ltd	2	500	99,416	99,416
Pyramid Saimira Theatre Ltd	10	60	6,000	6,000
Ranbaxy Labs. Ltd.	5	100	46,004	46,004
Reliance Capital Ltd	10	10	1,130	1,130
Reliance Communication Ltd	5	200	33,654	33,654
Reliance Infrastructure	10	15	6,348	6,348
Reliance Power Ltd	10	74	7,358	7,358
Simplex Infrastructure Ltd	2	200	76,982	76,982
SeaMac	10	1000	1,92,315	1,92,315
Sesa Goa	1	100	28,407	-
Sonata Software Ltd	1	1000	52,218	52,218
Spicejet Ltd	10	250	15,138	30,276
Tamilnadu Petroproducts Ltd.	10	500	17,290	17,290
Tanla Solutions Ltd	1	50	6,625	6,625
Tata Tele (Mah) Services Ltd.	10	700	20,634	20,634
Unitech Ltd	2	200	44,887	44,887
United phosphorus	2	100	14,083	-
Voltamp Transformers Ltd	10	100	63,163	63,163
Wipro Ltd	2	83	13,537	13,537

Total Carried Over		27,58,769	27,42,828
(Market Value of Quoted Shares Rs.33,74,323/-)			
(b) Mutual Funds & Others (Un-Quoted)		31-3-2011	31-3-2010
		Rupees	Rupees
Total Brought Over		27,58,769	27,42,828
UTI Master Value Fund	33.89 8852.169	3,00,000	3,00,000
JM Infra & Agricultural Fund	10 10000	<u>1,00,000</u>	<u>1,00,000</u>
TOTAL :		31,58,769	31,42,828
		=====	=====

SCHEDULE 7 : INVENTORIES

[As Taken, Valued and Certified by Management]

Raw Materials	16,04,693	20,06,585
Packing Materials	9,92,728	10,41,238
Finished Goods	1,62,62,248	1,33,68,881
Semi Finished Goods	1,68,054	7,50,470
	-----	-----

TOTAL :	1,90,27,723 =====	1,71,67,174 =====
----------------	-----------------------------	----------------------

SCHEDULE 8: SUNDRY DEBTORS [*Unsecured, Considered Good*]

Over Six Months	13,40,585	18,16,608
Others	78,91,702 -----	99,77,867 -----
TOTAL :	92,32,287 =====	1,17,94,475 =====

SCHEDULE 9: CASH AND BANK BALANCES

Cash on hand	3,90,818	7,16,417
Balances with Scheduled Banks :		
In current Accounts	88,23,135	46,21,993
Fixed Deposit Account	25,00,000 -----	12,00,000 -----
TOTAL :	1,17,13,953 =====	65,38,410 =====

SCHEDULE 10: OTHER CURRENT ASSETS

Security Deposits	7,09,150 -----	7,09,150 -----
TOTAL :	7,09,150 =====	7,09,150 =====

SCHEDULE 11 : LOANS AND ADVANCES

[*Unsecured, Considered good*]

Loans to Companies	1,32,50,000	1,36,50,000
Advances Recoverable	1,34,042	2,72,196
Balance with Excise Authorities	47,897	14,798
Advance Tax	1,34,846	1,25,929
Prepaid Expenses	1,78,970	2,16,551
Vat Refund Receivable	1,80,338 -----	81,646 -----
TOTAL :	1,39,26,093 =====	1,43,61,120 =====

SCHEDULE 12: CURRENT LIABILITIES AND PROVISIONS

	31-3-2011	31-3-2010
	Rupees	Rupees
Sundry Creditors:		
Trade Creditors	66,30,085	43,90,891
Other creditors	30,37,080 -----	21,08,243 -----
TOTAL :	96,67,165 =====	64,99,134 =====

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT**SCHEDULE 13 : OTHER INCOME**

	2010-2011 Rupees	2009-2010 Rupees
Interest received <i>[Includes T. D. S of Rs.15281/-]</i>	93512	1,05,490
Sales Tax Refund	--	51,090
Dividend	62,791	40,451
Profit on sale of Shares	65,679	--
	-----	-----
TOTAL :	2,21,982	1,97,031
	=====	=====

SCHEDULE 14 : COST OF MATERIALS**CONSUMPTION OF RAW MATERIALS :**

Opening Stock	20,06,585	23,40,116
Add : Purchases	1,18,90,816	99,82,416
TOTAL	1,38,97,401	1,23,22,532
Less : Closing Stock	16,04,693	20,06,585
Consumption	1,22,92,708	1,03,15,947

