

*18th*  
*Annual Report*  
*2010-2011*



**EVEREST ORGANICS LIMITED**



**BOARD OF DIRECTORS**

Mr.G.Raghunandhan	Nominee Director of APIDC
Mr. V.Swaminathan	Director
Mr. K.Rama krishnam Raju	Director
Dr. K.Easwer Reddy	Director
Mr. Raju S Kakarlapudi	Director
Mr.A.Parvatisem	Technical Director
Mr.M.Bangara Raju	Director - HR
Mr.S.K.Hari Krishna	Executive Director
Dr. S.K.Srihari Raju	Managing Director

**REGISTERED OFFICE**

Aroor Village, Sadasivpet Mandal  
Medak District, Andhra Pradesh – 502 291  
Telephone:08455-250113  
Facsimile: 08455-250114  
Email id : srihari\_everest@rediffmail.com  
Website: [www.everestorganicsltd.com](http://www.everestorganicsltd.com)

**CORPORATE OFFICE**

8-3-214/50, 4<sup>th</sup> Floor,  
Srinivasa Colony (West), Madhura Nagar,  
Hyderabad – 500 038.  
Telephone: 040-23737137,138  
Facsimile: 040-66820511  
Email id : : srihari\_everest@rediffmail.com  
Website: [www.everestorganicsltd.com](http://www.everestorganicsltd.com)

**AUDITORS**

M/s. P.S.N Ravi Shanker & Associates  
Chartered Accountants, Hyderabad

**BANKERS**

Kotak Mahindra Bank  
State Bank of Hyderabad

**REGISTRAR & SHARE TRANSFER AGENT**

M/s. Venture Capital and Corporate Investments Pvt. Ltd.  
12-10-167, Bharat Nagar, Hyderabad – 500 018.  
Telephone : 040-23818475, 476  
Facsimile: 040-23868024  
Email id : [info@vccilindia.com](mailto:info@vccilindia.com)



**NOTICE**

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the Company will be held at the Registered Office of the Company situated at Aroor Village, Sadasivpet Mandal, Medak Dist. Andhra Pradesh 502 291, on Friday the 23<sup>rd</sup> September 2011 at 3.00 P.M. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited accounts of the Company for the year ended 31<sup>st</sup> March 2011, and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri V.Swaminathan, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Sri K.Ramakrishnam Raju, who retires by rotation and being eligible, offers herself for reappointment.
4. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution.

RESOLVED THAT M/s. P.S.N.Ravishanker & Associates, Chartered Accountants, Hyderabad be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company in addition to actual out of pocket expenses incurred by them for the purpose of the Audit.

BY ORDER OF THE BOARD  
For EVEREST ORGANICS LTD

Sd/-  
**Dr. S.K.Srihari Raju**  
Managing Director

Place : Hyderabad

Date: 29.07.2011



**NOTICE**

1. A Member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member.
2. Proxies should deposit authorization letters with the corporate office of Company not less than 48 hours before the commencement of the meeting.
3. The Shares Transfer Register and the Register of Members of the Company will remain closed from 19.09.2011 to 23.09.2011 (both days inclusive) in connection with the Annual General Meeting.
4. Members /Proxies attending the meeting are requested to bring the attendance slip sent with Annual Report and hand over the same at the entrance duly filled and signed.
5. Members who hold their shares in dematerialized form are requested to bring their Client ID and DP numbers for easy identification of attendance at the meeting.
6. Shareholders are requested to intimate immediately any change in their address and bank account details registered with the Company in case of physical holders and in case of demat holders to their DP holders directly
7. Retirement of Directors by rotation:

Sri V.Swaminathan, Director of the Company retires by rotation at the Annual General Meeting and being eligible offers himself for reappointment

Sri K.Ramakrishnam Raju, Director of the Company retires by rotation at the Annual General Meeting and being eligible offers himself for reappointment.

None of the Directors of the Company is in any way concerned or interested in the resolution except Sri.V.Swaminathan & Sri.K.Ramakrishnam Raju.

By order of the Board  
For EVEREST ORGANICS LIMITED

Sd/-  
**Dr. S.K.Srihari Raju**  
Managing Director

Place: Hyderabad  
Date: 29.07.2011

**DIRECTORS' REPORT**

Dear Members,

Your Directors present herewith the 18<sup>th</sup> Annual Report and the audited accounts for the year ended 31<sup>st</sup> March 2011.

**1. FINANCIAL RESULTS:**

(Rs.in.Lakhs)

Particulars	2010-11	2009-10
Turnover	5,687.72	4,231.60
Other income	151.24	205.63
Increase in Stocks	101.09	114.94
<b>Total</b>	<b>5,940.05</b>	<b>4,552.17</b>
Operating Expenses	4,960.93	3,833.83
Excise Duty	453.45	309.06
Operating Profit (PBDIT)	525.67	409.27
Interest	157.15	136.46
Depreciation	151.57	137.21
Profit before Tax	146.48	135.60
Provision for taxation		
- Tax on Profit	32.00	20.00
Profit after Tax	114.48	115.60
Prior period Adjustments	17.05	0.00
Profit Carried to Balance Sheet	97.43	115.60

**2). REVIEW OF OPERATIONS FOR THE FINANCIAL YEAR 2010-11**

The operations have improved substantially during the year 2010 – 2011 by 34%. The turnover has increased from Rs.42.03 crores to Rs.56.8 crores. The improvement in business is mainly due to expanded capacities which will further improve in the next financial year. Effective use of manpower and machinery also contributed to the increase to a significant extent. The increase in salaries is about 25%.



## DIRECTORS' REPORT

### 3). Management Discussion Analysis:

Management Discussions on the following heads and Analysis is annexed to this Report.

- a). General Pharma Industrial Scenario
- b). Opportunities for the Company
- c). Outlook for Financial Year 2011-12
- d). Internal controls & systems
- e). Human Resource Development and industry relations

### 4). DIRECTOR:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Sri V.Swaminathan and Sri K. Rama krishnam Raju are retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

### 5). DIVIDEND:

As there are inadequate profits and marginal operational surplus during this year your directors do not propose any dividend during the year.

### 6). AUDITORS:

The Statutory Auditors of your Company M/s. P.S.N.Ravi Shanker & Associates, Chartered Accountants, Hyderabad holds office till the conclusion of the forthcoming Annual General Meeting. The Company has received a letter from the auditors to the effect that their appointment as Auditors, if made, would be within the limits under Section 224 (1-B) of the Companies Act, 1956.

### 7) AUDITORS' REPORT:

The Notes on account, referred to in the Auditors' Report, are self –explanatory and therefore do not call for any further comments under Section 217 (3) of the Companies Act, 1956.

### 8) CORPORATE GOVERNANCE:

Pursuant to Clause 49 of listing Agreement, your Company has to mandatorily comply with the requirements of Corporate Governance. A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions on Corporate Governance, form part of the Annual Report.

### 9) DIRECTORS RESPONSIBILITY STATEMENT:

The Directors would like to inform the members that the Audited Annual Accounts for the year ended 31<sup>st</sup> March 2011 are in fully conformity with the requirements of Companies Act 1956. The Directors further confirm that:

- a) In preparation of the Annual Accounts the applicable Accounting Standards have been followed with proper explanation wherever required.



## DIRECTORS' REPORT

- b) 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 at the end of the financial year and profit of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the Annual Accounts on a going concern basis.

### 10) DEPOSITS:

During the year under review, the Company has not accepted any deposits from public within the meaning of section 58A of the Companies act, 1956 and the rules made there under.

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

Information U/S 217/(i)(e) of the Companies Act, 1956 read within the report of the Board of Directors Rules 1988 and forming part of Directors report.

#### A. Details of Conservation of energy:

Company's operations at the factory are energy intensive. The Company is taking adequate measures to reduce energy consumption by adopting new technologies, like variable frequency drives, high Efficiency motors, Pumps etc.

#### B. Foreign Exchange Earnings and outgo:

Total foreign exchange earnings during the year was Rs.1024.92 Lakhs (Previous year Rs.409 lakhs) and foreign exchange outgo was Rs.475.98 lakhs (Previous year Rs.91.21 lakhs)

### 12) LISTING OF SHARES IN STOCK EXCHANGES:

The Equity Shares of the Company are listed at Mumbai Stock Exchange. (presently trading was suspended). A consultant has been appointed to initiate the proceedings to lift suspension of shares at a cost of Rs.10.75 lakhs. Hopefully the exercise will be completed in six to nine months.

### 13) PERSONNEL:

None of the employees are covered under Sec.217 (2A) of the Companies Act 1956 read with (Particulars of the Company) Rules 1975 and forming part of the Directors Report for the Accounting year 2010-11.

### 14) INSURANCE:

All the properties of the Company including Buildings. Plant and Machinery and Stocks have been adequately insured.

### 15) HUMAN RESOURCES:

Human resources of the Company across all sections contributed significantly towards better performance and look forward for higher growth. Detailed report annexed.



