

*17th*  
*Annual Report*  
*2009 - 2010*



**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  
Medhak District, Andhra Pradesh - 502 291  
Telephone: 08455-250113  
Facsimile: 08455-250114  
E-mail: srihari\_everest@rediffmail.com  
Website: www.everestorganicsltd.com

**CORPORATE OFFICE**

# 8-3-214/50, 4th Floor, Srinivasa Colony (West)  
Madhura Nagar, Hyderabad – 500 038  
Telephone: 040-23737137, 138  
Facsimile: 040-66820511  
E-mail: srihari\_everest@rediffmail.com  
Website: www.everestorganicsltd.com

**AUDITORS**

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

**BANKERS**

Kotak Mahindra Bank  
State Bank of Hyderabad  
Citi Bank

**REGISTRAR SHARE TRANSFER AGENT**

M/s. Venture Capital and Corporate Investments Pvt. Limited  
12-10-167, Bharat Nagar, Hyderabad - 500 018.  
Ph. +91 40 23818475, 476 Fax : +91 40 23868024  
Email: info@vccilindia.com



**NOTICE**

Notice is hereby given that the 17<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 27<sup>th</sup> day of August 2010 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 2010, 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. Rama Krishnam 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 re-appointed 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 LIMITED

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

Place: Hyderabad.  
Date : 27.05.2010.



**NOTES:**

1. A Member entitled to attend and vote at the meeting or 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 23.08.2010 to 27.08.2010 (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 incase 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 Director 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 EVERST ORGANICS LIMITED.

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

Place: Hyderabad.  
Date : 27.05.2010.

**DIRECTORS' REPORT**

**Dear members,**

Your Directors present herewith the 17<sup>th</sup> Annual Report and the audited accounts for the Year ended 31<sup>st</sup> March 2010 together with the Auditors' Report thereon.

**1) FINANCIAL RESULTS:**

(Rs.in.Lakhs)

<b>Particulars</b>	<b>2009-10</b>	<b>2008-09</b>
Turnover	4231.60	2691.29
Other Income	205.63	154.04
Increase in Stocks	114.94	25.88
<b>Total</b>	<b>4552.17</b>	<b>2871.21</b>
Operating Expenses	3833.83	2292.34
Excise Duty	309.06	246.34
Operating Profit (PBDIT)	409.27	332.54
Interest	136.46	71.57
Depreciation	137.21	132.67
Profit before Tax	135.60	128.30
Prior Period Adjustments	0.00	-0.53
Provision for taxation		
- Tax on Profit	20.00	16.00
- Fringe Benefit Tax	0.00	2.50
Profit after Tax	115.60	109.26
Profit Carried to Balance Sheet	115.60	109.26

**2) REVIEW OF OPERATIONS FOR THE FINANCIAL YEAR 2009-10**

During the financial year 2009-2010, the operations have improved substantially by about 38%. The Turnover including conversion has increased from Rs.26.25 crores to Rs.42.43 crores. This improvement in the business has become possible with the increase in demand for existing products of the Company coupled with more effective use of the existing machinery, manpower and financial resources..

**3) Management Discussions and 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 2010 – 11.



**DIRECTORS REPORT**

- d) Internal Controls Systems
- e) Human Resource Development and Industry relations

**4) DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Sri. V.Swaminathan, and 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 Sanker & 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 the 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 2010 are in full 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.
- 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.



**DIRECTORS REPORT**

- 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..

**B. Foreign Exchange Earnings and Outgo:**

Total foreign exchange earnings during the year was Rs.409 Lakhs (Previous year Rs.472 Lakhs) and foreign exchange outgo was Rs.91.21 Laksh (Previous year Rs.184 Lakhs)

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

The Equity Shares of the Company are listed at Mumbai Stock Exchange. (presently trading was suspended).

**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 2009-10.

**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.

**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.



**DIRECTORS REPORT**

**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 continuous training of staff in new technologies to take up challenging assignments.