CONSUMPTION OF PACKING MATERIALS :

Opening Stock	10,41,238	9,68,102
Add : Purchases	86,92,452	76,93,506
TOTAL	97,33,690	86,61,608
Less : Closing Stock	9,92,728	10,41,238
Consumption	87,40,962	76,20,370

PURCHASE OF FINISHED GOODS :

	30,45,463	24,73,755
--	-----------	-----------

[INCREASE] / DECREASE IN FINISHED GOODS & WORK IN PROCESS :

OPENING STOCK : Finished Goods	1,33,68,881	1,41,07,584
Work in Process	7,50,470	4,01,082
TOTAL	1,41,19,351	1,45,08,666
CLOSING STOCK : Finished Goods	1,62,62,247	1,33,68,881
Work in Process	1,68,054	7,50,470
TOTAL	1,64,30,301	1,41,19,351
[Increase] / Decrease	(23,10,950)	3,89,315
	-----	-----
TOTAL :	2,17,68,183	2,07,99,387
	=====	=====

SCHEDULE 15 : OTHER MANUFACTURING EXPENSES

	2010-2011 Rupees	2009-2010 Rupees
Wages & Salaries.....	23,95,749	21,75,350
Power & Fuel.....	6,90,907	6,11,130
Freight Inward.....	1,30,125	1,41,603
Blocks & Designs.....	20,250	64,550
Laboratory Expenses.....	1,08,400	1,16,748
Analytical Charges.....	2,23,745	2,13,624

A. C. Rental Charges.		1,32,778	1,29,506
Loan License Charges Paid.		13,49,788	12,32,889
Consumable Stores.....		2,35,256	1,54,937
Water Charges.		20,365	20,551
Factory Security Charges.....		1,41,944	1,21,790
Rent Paid.....		1,80,000	1,14,000
Insurance.....		90,071	1,47,802
Factory Transportation.....		2,80,616	2,25,795
Excise Duty.....		33,12,887	27,13,220
Repairs & Maintenance :	Plant & Machinery Rs. 76,416		
	Building Rs. --		
	Others <u>Rs. 1,02,833</u>	1,79,249	1,59,309
		-----	-----
	TOTAL :	94,92,130	83,42,804
		=====	=====

SCHEDULE 16 : ADMINISTRATION & OTHER EXPENSES

	2010-2011	2009-2010
	Rupees	Rupees
Travelling Expenses.....	12,18,260	9,71,784
Printing & Stationery.....	43,813	58,457
Society Maintenance Charges.....	79,339	64,051
Taxes, License & Fees.....	3,67,538	2,38,715
Office Expenses.....	5,87,384	4,90,012
Conveyance.....	2,42,506	2,06,410
Legal & Professional Charges.....	5,99,037	6,73,026
Employer's Contribution to Provident Fund.....	6,19,457	6,13,753
Administration Salary.....	11,56,432	12,03,519
Postage & Telegrams.....	2,63,182	2,41,560
Telephones.....	2,63,352	2,22,532
Books, Periodicals & Subscription.	19,100	28,000
Auditor's Remuneration.....	85,096	72,000
Managerial Remuneration.....	15,49,000	13,87,000
Bonus	86,399	92,356
Gratuity.....	40,800	95,000
Annual General Meeting Expenses.....	21,945	24,630
	-----	-----
	TOTAL :	66,82,805
	=====	=====

SCHEDULE 17 : SELLING & DISTRIBUTION EXPENSES

	2010-2011	2009-2010
	Rupees	Rupees
Salary.....	72,30,686	67,36,365
Incentives & Bonus.....	20,15,681	15,14,294
Freight & Forwarding	12,66,100	11,93,718
Recruitment & Statutory Advertisement.....	2,04,648	51,083
C & F Charges & Commission.....	9,12,993	9,27,890
Field Staff Travelling.....	55,02,486	53,48,657
	-----	-----

Provident Fund: Contribution to Government provident Fund are made as per the provisions regularly.