**DIRECTORS' REPORT**

16) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal controls implemented by your Company are adequate to ensure that the financial statement is correct, sufficient and credible.

17) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The Company did not lose any of its key personnel during the year. The employees' morale is high and adequate steps are being taken for continues training of staff in new technologies to take up challenging assignments. All the employees have been duly insured.

Training was imparted to all grades of personnel working in the company. The company has spent Rs. 1,57,573/- on training people from 01.04.2010 till date. The training will be more vigorous in furture.

The subject of training are mainly on :

- Warehouse management
- Managerial effectiveness & stress Management
- Export training classes
- Forex management
- SHE
- Fire Safety
- Environmental issues
- Strategic marketing & Productivity Management

18) INDUSTRIAL RELATIONS:

Industrial relations have been cordial and your Directors appreciate the sincere and efficient services rendered by the employees of the Company at all levels towards the successful working of the Company.

19) ACKNOWLEDGEMENTS:

Your Directors wish to place on record their sincere thanks to all those who have supported your Company's all round activities and contributed towards growth particularly Members, Bankers, Government Agencies, customers and all others involved with the Company.

By Order of the Board of Directors of  
Everest Organics Limited

Sd/-  
Dr. S.K.Srihari Raju  
Managing Director

Sd/  
S.K.Hari Krishna  
Executive Director

Place: Hyderabad  
Date: 29.07.2011



**CORPORATE GOVERNANCE****REPORT ON CORPORATE GOVERNANCE**

In terms of Clause 49 of the listing agreement, compliance with the requirement of Corporate Governance is set out below.

Company's philosophy on Corporate Governance:

The Company is in full compliance with the requirements under clause 49 of the listing agreement with the Stock Exchange.

Board of Directors:

Composition and Category:

The Company has an optimum combination of Executive and Non-Executive Directors. The Board comprises of four whole time Directors and five non-executive Directors. Three Out of nine are the independent non-executive directors and Chairman of the Company is Non-Executive. Accordingly, the composition of the Board is in conformity with the listing agreement of stock exchange. All independent Non-Executive Directors comply with the legal requirements of being "independent".

The Composition of the Board and other relevant details relating to Directors are given below:

S. No.	Name of the Director	Category	Designation	*No. of Memberships of other Committees/ committee chairmanships
1.	Mr.G.Raghunandhan	IndependentNominee Director	Nominee Director	Nil
2.	Mr.V.Swaminathan	Independent Non-Executive Director	Director	Nil
3.	Mr.K.Rama Krishnam Raju	Independent Non-Executive Director	Director	Nil
4.	Dr.K.Easwer Reddy	Promoter Non-Executive Director	Director	Nil
5.	Mr. Raju S.Kakarlapudi	Promoter Non-Executive Director	Director	Nil
6.	Mr.A.Parvatisem	Independent Executive Director	Technical Director	Nil
7.	Mr.S.K.Hari Krishna	Promoter Executive Director	Executive Director	Nil
8.	Mr.M.Bangara Raju	Independent Executive Director	Director – Legal, HR & Corporate Affairs	Nil
9.	Dr.S.K.Srihari Raju	Promoter Executive Director	Managing Director	Nil

**CORPORATE GOVERNANCE**

\* Directorship details exclude private companies, foreign companies and alternate directorships. Membership/Chairmanship of only Audit Committee and Shareholders Grievance Committee has been considered.

**Details of Board Meetings and Attendance**

Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors at least seven days before the meeting.

During the financial year, Board of Directors of the Company met 6 times on 28.05.2010, 29.07.2010, 21.10.2010, 29.11.2010, 29.01.2011, and 07.03.2011. The attendance details of the directors at the Board Meetings and last Annual General Meeting is as follows:

Sl. No.	Name of the Director	Number of Meetings held	No. of Meetings attended	Whether attended the AGM held on 27 <sup>th</sup> August, 2010.
1	Mr.G.Raghunandhan	6	0	No
2.	Mr.V.Swaminathan	6	6	Yes
3.	Mr.K.Rama Krishnam Raju	6	6	Yes
4.	Dr.K.Easwer Reddy	6	0	No
5.	Mr. Raju S.Kakarlapudi	6	3	No
6.	Mr.A.Parvatisem	6	6	Yes
7.	Mr.S.K.Hari Krishna	6	4	Yes
8.	Mr.M.Bangara Raju	6	6	Yes
9.	Dr.S.K.Srihari Raju	6	6	Yes



## CORPORATE GOVERNANCE

### BOARD COMMITTEES

#### AUDIT COMMITTEE:

The Audit Committee of the Board of Directors has been constituted in conformity with the requirements of section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The Audit Committee of the Board of Directors has been constituted in conformity with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Brief description of terms of reference:

The role of the Audit Committee shall include the following:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending to the Board, the appointment, re-appointment and, if required the replacement or removal of the Statutory Auditor and the fixation of the Audit Fees.
- c. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- d. Reviewing with the management, the annual financial statements before submission to the Board for approval with particular reference to :
  - i. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
  - ii. Changes if any in accounting policies and practices and reasons for the same
  - iii. Major accounting entries involving estimates based on the exercise of judgement by management.
  - iv. Significant adjustments made in the financial statements arising out of audit findings.
  - v. Compliance with listing and other legal requirements relating to financial statements.
  - vi. Disclosure of any related party transactions.
  - vii. Qualifications in the draft audit report.
- e. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f. Reviewing, with the management, performance of statutory auditors, adequacy of internal control system.
- g. Reviewing the findings of any internal investigations by the auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h. Discussion with statutory auditors before the Audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.



## CORPORATE GOVERNANCE

- i. To look into the reasons for substantial defaults in the payment to share holders (in case of non payment of declared dividends) and creditors.
- j. To review the functioning of the Whistle Blower Mechanism, in case the same is existing.
- k. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### **Review of information by Audit Committee:**

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the audit committee) submitted by management.
3. Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

### **Composition, Names of Members and Chairperson:**

The Audit Committee comprises Sri.V.Swaminathan, Sri K.RamaKrishnam Raju and Sri M.Bangara Raju. Sri.K. RamaKrishnam Raju will act as Chairman of the Audit Committee.

Meetings held during the year:

The Audit Committee meetings were held on 28.05.2010, 29.07.2010, 21.10.2010, 29.11.2010, 29.01.2011 & 07.03.2011. The Audit Committee meetings were held at the Corporate Office and usually attended by the finance head, and the Statutory Auditors.

### **Remuneration Committee:**

#### i. Brief description of terms of reference:

The functioning and terms of reference of the Remuneration Committee are as prescribed under the listing agreement with the Stock Exchanges and it determines the Company's policy on all elements of the remuneration packages of the Directors.

The Remuneration Committee of the Company recommends to the board of Directors, the compensation of terms of whole time directors and senior most management immediately below the whole time directors. This committee also has the responsibility for administrating the Employee stock option scheme of the company.

Remuneration Policy for Directors:

No director other than Dr.S.K.Srihari Raju, Mr. A.Parvatisem, Mr.S.K.Harikrishna and Mr. M.Bangara Raju are drawing remuneration from Company. They are drawing the remuneration for the services rendered in the capacity of whole time directors. Sitting fee is being paid to non executive directors.

**CORPORATE GOVERNANCE**

Meetings held during the year:

The details of remuneration and sitting fees paid or provided to each of the Directors during the year 2010-2011.

S. No.	Name of Director	Designation	Salary & Perks	Commission	Sitting Fees	Total
1.	Mr.G.Raghunadhan	Nominee Director	-	-	-	-
2.	Mr.V.Swaminathan	Director	-	-	30,000	30,000
3.	Mr.K.Rama Krishnam Raju	Director	-	-	30,000	30,000
4.	Dr.K.Easwer Reddy	Director	-	-	-	-
5.	Mr.Raju S Kakarlapudi	Director	-	-	-	-
6.	Mr. A.Parvatisem	Technical Director	3,99,000	-	-	3,99,000
7.	Mr.S.K.Harikrishna	Executive Director	3,00,000	-	-	3,00,000
8.	Mr.M.Bangara Raju	Director HR & Corporate Affairs	1,50,000	-	-	1,50,000
9.	Dr. S.K.Srihari Raju	Managing Director	4,26,000	-	-	4,26,000

No other benefits, bonuses, stock options, pensions or performance lined incentive are paid to directors except as mentioned above.

Service Contract, Notice period, Severance fees :

There are no specific contracts or any severance fees. Terms of appointment are as decided by the Board.

Stock Option Details: NIL.

**Share Transfer Committee:**

The Share Transfer Committee is formed with Sri S.K.Harikrishna, Sri V.Swaminathan and Sri M.Bangara Raju as Members and meets monthly or as and when required at short notice also. Sri. M.Bangara Raju will act as Chairman of the Share transfer Committee. No share transfers are pending as on date.