**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) ACKNOWLEDGMENTS:**

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

Place: Hyderabad

Date : 27.05.2010



**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 Companies Boards/ Committees/ Committee Chairmanships
1	Mr. G. Raghunandhan	Independent Nominee 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

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

**CORPORATE GOVERNANCE****Details of Board Meetings and Attendance**

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

During the financial year, Board of Directors of the Company met 6 times on 30.04.2009, 17.06.2009, 31.07.2009, 07.10.2009, 09.11.2009 and 22.02.2010. The attendance details of the directors at the Board Meetings and last Annual General Meeting is as follows:

S.No.	Name of the Director	Number of meetings held	No. of meetings attended	Whether attended the AGM held on 5th September, 2009
1	Mr. G. Raghunadhan	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	1	No
6	Mr. A. Parvatisem	6	6	Yes
7	Mr. S. K. Hari Krishna	6	5	Yes
8	Mr. M. Bangara Raju	6	6	Yes
9	Dr. S. K. Srihari Raju	6	6	Yes

**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.

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.



## CORPORATE GOVERNANCE

- 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.
  - iv. 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 and internal auditors, adequacy of internal control system
  - g. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - h. Reviewing the findings of any internal investigations by the internal 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.
  - i. 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.
  - j. To look into the reasons for substantial defaults in the payment to share holders (in case of non payment of declared dividends) and creditors.
  - k. To review the functioning of the Whistle Blower Mechanism, in case the same is existing.
  - l. 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. Internal Audit Reports relating to internal control weaknesses and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

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

The Audit Committee of the Board 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.

**CORPORATE GOVERNANCE**

During the financial year 2009-10 Audit Committee met 6 times on 30.04.2009, 17.06.2009, 31.07.2009, 07.10.2009, 09.11.2009 and 22.02.2010.

**The attendance details of the members of the audit committee is as follows:**

Name of the Committee Members	No. of Meetings held	Number of Meetings attended
Mr. V. Swaminathan	6	6
Mr. K. Rama Krishnam Raju	6	6
Mr. M. Bangara Raju	6	6

**Remuneration Committee:**

The members of the Remuneration Committee of the Board of Directors are Mr.V.Swaminathan, Mr. K.Rama Krishnam Raju, and Mr. S.K. Hari Krishna, Mr. V.Swaminathan is the Chairman of the Committee.

**Terms of Reference:**

The terms of reference of the Remuneration Committee are to review of the compensation policy for the Executive Directors & Senior Management. Accordingly, they are authorized to negotiate, finalise and approve the terms of appointment for Managing Director, Executive Directors and senior management on behalf of the Company. The Committee will discharge such other functions or exercise such powers as may be delegated to the Committee by the Board from time to time.

During the year one meeting was held on 7<sup>th</sup> October 2009 and all the members attended the meeting.

**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.

The details of remuneration and sitting fees paid or provided to each of the Directors during the year 2009-10 are as follows:-

(In Rs.)

S.No.	Name of the 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

**CORPORATE GOVERNANCE**

7.	Mr. S. K. Hari Krishna	Executive Director	3,00,000	-	-	3,00,000
8.	Mr. M. Bangara Raju	Director – Legal, 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.

**Share Transfers and investor Grievance Committee:**

Share Transfers and investor's Grievance Committee is to look into and investigate investors complaints like share transfers, transmissions, dematerializations and rematerialization of shares, dividend, change of address, and other miscellaneous matters

There are three members in the Share transfers grievance committee. Members consist of Mr.S.K.Hari Krishna, Mr. V.Swaminathan and Mr. M.Bangara Raju. Sri Raju is the Chairman of the Committee.

During the year Company has received and replied all the complaints from the shareholders and there are no pending shareholders complaints or share transfers as on date of this report.

**Annual General Body Meetings:**

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

Year/Period	Day, Date and Time	Location
2008-09	Saturday, 5 <sup>th</sup> September 2009, at 3.00 P.M.	Registered Office of the Company i.e. Aroor Village, Sadasivpet Mandal, Medak District, Andhra Pradesh – 502 291
2007-08	Saturday, 30 <sup>th</sup> August 2008, at 3.00 P.M.	Registered Office of the Company i.e. Aroor Village, Sadasivpet Mandal, Medak District, Andhra Pradesh – 502 291
2006-07	Saturday, 29 <sup>th</sup> September 2007, at 3.00 P.M.	Registered Office of the Company i.e. Aroor Village, Sadasivpet Mandal, Medak District, Andhra Pradesh – 502 291

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.



## CORPORATE GOVERNANCE

The Company has complied with various rules and regulations prescribed by Stock Exchange, 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 as well as audited financial results by keeping in company website immediately after these are taken on record by the Audit Committee and Board.

### **Share Holders Information:**

#### Registered Office

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

#### Address for Correspondence

8-3-214/50, 4th Floor, Srinivasa  
Colony (West), Madhuranagar  
Hyderabad - 500 038.