2. The figures of previous year have been regrouped wherever necessary.
3. As per the available records, there is no outstanding dues to enterprises registered under Micro, Small and Medium Enterprises Development Act, 2006, at the end of the year. Further, no interest has been paid or payable on delayed payment of dues, if any, to such enterprises during the year
4. Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs.Nil [Previous Year : Rs. Nil]

5. Contingent Liabilities:
 - Bills Discounted and Purchased - Rs. Nil (Previous Year Rs. Nil)
 - Others - Rs. Nil (Previous Year Rs. Nil)

6. Auditors Remuneration :	<u>2010-2011</u>	<u>2009-2010</u>
Audit Fees	Rs. 55,150	Rs. 50,000
Tax Audit Fees	Rs. 11,030	Rs. 10,000
Other services	Rs. 18,916	Rs. 12,000
	<u>Rs. 85,096</u>	<u>Rs. 72,000</u>

7. Directors Remuneration:

The company has been advised that the computation of net profit for the purpose of Directors' remuneration under Section 349 of the Companies Act, 1956 need not be enumerated since no commission has been paid to Directors. Fixed monthly remuneration has been paid to the Directors as per Schedule XIII to the Companies Act, 1956.

Remuneration includes;	<u>2010-2011</u>	<u>2009-2010</u>
a) Salary	Rs. 14,29,000	Rs. 12,67,000
b) Other perks	Nil	Nil
	-----	-----
	<u>Rs.14,29,000</u>	<u>Rs. 12,67,000</u>

Sitting fees paid to Non-Executive Independent Directors	Rs. 1,20,000	Rs. 1,20,000
--	--------------	--------------

8. Segment Reporting

The Company is engaged in pharmaceutical formulation business which as per Accounting Standard – AS 17 is considered the only reportable business segment.

9. Related party transaction

As required by Accounting Standard – AS 18 'Related Parties Disclosure' issued by the Institute of Chartered Accountants of India are as follows :

- | | |
|---|---|
| <ul style="list-style-type: none"> (a) Key Management personnel <ul style="list-style-type: none"> (i) Dr. L. S. Mani. | <ul style="list-style-type: none"> (b) Details of Transactions. <ul style="list-style-type: none"> Remuneration paid Rs.7,59,500/- Rent paid for the premise hired Rs. 1,80,000/- |
|---|---|

10. Earning per share

As per Accounting Standard – AS 20 on ‘Earning per Share’ issued by the Institute of Chartered Accountants of India, the earning per share of the Company is Rs.0.16.

11. Accounting for Taxes on Income.

In accordance with the AS-22, Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, deferred tax resulting from timing differences between book and tax profits is accounted for, at the current rate of tax, to the extent the timing differences are expected to crystallize. The deferred tax asset arising on account of brought forward unabsorbed depreciation is recognized only to the extent there is a reasonable certainty of realization.

12 AS – 28 Impairment of Assets.

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is not less than the recoverable amount of those assets. Hence there is no impairment loss on the assets of the company.

In the opinion of Board of Directors, the Current Assets, Loans and advances have a value which on the realization in the ordinary course of business would at least be equal amount stated in the Balance sheet.

13 With regard to loan given to Company, the Board of Directors are of the opinion that no interest should be provided in the accounts as the principle amount has not been recovered, Further, no provision for doubtful debt is required to be made as the amount is expected to be recovered in due course.

14 Deferred Tax :

The break up of the deferred tax liability as at 31st March, 2011 is as under:

	2010-11 Rupees	2009-10 Rupees
Deferred Tax Liability :		
Difference between book depreciation and depreciation as per Income Tax Act, 1961.	64,30,675	63,70,119
	<u>64,30,675</u>	<u>63,70,119</u>
Deferred Tax Assets:	29,46,695	28,08,204
Net Deferred Tax Liability	<u>34,83,980</u>	<u>35,61,915</u>

15 The Share Capital includes 4,00,000 Equity Shares of Rs. 10/- each, allotted as fully paid Bonus Shares by capitalisation of Capital Reserves in 1994-95.

16 Additional information pursuant to the provisions of paragraph 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956, as certified by the Directors.

Quantitative and Turnover information for the year ending 31st March, 2011.