The functions of the committee(s) include:

- 1) Transfer of shares
- 2) Dividends
- 3) Dematerialization of shares
- 4) Replacement of lost/stolen/mutilated share certificates
- 5) Non-receipt of rights/bonus/split share certificates.
- 6) Any other related issues

**CORPORATE GOVERNANCE**

The subcommittee will also focus on strengthening investor relations.

**Investors Grievance Committee:**

The committee consists of Sri M.Bangara Raju, Sri V.Swaminathan and Sri S.K.Harikrishna as Members. Sri. M.Bangara Raju will act as Chairman of the Committee. Sri. M. Bangara Raju is also the compliance officer and the address is 8-3-214/50, 4<sup>th</sup> floor, Srinivasa Colony (West) Hyderabad. It deals with complaints of share holders on a regular basis. All the complaints have been solved to the satisfaction of the members concerned and no Complaints are pending as on date.

**Annual General Body Meetings:**

Location and time of last three Annual General Meetings are as under:

Year	Location	Date	Time
2010	Aroor Village, Sadasivpet Mandal, Medak District, Andhra Pradesh – 502 291	27.08.2010	3.00 P.M.
2009	Aroor Village, Sadasivpet Mandal, Medak District, Andhra Pradesh – 502 291	05.09.2009	3.00 P.M.
2008	Aroor Village, Sadasivpet Mandal, Medak District, Andhra Pradesh – 502 291	30.08.2008	3.00 P.M.

No special resolution is put to vote by postal ballot.

**Other disclosures:**

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoter, directors, management and subsidiaries that had a potential conflict with the interest of the Company at large.

The Company has complied with various rules and regulations prescribed by Stock Exchanges, SEBI or any other statutory authority relating to the capital markets during the last three years. No penalties have been imposed.

**Details of compliance with the mandatory requirements and adoption of non-mandatory requirements of this clause:**

All mandatory requirements are scrupulously complied with and non-mandatory requirements are partially adopted.

**Mandatory requirements:**

The Company has scrupulously complied with all the mandatory requirements enumerated in Clause 49 as prescribed relating to i. Board of Directors, ii. Audit Committee iii. Disclosures iv. CEO/CFO Certification v. Report on Corporate Governance and vi. Compliance.

**Accounting Standards and Treatment:**

The Accounting Treatment, as prescribed in the Accounting Standards has been followed in the preparation of financial statements.

**Means of Communication:**

The Company regularly intimates Un-audited financial results by keeping in company website immediately after these are taken on record by the Audit Committee and Board.



## CORPORATE GOVERNANCE

### **Share Holders Information:**

Registered Office:

Aroor Village, Sadasivpet Mandal,  
Medak District,  
Andhra Pradesh – 502 291.

Address for Correspondence:

8-3-214/50, 4<sup>th</sup> Floor,  
Srinivasa Colony (W)  
Hyderabad – 500 038.

Annual General Meeting: (Date, Time and Venue):

23.09. 2011 3 00. P.M.  
Aroor Village, Sadasivpet Mandal,  
Medak District, Andhra Pradesh – 502 291.

Book Closure:

19.09. 2011 to 23.09. 2011 (both days inclusive)

Listing of Shares

The Stock Exchange, Mumbai

Registrar and Share Transfer Agents:

M/s.Venture Capital and Corporate Investments Pvt. Ltd.  
12-10-167, Bharat Nagar Colony, Hyderabad – 500 018.  
Phone: +91-40-23818475 / 23818476/23868023  
Fax: +91-040-23868024  
Email: info@vccilindia.com

### **Share Transfer System:**

Securities lodged for transfer at the Registrars address are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. Senior executives of the Company are empowered to approve transfer of shares. Grievances received from investors and other miscellaneous correspondence on change of address etc., are processed by the Registrars within 30 days. The Company extends the facility of simultaneous transfer and dematerialization of shares to the shareholders.

**CORPORATE GOVERNANCE**

Pursuant to clause 47(c) of the listing agreement with the Stock Exchanges, certificates on half yearly basis have been issued by a Company secretary in practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (depositories and participants) regulations, 1966, certificates have also been received from a Company secretary in practice for timely dematerialization of the shares of the Company and for conducting a Secretarial Audit on a quarterly basis for reconciliation of the Share Capital of the Company.

**Market Data:** Trading of shares of the Company has not taken place during the year under review in the above stock exchanges.

**Disclosure:**

- a) Materially significant related party transactions of the Company of material nature with its promoters, the directors or the Management their subsidiaries or relatives if that may have potential conflict with the interests of the Company at large:
- b) Details of Non Compliance by the Company, penalties imposed on the Company by Stock **Exchanges**, **SEBI** or any other statutory authority on any matter related to capital markets during the last three years:

The Company has complied with all the requirements of regulatory authorities on capital markets and no penalties have been imposed against it.

**Distribution of shareholding As on : 31.03.2011.**

Nominal Value	Holders Number	Amount % to Total	In Rs	% to Total
Upto - 5000	9,303	88.54	1,38,20,670	14.90
5001 - 10000	530	5.04	45,10,000	4.86
10001 - 20000	245	2.33	37,61,940	4.05
20001 - 30000	183	1.74	46,86,650	5.05
30001 - 40000	42	0.40	15,47,000	1.66
40001 - 50000	56	0.53	26,66,120	2.87
50001 - 100000	66	0.62	45,71,170	4.93
100001 and above	81	0.77	5,71,66,450	61.64
<b>TOTAL</b>	<b>10506</b>	<b>100.00</b>	<b>9,27,30,000</b>	<b>100.00</b>





**CORPORATE GOVERNANCE**

**Dematerialization & Liquidity:**

Shares of the Company are under compulsory demat list and nearly 39.38% of total Equity Shares Capital held in dematerialized form with NSDL and CDSL as on 31.03.2011.

Identification Number of scrip given by NSDL and CDSL is INE334C01011

Shareholder General Correspondence:

The Compliance Officer,  
Everest Organics Limited, 8-3-214/50, 4<sup>th</sup> floor,  
Srinivasa Colony (West), Hyderabad – 500 038



**CORPORATE GOVERNANCE**

**CERTIFICATE**

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

For EVEREST ORGANICS LIMITED.

Sd/-  
Managing Director

Sd/-  
Executive Director

Place : Hyderabad  
Date : 29.07.2011



**CORPORATE GOVERNANCE**

**Declaration on compliance with Code of Conduct**

Compliance of Code of Conduct for Directors and Senior Management Personnel pursuant to the amended provisions of Clause 49 of the Listing Agreement.

The Board laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company.

All the Board Members and Senior Management Personnel affirmed that they have complied with the said Code of Conduct on an annual basis in respect of the financial year ended 31.03.2011.

Sd/-  
Managing Director.

Place : Hyderabad.

Date: 29.07.2011



**CORPORATE GOVERNANCE**

Certificate of compliance with the conditions of corporate governance under clause 49 of the listing agreement

To  
The Members  
Everest Organics Ltd

1. We have examined the compliance of conditions of Corporate Governance by Everest organics Limited (the Company) for the year ended March 31, 2011, as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance, it is neither an audit nor any expression of opinion of the financial statements of the Company.
3. In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.
4. 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 P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

Sd/-  
P.RAVI SHANKER  
Partner

Place: Hyderabad  
Date: 29.07.11

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A). GENERAL PHARMA INDUSTRIAL SCENARIO:**

The Pharma industry in India is growing at a rate of 15% on year to year basis. The global events in the western world have given impetus to further growing to the Pharma Industry in India, both on the domestic front and export front. In the next 5 years, the Global Pharma giants will look more and more towards India for their requirements of API and its advanced intermediates.

**B). OPPORRTUNITIES FOR THE COMPANY.**

EOL is posed to take the opportunity being thrown open by the global situation in the Pharma industry. EOL is entrenched in its product mix of proton pump inhibitors.

EOL is confident of launching 2 more PPI like sitagliptine, pregabalin and other intermediates in this financial year.

**THREATS:**

Threats to EOL's progress are mainly, on the issue of safety and pollution treatment. Management is intensifying its efforts to improve the safety aspects both in terms of Man Power and Machines by investing further on training of the people and installing automation wherever possible.

In terms of environmental protection EOL proposes to plant atleast 2000 plants in this financial year to improve the green belt. EOL enhanced the capital investment to the extent of Rs.1.5 crores during the year 2010 – 11 on pollution abatement equipment in order to meet "zero discharge" commitment given to APPCB.

**TECHNOLOGICAL ABSORPTION:**

EOL has developed the technology for Pantoprazole and Eesomeprazole in the financial year 2008-2009. The Man Power is adequately trained on a constant and continuous basis to absorb the technology and to adopt newer method of solvent recovery recycling to solvents and their further reuse. Two additional products Sitagliptine, Pregabalin are in the offing.

