

ANIL A. DIKSHIT & CO.

Chartered Accountants

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AUDITOR'S REPORT TO THE SHAREHOLDERS OF **G I BIOTECH PRIVATE LIMITED**

We have audited the attached Balance Sheet of **G I BIOTECH PRIVATE LIMITED** as at 31st March 2011 and also the Profit & Loss Account for the year ended on that date, annexed thereto. We have to state that these financial statements are the responsibility of the Company's management and our responsibility is to express our opinion on these financial statements based on our audit.

As for the scope and basis for our opinion, we state that we have conducted audit in accordance with the auditing standards generally accepted in India and obtained reasonable assurance about the financial statements being free of material misstatements. Our audit includes, wherever necessary, examining on a test basis, the evidence supporting the amounts and disclosures in the financial statements and also includes assessing adherence to the accounting principles 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.

The Companies (Auditors' Report) Order, 2003, is not applicable to the company due to following reasons and hence a statement on the matters specified in paragraphs 4 and 5 of the said Order is not annexed hereto:

- It is a private limited company
- The company's paid-up capital and reserves are less than Rs. 50 Lakhs;
- It does not have outstanding loan of Rs. 25 lakh or more from any Bank or Financial Institution;
- It does not have a turnover exceeding Rs. 5 crores.

Further to our comments referred to above, we report that:

- (1) 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;



G I BIOTECH PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2011

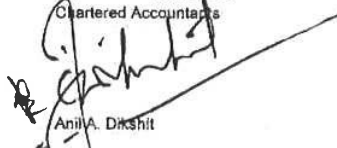
		As at March 31, 2011		As at March 31, 2010	
	Schedule	Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	A	100,000		100,000	
Reserves and Surplus		126,342	226,342	101,866	201,866
DEFERRED TAX LIABILITY (NET)	B		65,667		52,504
TOTAL			292,009		254,370
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross block	C	905,202		905,202	
Less: Depreciation/Amortisation		156,775		97,918	
Net block			748,427		807,284
CURRENT ASSETS, LOANS AND ADVANCES					
Sundry Debtors	D	-		-	
Cash and bank balances	E	163,467		9,392	
Loans and advances	F	14,895		1,000	
		178,362		10,392	
LESS : CURRENT LIABILITIES					
Current Liabilities	G	634,780		563,306	
NET CURRENT ASSETS			(456,418)		(552,914)
PROFIT AND LOSS ACCOUNT					
TOTAL			292,009		254,370

Notes to the Accounts

J

The schedules referred to above and the notes to accounts form an integral part of the Balance sheet

Per our report attached
For Anil A. Dikshit & Co
Chartered Accountants


Anil A. Dikshit
Proprietor
Membership No.: 36706

For and on behalf of the Board of Directors


Satish Varma
Director


Krishna Datta
Director

Place : Thane

Date : 28 MAY 2011

Place : Thane

Date : 28 MAY 2011



G I BIOTECH PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE A- SHARE CAPITAL		
Authorised:		
50,000 (2009-10 50,000) Equity Shares of Rs.10 each	500,000	500,000
Issued and Subscribed		
10,000 (2009-10 10,000) Equity Shares of Rs.10 each fully paid-up	100,000	100,000
	100,000	100,000
SCHEDULE B- DEFERRED TAX LIABILITY		
Nature of timing difference	Deferred tax asset/(liability) as at April 1, 2010	(Charge)/credit for the current year
Deferred tax assets		Deferred tax asset/(liability) as at March 31, 2011
Carried forward loss	-	-
Deferred tax liability		
Depreciation	(52,504)	(13,163)
Net amount	(52,504)	(65,667)
SCHEDULE D - CURRENT ASSETS		
Sundry Debtors	-	397,369
SCHEDULE E - CASH AND BANK BALANCES		
With scheduled banks on current accounts	163,467	9,392
	163,467	9,392
SCHEDULE F - LOANS AND ADVANCES		
MAT Credit	14,895	-
Prepaid Expenses	-	1,000
	14,895	1,000
SCHEDULE G - CURRENT LIABILITIES & PROVISIONS		
Provision for Expenses		
Sundry creditors (No outstanding dues to small scale industrial undertakings)	634,037	523,941
Taxation, net of advances (other than deferred tax)	743	39,365
	634,780	563,306