(Previous year figures are regrouped wherever necessary)

i] Manufacturing Activities :						[Rupees in Lacs]			
Class	Units	Installed Capacity	Actual production	Opening Stock Qty.	Opening Stock Value	Closing Stock Qty.	Closing Stock Value	Turnover Qty.	Turnover Value
Tablets	Nos. in Lacs	600 (600)	137.800 (119.280)	26.500 (22.730)	52.41 (34.70)	37.990 (26.500)	50.27 (52.41)	126.31 (115.51)	179.10 (156.00)

Capsules	Nos.	400	99.870	12.030	35.74	22.790	60.56	89.11	252.59
	in Lacs	(400)	(88.160)	(14.060)	(44.20)	(12.030)	(35.74)	(90.19)	(241.03)
Liquids	Ltrs.	---	19051.160	5384.400	12.12	5605.770	16.88	18829.79	58.53
		---	(18735.260)	(3964.11)	(9.24)	(5384.400)	(12.12)	(17314.97)	(40.48)
Ointments	Kgs	---	3739.535	816.025	14.68	1256.330	17.88	3299.23	49.59
		---	(3776.225)	(1421.175)	(18.10)	(816.025)	(14.68)	(4381.41)	(49.08)

Notes :

* Installed capacity is based on one shift working as certified by the management and accepted by the Auditors without verification being a technical matter.

* Actual production includes production under Loan License arrangements.

* Figures in brackets are of previous year.

ii] Particulars of Goods Traded:

[Rupees in Lacs]

Class	Units	Opening Stock		Purchases		Sales		Closing Stock	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
		979.200	2.53	4124.200	7.67	4620.200	14.32	483.200	1.24
Liquids	Ltrs.	(1729.800)	(4.47)	(4826)	(8.44)	(5576.600)	(16.41)	(979.200)	(2.53)
Injectables	Ltrs.	13.860	2.87	134.606	6.74	77.820	10.98	70.646	7.45
		(78.73)	(16.36)	(54.24)	(1.78)	(119.110)	(21.31)	(13.860)	(2.87)
Capsules	Nos	0.530	1.73	8.580	16.04	7.360	30.60	1.750	5.69
	in Lacs	(2.376)	(7.76)	(6.044)	(11.43)	(7.89)	(31.70)	(0.53)	(1.73)
Tablets	Nos.	3.880	11.61	-	-	2.880	7.65	1.000	2.65
	in Lacs	(2.087)	(6.25)	(4.769)	(3.09)	(2.976)	(7.98)	(3.88)	(11.61)

iii] The quantity and value of consumption of raw materials

Raw Materials (Bulk Drugs)		Quantity (Kgs.)		Value (Rupees in Lacs)	
		2010-2011	2009-2010	2010-2011	2009-2010
1	Calcium Pantothenate	462	475	3.04	3.09
2	Vitamin E	368	350	8.81	5.12
3	Meclizine	180	140	13.58	11.26
4	Paracetamol	2450	2000	6.61	5.07
5	Chlorazoxazone	300	225	1.64	1.25

6	Isox suprine Hcl	17	17	2.15	2.05
7	Riboflavin	75	71	3.74	3.58
8	Niacinamide	430	408	3.45	2.65
9	Thiaminemono	80	77	1.67	1.02
10	Spirulina	2829	2981	13.77	13.27
11	Clindamycin Phosphate	5	13	1.09	1.16
12	Progesterone	125	50	18.10	7.53
13	Menthol	170	166	1.97	1.57
14	Propylene Glycol	1590	1288	2.54	1.88
15	Sorbitol	600	2501	0.24	0.84
16	Fish Oil	160	360	1.42	3.50
17	Cod Liver Oil	-	180	-	1.16
18	Sugar	7500	11600	2.17	3.31
19	Atorvastatin calcium	-	7	-	1.21
20	Ezetimibe	-	3	-	1.52
21	Ofloxacin usp	95	250	1.88	2.04
22	Quinine Sulphate	30	25	2.03	1.43
23	Mat SR Base III	106	61	1.76	1.06
24	Ornidazole	237	250	2.26	2.04
25	Empty Gelatin Capsule		--	10.39	10.34
26	Others			18.62	14.20
Total :				122.93	103.15

12. Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956. Balance Sheet abstract and Company's General Business Profile.