The main focus in this financial year would be on training the Man Power at all levels.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****C) OUTLOOK FOR FINANCIAL YEAR 2011.12**

Your company has been making constant steady, but satisfactory progress in terms of turnover, margins & addition of new products.

In this Financial Year 2011-2012, the Management is confident of achieving a turnover of about Rs.80 to 90 crores with higher margins. The capital expenditure is envisaged to the extent of Rs. 2 to 3 crores in terms of expanding the volume of existing products and adding newer products to augment the bottom line. In this regard the company has approached the Kotak Mahindra Bank Ltd for term loan of Rs.3.crores for which the Kotak Bank has sanctioned Rs.3 crores out of which Rs.1.5 crores was already dispersed and the rest will be released and utilized during 2<sup>nd</sup> and 3<sup>rd</sup> quarters of FY 2011-2012. The capital expenditure would involve solvent recovery system, expanding the volume of Omeprazole production to 20 MT per month and also expanding the capacity of Pantoprazole. The management also proposes to augment the utilities and services as well as further capital investment on effluent treatment, if needed.

In nutshell the management is confident of showing a minimum growth of 35 -40% year to year basis from the FY 2011.2012.

**D) INTERNAL CONTROLS & SYSTEMS:**

The internal control systems of the Company are implemented with a view to achieve good ethical culture in the organization. The internal control systems of the Company would ensure. that vulnerability, if any, will be meted out with appropriate corrective actions to achieve the Company's objectives.

**E) HUMAN RESOURCE DEVELOPMENT AND INDUSTRY RELATIONS:**

Intelligence, self confidence, presence, the ability to communicate and having a vision are important. Highly intelligent person need not necessarily be having the knack of making good business judgments. Know how is what separates leaders who perform, who deliver results from those who don't. Know how improves with appetite to learn. The managers have to contend with changing scenario but the pace and abruptness of change has to be dealt with. The changes detected earlier give more time to generate and test hypotheses, mobilize resources and reposition the business to achieve the money making targets. One must have the contingent plans to deal with unforeseen circumstances.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The important things envisaged by our board are:

- Removing the road blocks to growth.
- Improving judgment for better revenue growth.
- Tapping intellectual horse power.
- Securing commitment for execution.
- Pooling observations.
- Adjusting attitudes.
- Providing prompt feed back and coaching.
- Anticipate and resolve conflicts.
- Solving incompatibility, not incompetence.
- Right people in right place at the right time.
- Dealing mismatches in a constructive way.
- Detecting patterns.
- Managing social system.
- Setting priorities.
- Dealing with external parties.
- Transparency.

The company understands the significance of the above for the growth and is committed to improve the Human Resource Team, which is already in a good shape. We aspire and strive harder for better shape.



**ANNEXURE TO DIRECTORS REPORT**

**FORM-A**

Particulars	Current Year 2010-11	Previous Year 2009-10
<b>A. Power and Consumption</b>		
1 Electricity	4,021,917	3,647,933
a) Purchased		
Units KW/H		
Total Amount	14,735,692	12,601,065
Rate/Units	3.66	3.45
b) Own Generation		
i) Through Diesel Generator		
Units KW/H	173712	263366
Diesel Consumed (Litrs)	58091	106273
Total Amount	2,269,034	4000916
Unit per lit.of diesel oil	2.99	2.48
Cost/Units	13.06	15.19
ii) Through Steam turbine/generator	Nil	Nil
2 Coal C Grade		
Quantity (in tonnes)	4,340	3,927
Total Cost	16,219,430	11,514,262
Average Rate	3,737	2,932
3 Furnace Oil	Nil	Nil
4 Other/Internal Generation	Nil	Nil
B. Consumption per unit of production	Nil	Nil
Standards (if any)		
<b>PRODUCT (WITH DETAILS) UNITS</b>	<b>Current Year</b>	<b>Previous Year</b>
Ciprofloxacin (kgs)	Nil	Nil
Enrofloxacin	Nil	Nil
Omeprazole (incl.petals)	1004288	894351
Chloro Compound		
Benzimidazole		
Electricity (units)	4.00	4.08
Furnace Oil	Nil	Nil
Coal (specify quantity) C grade (mts)	4,340	3,927
Consumption per unit of production	14.64	12.87



**ANNEXURE TO DIRECTORS REPORT****FORM - B****FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGICAL  
ABSORPTION ADAPTION AND INNOVATION****A. Research and Development (R&D)****1. Specify areas in which R&D**

Carried out by the Company

- a. Reduction in quantity of effluents.
- b. Treatment and disposal of effluents.
- c. Process improvement and adoption to suit export market requirements.

**2. Benefits derived as a result of to acceptable levels.**

- a. Water content in liquid effluent has come down the above R & D

**3. Expenditure on R&D**

(a) Capital

Rs. - NIL -

(b) Recurring

Rs. - NIL -

(c) Total

Rs. - NIL -

(d) Total R&amp;D expenditure as a percentage of total turnover.

Rs. - NIL -

**B Efforts in brief, made towards Technology absorption, adoption and innovation.**

- a. Technology for manufacture of existing products fully localised

- b. Innovation as on going process continues

**1. Benefits derived as result of the above efforts., e.g., production Improvement, cost reduction**

- a. Developed technology for manufacture of new products.

Product development, import Substitution, etc.

- b. Products are ready to start production on commercial scale.

**2. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.**

- Not Applicable -

(a) Technology imported

(b) Year of Import

(c) Has technology been fully absorbed?

(d) If not fully absorbed, areas where this has not taken place reasons therefore and future plans of action



**AUDITOR'S REPORT**

To  
The Members  
M/s. EVEREST ORGANICS LIMITED  
Aroor Village, Sadasivpet Mandal,  
Medak District,  
Andhra Pradesh – 502 291.

From  
P.S.N. RAVI SHANKER & ASSOCIATES  
Chartered Accountants  
Flat No. 205, B-Block , Kushal Towers  
Khairatabad,  
HYDERABAD – 500 004.

We have audited the attached Balance Sheet of M/s. Everest Organics Limited as at 31<sup>st</sup> 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- I. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section(4A) of section 227 of the Companies Act, 1956, we have enclosed in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the said order.
- II. Further to our statement referred to in paragraph I above, we report that:
  - a) We have obtained all the information and explanations, which to the best our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, the company as referred by law has kept proper books of accounts so far as it appears from our examination of those books.
  - c) The Balance Sheet, Profit and Loss Account and the Cash Flow dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.



**AUDITOR'S REPORT**

- e) On the basis of written representations received from the directors, as on 31.03.2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
- (f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by 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 the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2011
- ii) In the case of the Profit & Loss Account, of the profit of the company for the year ended on that date; and
- iii) In the case of the Cash flow statement, of the cash flows of the company for the year ended as on that date.

For P.S.N. RAVI SHANKER & ASSOCIATES  
Chartered Accountants

Place : Hyderabad  
Date : 31.05.2011

Sd/-  
P. RAVI SHANKER  
Partner



**AUDITOR'S REPORT**

STATEMENT REFERRED TO IN THE AUDIT REPORT

1. a) The records maintained by the company show broad particulars including quantitative details and situation in respect of the assets and the fixed assets register is to be updated.

According to the information and explanations furnished to us, the fixed assets of the company have been broadly verified during the year by the management and we are informed that no material discrepancies between the book records and the inventory have been noticed, which may be documented.

- b) There was no disposal of a substantial part of fixed assets.
2. a) As explained to us, Physical verification of inventories has been conducted by the management during the year in respect of majority of the high value items at reasonable intervals.
- b) The procedures of physical verification of inventory followed by the Management appear to be generally reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The company is maintaining proper records of inventory and we are informed that there were no material discrepancies noticed on physical verification and the discrepancies noticed on such verification have been properly dealt with.
3. a) During the year the company has taken unsecured loans from 3 parties at Rs.149.60 lakhs (Previous year Rs.59.24 Lakhs from 6 parties) covered in the register maintained under Sec.301 of the Companies Act, 1956. The total outstandings in these accounts at the end of the year stood at Rs.141.68 lakhs (Previous year end 144.73 lakhs). The Company has not granted any loans secured or unsecured or provided any guarantees to parties coming under the provision of Sec.301 of the Companies Act, 1956.
- b) The unsecured loans taken are interest free and other terms and conditions of unsecured loans taken by the company are, prima facie, do not appear to be prejudicial to the interest of the company.
- c) As per information and explanations furnished to us, no specific repayment program has been fixed for the unsecured loans.