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

Friday, 27<sup>th</sup> August 2010; 3.00 P.M  
Aroor Village, Sadasivpet Mandal, Medal District,  
Andhra Pradesh – 502 291.

#### Book Closure:

August 23<sup>rd</sup> 2010 to August 27<sup>th</sup> 2010 (both days inclusive)

#### Listing of Shares:

The Stock Exchange, Mumbai

#### Registrar Share Transfer Agents:

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

**CORPORATE GOVERNANCE****Share Transfer System:**

Securities lodged for transfer at the Registrar's 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.

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.

**Listing Fee:**

The Company has not paid its listing fees for the financial year 2009-10 to the Bombay Stock Exchange where its securities are listed.

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

**Disclosure:**

- 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:
- 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 March, 31.03.2010.**

Number of Equity Shares held	Shareholders Number	Shareholders % of Total	Shares (Numbers)	Shares (Percentage)
Upto – 5000	9,295	88.49	13,81,567	14.89
5001 – 10000	533	5.07	4,52,900	4.88
10001 – 20000	244	2.32	3,77,594	4.04
20001 – 30000	183	1.74	4,68,965	5.05
30001 – 40000	44	0.41	1,62,000	1.74
40001 – 50000	56	0.53	2,66,812	2.87
50001 – 100000	66	0.62	4,57,117	4.93
100001 and above	82	0.78	57,09,345	61.57
Total	10,503	100.00	92,73,000	100.00



**CORPORATE GOVERNANCE**

Dematerialization of Shares:

Shares of the Company are under compulsory demat list and nearly 38.52 % of total Equity Shares Capital is held in dematerialized with NSDL and CDSL as on 31.03.2010.

Identification Number of scrip given by NSDL and CDSL is INE334C01011

Electronic Connectivity:

National Securities Depository Limited  
Trade world, Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai – 400 013.

Central Depository Services (India) Limited  
Phiroze Jeejeebhoy Towers, 28<sup>th</sup> Floor,  
Dalal Street, Mumbai – 400 023

Shareholder' General Correspondence:

The Compliance Officer, Everest Organics Limited,  
8-3-214/50, 4th Floor, Srinivasa Colony (West),  
Madhuranaagar, Hyderabad - 500 038.

By Order of the Board of Directors,  
of Everest Organics Limited

Sd/-

Dr.S.K.Srihari Raju  
Managing Director

Place: Hyderabad  
Date : 27.05.2010

**Declaration**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Team have confirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2010.

By Order of the Board of Directors,  
of Everest Organics Limited

Sd/-

Dr.S.K.Srihari Raju  
Managing Director

Place: Hyderabad  
Date : 27.05.2010





**CORPORATE GOVERNANCE**

**CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members  
Everest Organics Limited

1. We have examined the compliance of conditions of Corporate Governance by Everest Organics Limited (the Company) for the year ended March 31, 2010, 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 an expression of opinion on 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 : 27.05.2010

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

The Pharma Industry in India is growing at a rate of 15% year on year basis. The global events in the western world have given impetus to further growth 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) OPPORTUNITIES FOR THE COMPANY:**

EOL is poised 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's 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 1000 plants in this financial year to improve the green belt. EOL also proposes to enhance the Capital Investment to the extent of Rs. 50 lakhs on pollution abatement equipment in order to meet "zero discharge" commitment given to APPCB.

**TECHNOLOGICAL ABSORPTION:**

EOL has developed the technology for Pantoprazole and Esomeprazole in the financial year 2009-2010. 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 of solvents and their further reuse.

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

**C) OUTLOOK FOR FINANCIAL YEAR 2010-11:**

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

In this FY 2010 - 2011, the Management is confident of achieving a turnover of about Rs. 60 to 70 crores with higher margins. The capital expenditure is envisaged to the extent of Rs. 4 to 5 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. 2.5 crores, which would be dispersed in second quarter of FY 2010-2011. 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 along with augmentation of quality control equipment.

In nutshell the management is confident of showing a minimum growth of 25 – 30% year on year basis from the FY 2010- 2011

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****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 any vulnerability in the achievement of the Company's objectives caused by risk factors whether internal or external, existing or emerging, is detected and reported in a timely manner and is meted out with appropriate corrective action.

**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.

Perhaps the biggest opportunity for success is shaping the way the people work together to deliver the goods. Ones own performance depends on the ability to get other people to commit and deliver the common goals.