I. Registration Details

State Code 1 1 Registration No. 4 1 1 2 8

Balance Sheet Date

II. Capital Raised during the year (Amounts in Rs. Thousands)

Public Issue	Right Issue
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issue	Private Placement
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

III. Position of Mobilization and Deployment of Funds : (Amounts in Rs. Thousands)

Total Liabilities	Total Assets
<input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="2"/>	<input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="2"/>

Sources of Funds : Paid-Up Capital	Reserves and Surplus
<input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="5"/>	<input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="6"/>

Secured Loans	Un secured Loans
<input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="4"/>	<input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="3"/>
Deferred Tax Liability	

Net profit before tax and extra ordinary items	7,84,741	6,61,098
Adjustment for : Depreciation	25,77,525	25,70,357
Preliminary Expenses Written-off	--	--
Profit on sale of asset	--	--
Operating Profit before Working Capital changes:	33,62,266	32,31,455
Adjustment for : Trade and Other Receivable	25,62,188	(9,91,423)
Inventories	(18,60,549)	6,49,710
Other Current Assets	--	--
Loans and Advances	4,43,944	2,84,010
Trade Payable	31,68,031	(1,08,231)
Cash generated from operations	76,75,880	30,65,521
Taxes paid	(1,42,767)	(97,014)
Cash flow before extra ordinary items	75,33,113	29,68,507
Extra ordinary items :Capital Subsidy recd	4,00,000	12,00,000
Net Cash From Operating Activities :	79,33,113	41,68,507

B. CASH FLOW FROM INVESTING ACTIVITIES:

Purchase of Fixed Assets	(55,885)	(1,05,432)
Investments in shares & securities	(15,941)	--
Net Cash Used In Investing Activities:	(71,826)	(1,05,432)

C. CASH FLOW FROM FINANCING ACTIVITIES:

Increase/ [Decrease] in Secured Loans	(20,20,720)	5,28,039
Increase / [Decrease] in Un-secured Loans	(6,65,024)	(3,09,134)
Net Cash Used In Finance Activities:	(26,85,744)	2,18,905

NET INCREASE IN CASH AND CASH EQUIVALENTS : [A+B+C]	51,75,543	42,81,980
Cash and cash equivalents as at 01.04.2010 (Opening Balance)	65,38,410	22,56,430
Cash and cash equivalents as at 31.03.2011 (Closing Balance)	1,17,13,953	65,38,410

FOR AND ON BEHALF OF THE BOARD.

MUMBAI.
17th May, 2011

DR. L. S. MANI
Chairman & Managing Director.

Auditors Certificate

We have verified the above cash flow statement of Colinz Laboratories Limited derived from the audited financial statements for the years ended 31st March, 2011 and 31st March, 2010 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with stock exchanges.

For S. V. BHAT & CO.
Chartered Accountants.

MUMBAI.
17th May, 2011.

S. V. BHAT
Proprietor.
MEMBERSHIP No. - 37237
FIRM REG.NO.-101298

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COLINZ LABORATORIES LIMITED

A-101, Pratik Ind. Estate, Next to Fortis Hospital, Mulund-Goregaon Link Road, Mumbai-400078

FORM OF PROXY

Ledger Folio No.

No. of Shares

I/We.....of.....

..... being a member/members of Colinz Laboratories Limited hereby

appoint.....of.....

..... or failing him / her of.....

as my/ our proxy to vote for me/ us and on my/ our behalf at the 25th Annual General Meeting of the Company to be held on Friday , 30th September, 2011 and at any adjournment thereof.

Signed this.....2011.

*Affix
One Rupee
Revenue
Stamp*

[Signature of the Member(s)]

NOTE :Proxy duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. The proxy need not be member of the Company.



COLINZ LABORATORIES LIMITED

A-101, Pratik Ind. Estate, Next to Fortis Hospital, Mulund-Goregaon Link Road, Mumbai-400078

ATTENDANCE SLIP

I hereby record my presence at the 25th Annual General Meeting of the Company held at A-101, Pratik Ind. Estate, Next to Wockhardt Hospital, Mulund-Goregaon Link Road, Mumbai-400078, on Friday, 30th September, 2011 at 12.30 P. M.

.....
Full name of the shareholder
[in block letters]

.....
Signature

Folio No.....

.....
Full Name of Proxy
[in block letters]

Signature

NOTE: Shareholders attending the meeting in person or proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting place. Joint shareholders may obtain additional slips on request.

BOOK POST

To,

If undelivered, please return to:

COLINZ LABORATORIES LIMITED.

***A-101, Pratik Ind. Estate, Next to Wockhardt Hospital,
Mulund-Goregaon Link Road, Mumbai-400078.***

17th May ,2011

17th May ,2011

17th May ,2011

17th May ,2011

17th May ,2011

17th May ,2011

Fortis

Fortis

Fortis

Fortis

Fortis

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