**AUDITOR'S REPORT**

4. In our opinion and according to the information and explanations given to us, the internal control procedures existing in the company with regard to purchase of Inventory and Fixed Assets and for the sale of goods, prima facie, appear to be commensurate with the size of the company and the nature of its business.
5. As per the information and explanations given to us, during the year, there are no such contracts or arrangements that are required to be entered in to the register in pursuance of section 301 of the Act.
6. As per the information and explanations furnished to us, the Company has not accepted any deposits from the Public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sec.58A and Sec.58AA of the Companies Act, 1956 and Rules framed there under apply. However, the Company has taken/ accepted the unsecured loans (outstanding at 31.03.2011 to the tune of Rs.401.96 lakhs and outstanding as on 31.03.2010 at Rs.395.20 lakhs) and share application money (pending allotment outstanding on 31.03.2011 and on 31.03.2010 at Rs.388.81 lakhs) from various parties stated to be coming under the category of promoters, their friends, relatives, employees and sister concerns and it has been explained to us that unsecured loans/ share application money have been brought into the company to meet the financial obligations of the company to the Financial Institutions/Banks.
7. The Company does not have formal internal audit system from the external agency. As per the information and explanations furnished to us by the management the existing internal control procedures covers some of the internal audit aspects.
8. In our opinion and as per the information and explanations given to us, the stock records maintained by the company broadly meet the specifications given by the Central Government U/s.209(1)(d) of the Companies Act, 1956. However, the contents of these accounts and records have not been examined by us in detail.
9.
  - a) The undisputed dues including Provident fund, Employees State Insurance, Income-Tax, Sales-Tax, Excise-Duty, Ceases and other statutory dues have been deposited by the company during the year with the appropriate authorities with delays. Provident Fund dues to the tune of Rs. NIL, FBT to the tune of Rs.8.55 Lakhs, Income-Tax to the tune of Rs.22.57 lacs, Tax Deducted at Source to the tune of Rs.6.77 lacs were outstanding as at 31st March, 2011 for a period of more than 6 months from the date they became payable.
  - b) We are informed that there are no dues in respect of Sales tax/Customs tax/Excise duty/Cess which have not been deposited on accounts of any disputes.



**AUDITOR'S REPORT**

10. The accumulated losses of the company as on 31.03.2011 amounts to about Rs.777.58 lacs (previous year Rs.875.01 lakhs). The accumulated losses at the end of the financial year are not less than fifty percent of its net worth. During the year 2010-11 and the immediately preceding financial year the company has not incurred cash losses.
11. During the year the company, prima facie, appears to have not defaulted in repayment of dues to the Financial Institutions/Banks.
12. As per the information and explanations furnished to us, during the year the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. As per the information and explanations furnished to us, the company has not dealt with or traded in shares, securities, debentures or other investments.
14. As per the information and explanations furnished to us, the company has not given any guarantee for loans taken by others from Bank or Financial Institutions.
15. The terms loans were applied for the purpose for which the loans were obtained. However, during the year, the company has not availed any new term loans.
16. The examination of the Financial Statements, prima facie, indicates that some of the short term funds raised by the company appear to have been used for long term purposes.
17. As per the information and explanations furnished to us, during the year the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
18. The company has not raised any funds in the form of debentures.
19. The company has not raised any funds during the year in the form of public issue.
20. According to the information and explanations furnished to us, during the year, there was no fraud on or by the company that has been noticed or reported by the management.



**AUDITOR'S REPORT**

21. The company is governed by the Companies Act, 1956 and no other special statute is applicable to the company.
22. The other particulars of this order are not applicable to the company.

For P.S.N.RAVI SHANKER & ASSOCIATES  
Chartered Accountants

Sd/-  
(P. RAVI SHANKER)  
Partner

Place : Hyderabad

Date : 31.05.2011

**BALANCE SHEET AS AT 31.03.11**

(Amount in Rupees)

	Particulars	SCH No.	As At 31.03.11		As At 31.03.10	
	<b><u>SOURCES OF FUNDS</u></b>					
I	<b><u>Shareholders Funds</u></b>					
	a) Share Capital	A	-	92,730,000	-	92,730,000
	b) Share Application Money			38,881,000		38,881,000
II	<b><u>Loan Funds</u></b>					
	a) Secured Loans	B		142,955,609		70,020,586
	b) Unsecured Loans	C		40,195,903		39,519,848
	<b>Total:</b>			<b>314,762,512</b>		<b>241,151,434</b>
	<b><u>APPLICATION OF FUNDS</u></b>					
III	Fixed Assets - Net Block	D		178,237,474		141,933,993
IV	Investments	E		845,408		845,408
V	Current Assets, Loans & Advances	F	228,836,295		206,863,668	
	Less: Current Liabilities & Provisions	G	170,915,039		195,992,762	
	Net Current Assets			57,921,256		10,870,906
VI	<b><u>Miscellaneous Expenditure</u></b> (to that extent not written off or adjusted)					
	Profit & Loss Account - Debit Balance			77,758,374		87,501,128
	<b>Total:</b>			<b>314,762,512</b>		<b>241,151,434</b>

As per our report even date  
for P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

for and on behalf of the Board  
EVEREST ORGANICS LIMITED

Sd/-  
P.RAVI SHANKER  
Partner

Sd/-  
Dr.S.K.SRIHARI RAJU  
Managing Director

Place: Hyderabad  
Date: 31-05-2011

Sd/-  
S.K.HARI KRISHNA  
Executive Director





**PROFIT & LOSS ACCOUNT AS ON 31.03.11**

Amount in Rupees)

Particulars	SCH No.	As on		for the year	
		31.03.11		31.03.10	
<b>INCOME</b>					
Domestic Sales		450,646,661		378,357,554	
Export Sales		118,125,589		44,802,510	
		568,772,250		423,160,064	
Less: Taxes & Duties		45,344,647		30,905,981	
Net Turnover			523,427,603		392,254,083
Conversion Income			13,891,775		14,581,703
Other Income	O		1,232,403		5,981,286
Increase/(Decrease) in Stocks	H		10,108,950		11,494,245
<b>Total Income</b>			<b>548,660,731</b>		<b>424,311,316</b>
<b>EXPENDITURE</b>					
Raw Material Consumed	I		381,214,069		295,518,499
Manufacturing Expenses	J		70,576,875		51,833,975
Salaries, Wages & Other Benefits	K		27,087,897		21,651,422
Administrative Expenses	L		7,993,872		5,941,462
Selling & Distribution Expenses	M		14,768,419		7,164,329
Interest & Financial Expenses	N		15,714,649		13,645,935
Directors Remuneration			1,500,000		1,275,000
Depreciation	D		15,157,051		13,720,533
<b>Total Expenditure</b>			<b>534,012,833</b>		<b>410,751,155</b>
Profit for the year			14,647,899		13,560,161
Less: Provision for MAT			3,200,000		2,000,000
Profit after Tax			11,447,899		11,560,161
<u>Prior Period Adjustments</u>					
Short Provision for Taxation		509,587			
Others		1,195,558	1,705,145	-	
			9,742,754		11,560,161
Add/(Less): Debit balance in Profit & Loss A/c.brought forward			(87,501,128)		(99,061,289)
Total amount of Loss transferred to Balance Sheet			(77,758,374)		(87,501,128)
Basic		1.05		1.25	
Diluted		1.05		1.25	

As per our report even date  
for P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

for and on behalf of the Board  
EVEREST ORGANICS LIMITED

Sd/-  
P.RAVI SHANKER  
Partner

Sd/-  
Dr.S.K.SRIHARI RAJU  
Managing Director

Place: Hyderabad  
Date: 31-05-2011

Sd/-  
S.K.HARI KRISHNA  
Executive Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

(Amount in Rupees)

Particulars	As At 31.03.11		As At 31.03.10	
<b><u>SCHEDULE - A</u></b>				
<b><u>SHARE CAPITAL</u></b>				
<b><u>I. AUTHORISED SHARE CAPITAL</u></b>				
1,00,00,000 Equity Shares of Rs.10/- each		100,000,000		100,000,000
<b><u>II. ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL</u></b>				
92,73,000 Equity Shares of Rs.10/- each fully paid up		92,730,000		92,730,000
<b>Total :</b>		<b>92,730,000</b>		<b>92,730,000</b>
<b><u>SCHEDULE - B</u></b>				
<b><u>SECURED LOANS</u></b>				
Term Loan from Kotak Mahindra Bank Ltd - I		-		18,009,387
Term Loan from Kotak Mahindra Bank Ltd - II		7,048,080		13,836,057
Term Loan from Kotak Mahindra Bank Ltd - III		22,025,791		-
Overdraft from Kotak Mahindra Bank Ltd		50,670,984		7,710,055
Sales Tax Deferment Liability Amount		28,561,912		30,265,471
Bills Discounted		34,648,842		199,616
<b>Total:</b>		<b>142,955,609</b>		<b>70,020,586</b>
<b><u>SCHEDULE - C</u></b>				
<b><u>UNSECURED LOANS</u></b>				
(from the promoters and associates brought under obligation to the Financial Institutions/Banks/ARCIL)		40,195,903		39,519,848
<b>Total:</b>		<b>40,195,903</b>		<b>39,519,848</b>