GI BIOTECH PVT LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011
SCHEDULE C - FIXED ASSETS:

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2010	Additions	Deductions	As at 31.3.2011	As at 01.04.2010	For the year On Deductions	As at 31.3.2011	As at 31.03.2010
Tangible Plant and machinery**	801,202	-	-	801,202	63,327	38,057	699,818	737,875
Intangible Trademark	104,000	-	-	104,000	34,591	20,800	48,609	69,409
CWIP	-	-	-	-	-	-	-	-
TOTAL	905,202	-	-	905,202	97,918	58,857	748,427	807,284
Previous year	905,202	-	-	905,202	39,061	58,857	-	807,284



G I BIOTECH PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

SCHEDULE J - NOTES TO THE ACCOUNTS: - Contd.

2. During the year 2008-09, Fermenta Biotech Limited (FBL) (the Holding Company) had entered into an agreement for transfer of the throat lozenge business along with the trademark " Astrasept" and the related moveable assets for a consideration of Rs. 8 Lakhs, to G.I.Biotech Private Limited (G.I)., Simultaneously, FBL had also entered into a share transfer agreement with Ronator Investments Limited (R I) a company incorporated under the legal provisions of Cyprus , to transfer its entire shareholding in G.I in four instalments to be completed by 10th February 2009 for a total consideration of USD 400,000. In accordance with the share transfer agreement, FBL had sold 3750 shares for consideration of USD 150,000 and recorded a profit of Rs 70.60 Lakhs. The time limit stipulated for completion of the share transfer agreement and completion of transaction was extended further to 31st December, 2010. The same has now been further extended upto 31.12.2011

3. Disclosures for leases

	As at March 31, 2011 (Rupees)	As at March 31, 2010 (Rupees)
Operating lease taken		
1 Lease payments recognised in the statement of profit and loss for the year	-	-
2 Future minimum lease payment under the leases in the aggregate and for each of the following periods:		
i) Not later than one year	-	-



SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

5 Balance Sheet Abstract and Company's General Business Profile

Registration No.					1	4	8	2	2	0
Balance Sheet Date	3	1		0	3		2	0	1	1
	Date		Month		Year					

State Code

1	1
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Public Issue									
			N	I	L				
Bonus Issue									
			N	I	L				

Rights issue									
			N	I	L				
Private Placement									
			N	I	L				

			Total Liabilities						
			2	9	2	0	0	9	
Sources of Funds:			Paid-Up Capital						
			1	0	0	0	0	0	
			Secured Loans						
			N	I	L				

Total Assets						
			2	9	2	0 0 9
Reserves & Surplus						
			1	2	6	3 4 2
Deferred Tax Liability						
				6	5	6 6 7

Net Fixed Assets						
			7	4	8	4
			2	7		
Net Current Assets						
		-	4	5	7	4
			1	5		
Accumulated Losses						
			N	I	L	

Investments									
				N	I	L			
Misc. Expenditure									
				N	I	L			

Turnover								
			1	4	3	5	4	9
Profit/Loss Before Tax								
+				7	4	7	3	6

(Please tick Appropriate box + for Profit, - for Loss)

Earnings Per Share (Rs.)						
				6	-	1 6

Total Expenditure					
				6	8
				9	1
				3	
Profit/Loss After Tax					
+				6	1
				5	7
				3	

Dividend Rate %

[illegible]

Signatures to Schedules A to J
For and on behalf of the Board of Directors


Satish Varma
Director


Krishna Datla
Director