As per our report even date  
for P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

for and on behalf of the Board  
EVEREST ORGANICS LIMITED

Sd/-  
P.RAVI SHANKER  
Partner

Sd/-  
Dr.S.K.SRIHARI RAJU  
Managing Director

Place: Hyderabad  
Date: 31-05-2011

Sd/-  
S.K.HARI KRISHNA  
Executive Director

**SCHEDULE - D  
FIXED ASSETS**

(Amount in Rupees)

Sl. No.	Particulars	Gross Block				Depreciation				Net Block	
		As At 01.04.10	Additions During the year	Deletions during the year	As At 31.03.11	As At 01.04.10	for the year	Deletions during the year	As At 31.03.11	As At 31.03.11	As At 31.03.10
1	Land & Site Development	5,359,816	-	-	5,359,816	-	-	-	-	5,359,816	5,359,816
2	Buildings	27,883,709	-	-	27,883,709	12,883,058	931,316	-	13,814,374	14,069,335	15,000,651
3	Plant & Machinery & Utilities	240,262,659	54,157,971	-	294,420,630	133,524,612	13,684,075	-	147,208,687	147,211,943	106,738,047
4	Office Equipment	1,439,005	9,663	-	1,448,668	1,385,393	5,635	-	1,391,028	57,640	53,612
5	Computers	3,363,638	276,352	-	3,639,990	2,977,762	96,260	-	3,074,022	565,968	385,876
6	Furniture & Fittings	1,070,316	206,465	-	1,276,781	748,582	78,290	-	826,872	449,909	321,734
7	Vehicles	3,755,008	50,003	-	3,805,011	1,877,707	361,476	-	2,239,183	1,565,828	1,877,301
	<b>Total (A)</b>	<b>283,134,151</b>	<b>54,700,454</b>	<b>-</b>	<b>337,834,605</b>	<b>153,397,113</b>	<b>15,157,051</b>	<b>-</b>	<b>168,554,165</b>	<b>169,280,439</b>	<b>129,737,037</b>
1	<u>Capital Works-in-Progress</u>										
	Buildings										
	Plant & Machinery	12,196,956	50,918,050	54,157,971	8,957,035	-	-	-	-	8,957,035	12,196,956
	<b>Total Capital WIP (B)</b>	<b>12,196,956</b>	<b>50,918,050</b>	<b>54,157,971</b>	<b>8,957,035</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,957,035</b>	<b>12,196,956</b>
	<b>Grand Total (A+B)</b>	<b>295,331,107</b>	<b>105,618,504</b>	<b>54,157,971</b>	<b>346,791,640</b>	<b>153,397,113</b>	<b>15,157,051</b>	<b>-</b>	<b>168,554,165</b>	<b>178,237,474</b>	<b>141,933,993</b>

As per our report even date  
for P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

P.RAVISHANKER  
Partner

Place: Hyderabad  
Date: 31-05-2011

for and on behalf of the Board  
EVEREST ORGANICS LIMITED

Dr.S.K.SRIHARI RAJU  
Managing Director

S.K.HARI KRISHNA  
Executive Director

SCHEDULES FORMING PART OF THE BALANCE SHEET



EVEREST ORGANICS LIMITED



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

(Amount in Rupees)

Particulars	As At 31.03.11		As At 31.03.10	
<b>SCHEDULE - E</b>				
<b>INVESTMENTS</b>				
Equity Shares in PETL		815,408		815,408
Equity Shares in SBT		30,000		30,000
<b>Total:</b>		<b>845,408</b>		<b>845,408</b>
<b>SCHEDULE - F</b>				
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
<b>A. CURRENT ASSETS</b>				
1. Inventories (As valued and certified by the Management)				
a. Finished Goods (at cost or Market price whichever is lower)	17,256,196		15,038,070	
b. Work-in-Process (at cost of Raw Materials & Proportionate Overheads)	15,096,713		7,205,889	
c. Raw Materials (at cost or market value whichever is lower)				
i) at factory	29,020,344		25,177,574	
ii) with job workers	5,281,181		328,778	
d. Stores and Spares	2,142,050		2,446,140	
e. Packing Material	272,414		67,662	
f. Coal Stock	8,724,701		4,133,130	
	77,793,599		54,397,243	
2. Sundry Debtors (Unsecured, Considered Good)				
i) above 6 months	7,259,199		3,637,604	
ii) below 6 months	106,821,695	114,080,893	116,524,926	120,162,530
3. Cash on Hand		9,846		24,327
4. Balance with Schedule Banks				
in Current Accounts		234,059		2,611,454
in Deposit Accounts	15,559,736		10,000,000	
5. Tax Deducted at Source	726,675		806,026	
<b>Total: A</b>		<b>208,404,809</b>	<b>188,001,580</b>	
<b>B. LOANS &amp; ADVANCES</b>				
1. Advances Recoverable in cash or kind for the value to be recovered	7,547,802		7,487,231	
Insurance		95,894		2. Prepaid
3. Deposits with various Departments		3,584,191		112,926
4. Cenvat Credit		2,536,374		3,897,766
5. VAT Receivable		1,409,109		627,478
6. Export Incentives Receivable		2,492,858		-
7. Other Receivables		2,765,258		2,680,390
<b>Total: B</b>		<b>20,431,486</b>		<b>18,862,088</b>
<b>Total: (A) + (B)</b>		<b>228,836,295</b>		<b>206,863,668</b>

As per our report even date  
for P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

for and on behalf of the Board  
EVEREST ORGANICS LIMITED

Sd/-  
P.RAVI SHANKER  
Partner

Sd/-  
Dr.S.K.SRIHARI RAJU  
Managing Director

Place: Hyderabad  
Date: 31-05-2011

Sd/-  
S.K.HARI KRISHNA  
Executive Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

(Amount in Rupees)

Particulars	As At 31.03.11	As At 31.03.10
<b>SCHEDULE - G</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. Current Liabilities</b>		
1. Creditors for Raw Materials	127,308,985	148,612,293
2. Creditors for Expenses	7,056,779	6,266,636
3. Creditors for Capital Goods	294,974	1,660,444
4. Other Creditors	25,300,004	26,141,852
5. Statutory Dues	3,630,212	7,743,664
<b>Total: A</b>	<b>163,590,954</b>	<b>190,424,889</b>
<b>B. Provisions</b>		
1. Provision for Income Tax - MAT	4,800,000	3,600,000
2. Provision for FBT for earlier years	855,000	855,000
3. Provision for Gratuity	1,669,085	1,112,873
<b>Total: B</b>	<b>7,324,085</b>	<b>5,567,873</b>
<b>Total: A + B</b>	<b>170,915,039</b>	<b>195,992,762</b>
<b>SCHEDULE - H</b>		
<b>INCREASE/(DECREASE) IN STOCKS</b>		
<u>Closing Stocks</u>		
Work-in-Process	15,096,713	7,205,889
Finished Goods	17,256,196	15,038,070
	<b>32,352,909</b>	<b>22,243,959</b>
<u>Opening Stocks</u>		
Work-in-Process	7,205,889	7,038,614
Finished Goods	15,038,070	3,711,100
	<b>22,243,959</b>	<b>10,749,714</b>
<b>Total</b>	<b>10,108,950</b>	<b>11,494,245</b>
<b>SCHEDULE - I</b>		
<b>RAW MATERIAL CONSUMED</b>		
Opening Stocks at Factory	25,177,574	14,627,286
Opening Stocks with Job Workers	328,778	612,914
Purchase of Raw Materials	390,009,242	305,784,651
<b>Total : A</b>	<b>415,515,594</b>	<b>321,024,851</b>
Less:		
Closing Stocks at Factory	29,020,344	25,177,574
Closing Stocks with Job Works	5,281,181	328,778
<b>Total : B</b>	<b>34,301,525</b>	<b>25,506,352</b>
<b>Raw Material Consumed - Total : A + B</b>	<b>381,214,069</b>	<b>295,518,499</b>
<b>SCHEDULE - J</b>		
<b>MANUFACTURING EXPENSES</b>		
1. Material Conversion Charges	4,356,986	1,980,230
2. Power & Fuel	39,027,648	27,854,347
3. Stores Consumables	1,230,268	199,806
4. R & D Expenses	1,572,478	951,678
5. Effluent Charges	4,213,298	3,306,326
6. Plant Repairs & Maintenance Charges	11,042,823	9,634,560
7. Production Contract Charges	9,133,375	7,907,028
<b>Total :</b>	<b>70,576,875</b>	<b>51,833,975</b>

As per our report even date  
for P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

for and on behalf of the Board  
EVEREST ORGANICS LIMITED

Sd/-  
P.RAVI SHANKER  
Partner  
Place: Hyderabad  
Date: 31-05-2011

Sd/-  
Dr.S.K.SRIHARI RAJU  
Managing Director  
Sd/-  
S.K.HARI KRISHNA  
Executive Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

(Amount in Rupees)

Particulars	As At	
	31.03.11	31.03.10
<b>SCHEDULE - K</b>		
<b>SALARIES, WAGES &amp; BENEFITS TO STAFF</b>		
Salaries	18,376,355	14,896,775
Wages	886,735	745,596
Statutory and other benefits	7,268,595	5,697,320
Provision for Gratuity	556,212	311,731
<b>Total:</b>	<b>27,087,897</b>	<b>21,651,422</b>
<b>SCHEDULE - L</b>		
<b>ADMINISTRATIVE EXPENSES</b>		
Travelling & Conveyance	846,612	1,015,067
Postage & Telephone Charges	648,137	495,025
Rent, Rates & Taxes	934,934	639,836
<b>Audit Fee:</b>		
a) Statutory Audit Fee	150,000	80,000
b) Tax Audit Fee	-	30,000
c) Others	50,000	30,000
Insurance	1,137,517	968,351
Consultancy Charges	1,137,790	202,675
Other Administrative Expenses	3,088,883	2,480,508
<b>Total:</b>	<b>7,993,872</b>	<b>5,941,462</b>
<b>SCHEDULE - M</b>		
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Postage & Telegrams	103,896	26,833
Business Promotion	2,463,115	1,519,788
Travelling & Conveyance	2,896,162	1,414,784
Commissions	1,822,750	472,936
Freight - Outward	4,002,652	1,613,078
Packing Material	3,377,970	1,974,104
DEPB Fee & ECGC Premium	-	7,600
Analytical Charges	101,874	135,206
<b>Total:</b>	<b>14,768,419</b>	<b>7,164,329</b>
<b>SCHEDULE - N</b>		
<b>INTEREST &amp; FINANCIAL CHARGES</b>		
Interest	9,467,121	11,502,961
Bills Discounting Charges	1,806,151	591,519
Other Finance Charges	4,441,377	1,551,455
<b>Total:</b>	<b>15,714,649</b>	<b>13,645,935</b>
<b>SCHEDULE - O</b>		
<b>OTHER INCOME</b>		
Exchange Variance	-	429,818
Interest on Fixed Deposits & Others	1,232,403	2,871,077
Exports Incentive Received	-	2,680,390
<b>Total:</b>	<b>1,232,403</b>	<b>5,981,286</b>

As per our report even date  
for P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

for and on behalf of the Board  
EVEREST ORGANICS LIMITED

Sd/-  
P.RAVI SHANKER  
Partner  
Place: Hyderabad  
Date: 31-05-2011

Sd/-  
Dr.S.K.SRIHARI RAJU  
Managing Director  
Sd/-  
S.K.HARI KRISHNA  
Executive Director

**NOTES FORMING PART OF THE ACCOUNTS****SCHEDULE - P****1. ACCOUNTING POLICIES**a) Accounting Assumptions

These Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the company and the accounting standards prescribed by the Institute of Chartered Accountants of India with revenues recognized and expenses accounted for on their accrual including provisions/adjustments for committed obligation and amount determined as payable or receivable during the year.

b) Fixed Assets

Fixed Assets are stated at historical cost of acquisition net of CENVAT, net of APVAT, which is inclusive of freight, installation charges, duties and incidental expenses and the proportionate expenditure and interest incurred during the installation period capitalized.

c) Depreciation

Depreciation on fixed assets is provided on the basis of straight line method at the rates provided for in the Schedule - XIV of the Companies Act, 1956 for the actual period of the usage of the assets, with Plant & Machinery being treated as continuous processing machinery.

d) Inventories

Raw materials are valued at the lower of the cost or market value. Work-in-process is valued at cost of raw materials and proportionate overheads. Finished goods are valued at lower of the cost or market value/net realizable value. Cost includes all charges incurred in relation to the goods.

e) Research & Development Expenditure

It is the policy of the company to transfer the Research & Development Expenditure on capital items to assets and depreciation is charged thereon accordingly at the applicable rates and Revenue expenditure on Research and development is charged off to Profit & Loss in the year in which it is incurred. During the year the Company has not incurred expenditure of capital nature on R&D.

**NOTES FORMING PART OF THE ACCOUNTS**f) Employee Benefits :

Contributions to defined contribution retirement benefit schemes are generally recognized as an expense when employees have rendered services entitling them to contributions. Accordingly company provided for payment of Gratuity. However, the company has not provided for leave encashment. The company has not made any contribution to these employee benefits.

g) Impairment of Assets

The Company assesses, from time to time, as to whether there is any indication that an asset is impaired. However the management states that there has been no impairment loss during the year.

## 2. a) Foreign exchange Expenditure (Rs. In Lacs)

	2010-2011	2009-2010
i) Payments to Raw Material Creditors	460.04	88.93
ii) Traveling Expenses	15.94	2.28
b) Foreign Exchange received on Exports	1024.92	409.00

3. In view of the substantial carried forward losses and unabsorbed depreciation no deferred tax asset liability has been recognized as provided in the Accounting Standard on Taxes on Income, on a conservative principal.

4. The Secured Loans from Kotak Mahindra Bank (Schedule C) are secured by the first charge by way of equitable mortgage by deposit of Titles Deeds of the Company's immovable properties situated at Aroor Village, Sadasivpet Mandal, Medak District, both present and future and Hypothecation/pledge of Company's movable properties both present and future and the working capital limits are secured by the hypothecation of stocks, receivables and other current assets, besides charge on the fixed assets and also by the personal guarantees of promoter directors.

5. The total CENVAT available on Raw Materials amounting to Rs.434.25 Lacs (previous year Rs.281.64 lacs) has been adjusted in the cost of raw materials and the unavailed CENVAT credit amounting Rs.25.36 lacs (previous year Rs.6.27 lacs) has been shown in the "Current Assets" in the Balance Sheet.



**NOTES FORMING PART OF THE ACCOUNTS****6. Investment**

Investment of Rs.8.45 lacs represents fully paid Equity Shares of M/s.Pattancheru Envirotech Limited made as contribution for utilizing their services of common Effluent Treatment Plant set up by the M/s.Pattancheru Envirotech Ltd. to the tune of Rs.8.15 lacs and shares in the State Bank of Travancore amounting to Rs.0.30 lacs and the same are valued at cost.

**7. Particulars of Managerial Remuneration (Salary, Allowances, etc.):**

Particulars	2010-11	2009-10
Managing Director & Other Directors	15.00	12.75

**8. Details of production, Turnover (As certified by the management)****a) Annual Capacities: (as Certified by the management)**

Year	2010-11			2009-10		
	Installed Capacity TPA	Operating Capacity TPA	% of Capacity Achieved	Installed Capacity TPA	Operating Capacity TPA	% of Capacity Achieved
Ciprofloxacin	150	-	-	150	84.45	56.30
Enrofloxacin						
Omeprazole						
Op.Sulphide	110	103.72	94.29	110	102.68	93.35
Op.Magnesium						
Benzimidazole	120	90.33	75.27	120	86.69	72.24
Esomeprazole	25	17.39	69.54	25	9.26	37.08
Pantaprazole	25	15.46	61.84	25	7.91	31.64

**NOTES FORMING PART OF THE ACCOUNTS**

## b) Details of Production, Turnover (As certified by the management)

Description Product	Production (Qty./Kgs.)		Sales (Qty./Kgs.)		Sale Value (Rs.in Lacs)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Omeprazole Powder	103,347	99785	98,440	68606	1712.42	1330.61
Benzimidazole	90,329	97563	61,792	55848	405.97	237.77
Chloro Compound	108,800	105542	42,619	23840	646.16	420.02
Op.Sulphide	114,788	118729	2,200	1132	34.20	19.50
Op.Magnesium	2,066	2609	2,388	2504	47.16	50.28
Omeprazole Pellets	-	14798	1,465	14837	4.66	50.73
Omeprazole Sodium	813	1637	711	1146	25.49	37.24
Esomeprazole Magnesium	17,385	9269	17,336	8940	738.64	369.95
Pantaprazole	15,460	7910	15,828	7978	637.99	350.99
Ammonium Sulphate	429,100	251455	429,100	251455	43.99	28.66
Tetralone	122,200	98,438	133,900	88,750	810.63	580.35
Q-Acid	8,759	85,379	14,800	79,750	105.03	537.27
Others	250	1,238	8,546	10,743	21.93	24.37
<b>Total:</b>					<b>5234.27</b>	<b>3922.54</b>

**NOTES FORMING PART OF THE ACCOUNTS**

## c) Details of Major Raw-material consumed (As certified by the management)

Description	2010-11		2009-10	
	(Qty/Kgs)	Value (Rs.lacs)	(Qty/Kgs)	Value (Rs.lacs)
3, 5 Lutidine	128,840	343.01	90,350	261.59
MDC	445,474	252.19	400,685	104.18
Acetone	206,955	124.90	224,144	128.19
Acetic Acid	219,635	68.47	214,919	82.68
Toluene	118,210	67.29	195,445	97.13
Para Ansidine	103,000	130.32	94,024	104.22
Methanol	356,159	66.98	354,463	79.12
DMS	124,724	28.94	156,688	44.03
APS	185,180	117.63	169,962	122.63
Acetophenone	-	-	73,450	287.99
Others		2612.41		1643.42
<b>Total :</b>		<b>3812.14</b>		<b>2955.18</b>

## d. Value of Imported and indigenous Raw material consumed (As certified by the Management)

Item	2010-11		2009-10	
	Percentage	Value	Percentage	Value
Imported	12.07	460.05	2.93	86.44
Indigenous	87.93	3352.09	97.07	2868.74
<b>Total</b>	<b>100.00</b>	<b>3812.14</b>	<b>100.00</b>	<b>2955.18</b>



**NOTES FORMING PART OF THE ACCOUNTS**

10. Contingent Liabilities not provided for – Letters of Credit established by the Kotak Mahindra Bank on behalf of the Company Rs.432.42 Lakhs.
11. Amount due to small scale industrial undertaking during the year ended 31.03.2011 could not be identified as specific information regarding SSI status is not forthcoming from parties.
12. The company deals in Bulk Drugs, APIs, and thus is treated as dealing in only one segment and hence the information pertaining to the Segmental Reporting is not applicable to the Company.
13. Paise have been rounded off to the nearest rupee.
14. Figures have been re-grouped/re-arranged wherever necessary.
15. The balances outstanding on account of sundry debtors/sundry creditors/advances are subject to confirmation from the respective parties.

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As per our report even date  
For P.S.N.RAVI SHANKAR & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of  
EVEREST ORGANICS LIMITED

Sd/-  
(P. RAVI SHANKER)  
Partner

Sd/-  
(DR.S.K.SRIHARI RAJU)  
Managing Director

Sd/-  
(S.K.HARI KRISHNA)  
Executive Director

Place: HYDERABAD  
Date : 31.05.2011

**CASH FLOW STATEMENT AS ON 31.03.11**

(Rs.in Lakhs)

Particulars	Current Year 2010-11	Previous Year 2009-10
<b>Cash Flow from Operating Activities</b>		
Profit/(Loss) as per the Profit & Loss A/c.	146.48	135.60
Adjustment for Depreciation	151.57	137.21
Investment Subsidy from Govt.of Andhra Pradesh	-	(10.00)
Provision for Gratuity	5.56	3.12
Interest and Financial Charges paid	157.15	136.46
Taxes paid - Minimum Alternative Tax	(25.10)	0.00
Interest earned	(11.04)	(11.62)
<b>Operating Profit/(Loss) before working capital charges</b>	<b>424.62</b>	<b>390.77</b>
Adjustment for :		
(Increase)/Decrease in Sundry Debtors	60.82	(502.36)
(Increase)/Decrease in Inventories	(233.96)	(242.62)
Increase/(Decrease) in Current Liabilities	(268.34)	974.63
(Increase)/Decrease in Loans & Advances & Other Current Assets	(14.90)	(116.36)
<b>Cash Generated from Operations</b>	<b>(31.77)</b>	<b>504.06</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets including Capital Works in Progress	(514.61)	(257.88)
Interest earned	11.04	11.62
<b>Cash used in Investing Activities</b>	<b>(503.56)</b>	<b>(246.26)</b>
<b>Cash Flow from Financing Activities</b>		
Increase/(Decrease) Loans from Banks/Financial Institutions	746.39	(195.43)
Increase/(Decrease) in other Secured Loans	(17.04)	9.15
Prior Period Adjustments	(11.96)	0.00
Increase/(Decrease) Unsecured Loans	6.76	81.21
Interest and Financial Charges paid	(157.15)	(136.46)
	<b>567.01</b>	<b>(241.53)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents	31.67	16.26
Opening Cash & Cash Equivalents	126.35	110.09
Closing Cash & Cash Equivalents	<b>158.03</b>	<b>126.35</b>

**AUDITORS CERTIFICATE**

We have examined the cash flow statement of M/s.Everest Organics Limited for the year ending 31st March, 2011.The statement has been prepared by the Company in accordance with the requirement of Clause 32 of the Listing Agreement with Mumbai Stock Exchange and is based on and is an agreement with the corresponding Profit &Loss Account and Balance Sheet of the Company as per our report dated 31st May, 2011, to the Members of the Company.

As per our report even date  
for P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

for and on behalf of the Board  
EVEREST ORGANICS LIMITED

Sd/-  
P.RAVI SHANKER  
Partner  
Place: Hyderabad  
Date: 31-05-2011

Sd/-  
Dr.S.K.SRIHARI RAJU  
Managing Director  
Sd/-  
S.K.HARI KRISHNA  
Executive Director

**BALANCE SHEET ABSTRACT AND COMPANY GENERAL BUSINESS PROFILE****I. REGISTRATION DETAILS**

- i. Registration No. : 015426  
ii. State Code : 01  
iii. Balance Sheet Date : 31.03.2011

**II. CAPITAL REALISED DURING THE YEAR (Amount Rs' 000)**

- i. Public Issue : NIL                      ii. Rights : NIL  
ii. Bonus Issue : NIL                      iv. Private Placement : NIL

**III. POSITION OF MOBILATION AND DEPLOYMENT OF FUNDS (Amount Rs' 000)**

Total Liabilities : Rs. 4,85,678                      Total Assets : Rs.4,85,678

**SOURCES OF FUNDS**

- i. Paid up Capital : 92730                      ii. Reserves & Surplus : -NIL-  
iii. Secured Loans : 142956                      iv. Unsecured Loans : 40196  
v. Share Application Money : 38881

**APPLICATION OF FUNDS**

- i. Net Fixed Assets : 178237                      ii. Investments : 845  
iii. Net Current Assets : 57921                      iv. Misc.Expenses : - NIL -  
v. Accumulated Losses : 77758

**IV. PERFORMANCE OF THE COMPANY (AMOUNT Rs. '000)**

- i. Turnover including other income : 548661  
ii. Total Expenditure : 534012  
iii. Profit before tax : 14648  
iv. Profit after tax : 9743  
v. Earnings per share : Rs.1.05  
vi. Dividend rate (%) : NIL

**V. GENERIC NAMES OF THREE PRINCIPLE PRODUCTS/SERVICES OF THE COMPANY (AS PER MONEY MONETARY TERMS)**

- I. Item Code No: (ITC Code) : 29419003  
Product Description CIPROFLOXACIN  
II. Item Code No (ITC Code) : 29420029  
Product Description OMEPRAZOLE  
III. Item Code (ITC Code) : 294420090  
Product Description BENZIMEDAZOLE



**EVEREST ORGANICS LIMITED**  
ARoor VILLAGE, SADASIVPET MANDAL  
MEDAK DISTRICT  
ANDHRA PRADESH – 502 291

**PROXY FORM**

D.P No:.....

Client ID.....

Regd. Folio No.....

No. of shares held.....

I/We .....  
being a Member/s of the above named Company hereby appoint Mr/Mrs. \_\_\_\_\_ of  
.....in the district of..... as my/our  
proxy to vote for me/us on my/our behalf at the 18<sup>TH</sup> Annual General Meeting of the Company  
to be held on ..... the ....., at ..... A.M and at any adjournment thereof.

Signed this.....day of.....Two Thousand and Eleven.

Signature

*Note:*

This Proxy Form duly completed should be deposited at the Corporate Office..... not  
less than 48 hours before the time fixed for holding the meeting.

—Tear Here—

**EVEREST ORGANICS LIMITED**  
ARoor VILLAGE, SADASIVPET MANDAL  
MEDAK DISTRICT  
ANDHRA PRADESH – 502 291

**ATTENDANCE SLIP**

D.P No:.....

Client ID.....

Regd. Folio No.....

No. of shares held.....

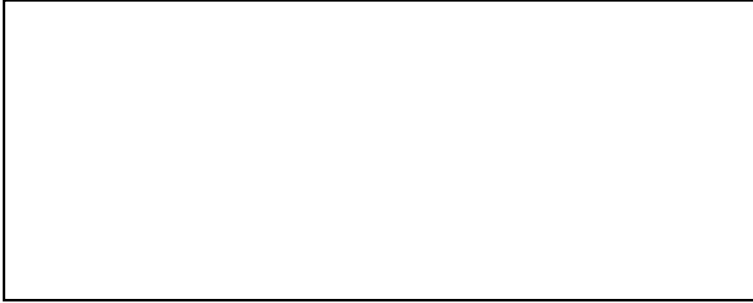
Name of the Shareholder:.....

Name of the Proxy (if applicable)  
.....

I/We hereby record my/our presence at the 18<sup>TH</sup> Annual General Meeting of the Company to be  
held on .....ay the .....<sup>th</sup> Day of ....., 2011 at the Corporate Office: ..... At.....

Signature of the Member /Proxy

**PRINTED MATTER  
BOOK - POST**



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**EVEREST ORGANICS LIMITED**  
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