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

## A. Power and consumption

	Current year 2009-2010	Previous year 2008-2009
1. Electricity	3647933 units	2903813 units
a) Purchased		
Units KW/H		
Total amount	<u>Rs.12601065</u>	<u>Rs.10730869</u>
Rate/Units	Rs.3.45	Rs. 3.70
b) Own generation		
i) Through diesel generator		
Units KW/h	263366	216639
Diesel consumed (liters)	106273	72213
Total Amount	Rs.4000916	Rs.2655667
Unit (KW/h) per lit.of diesel oil	2.48	3.00
Cost/Units (KW/h)	Rs. 15.19	Rs. 11.66
ii) Through Steam turbine/generator		Nil
2. Coal C Grade		
Quantity (in tones)	3926.95	3612.61
Total Cost	<u>Rs.11514262</u>	<u>Rs.10743497</u>
Average Rate	Rs.2932.00	Rs.2974.00
3. Furnace Oil	Nil	NIL
4. Other /internal Generation	Nil	NIL
B. Consumption per unit of production	4.08	6.90
Standards (If any)	Nil	Nil

## PRODUCT (WITH DETAILS ) UNITS

	Current year	Previous year
Ciprofloxacin (kgs) }		
Enrofloxacin }	894351 kgs	431374 kgs
Omeprazole (incl pellets) }		
Chloro Compound }		
Benzimidazole }		
Electricity (KW/h) per Kg of production	4.08	6.90
Furnace Oil	Nil	NIL
Coal (specify quantity) C grade (mts)	3926.95	3612.61
Consumption of Coal per unit (Kg) of production	12.87	8.76

**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 the above R&D

a. Water content in liquid effluent has  
come down to acceptable levels.

3. Expenditure on R&D

b. New export market is developed.

(a) Capital

Rs. - NIL -

(b) Recurring

Rs. 9.52 in lakhs

(c) Total

Rs. 9.52 in lakhs

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

0.24%

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

a. Technology for manufacture of existing  
products fully localized

b. Innovation as on going process continues

1. Benefits derived as result of the  
above efforts., e.g., Production  
Improvement, cost reduction  
Product development, import  
Substitution, etc.

a) Developed technology for manufacture of  
new products.

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 Imported any Technology

**AUDITORS' REPORT**

To	From
The Members M/s. EVEREST ORGANICS LIMITED 8-3-214/50, 4 <sup>th</sup> Floor Opp: MCH Park, Srinivasa Colony (West) HYDERABAD – 500 004.	P.S.N. RAVISHANKER & ASSOCIATES Chartered Accountants Flat No. 205, B-Block , Kushal Towers Khairatabad, HYDERABAD – 500 038.

We have audited the attached Balance Sheet of M/s. Everest Organics Limited as at 31<sup>st</sup> March, 2010, the Profit and Loss Account and the cash flow statement of the company for the year ended on that date. 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 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.
  - e) On the basis of written representations received from the directors, as on 31.03.2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2010 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:



**AUDITORS' REPORT**

- i) In the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2010
- 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 : 27.05.2010

P. RAVI SHANKER  
Partner

**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.59.24 lakhs (Previous year Rs.93.03 Lakhs from 5 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.144.73 lakhs (Previous year end 85.48 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.



**AUDITORS' REPORT**

- 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.
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 31.03.2010 to the tune of Rs.395.20 lakhs and outstanding as on 31.03.2009 at Rs.313.99 lakhs) and share application money (pending allotment outstanding on 31.03.2010 and on 31.03.2009 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.19.18 Lacs, 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.7.65 lacs were outstanding as at 31st March, 2010 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.
  10. The accumulated losses of the company as on 31.03.2010 amounts to about Rs.875.01 lacs (previous year Rs.990.61 lakhs). The accumulated losses at the end of the financial





**AUDITORS' REPORT**

year are not less than fifty percent of its net worth. During the year 2009-10 and the immediately preceding financial year the company has not incurred cash losses.

11. During the year the company, prima facie, appear 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.
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

Place : Hyderabad  
Date : 27.05.2010

P. RAVI SHANKER  
Partner

**Balance Sheet as at 31.03.2010**

Particulars	SCH No.	(Amount in Rupees)	
		As At 31.03.10	As At 31.03.09
<b><u>SOURCES OF FUNDS</u></b>			
<b>I Shareholders Funds</b>			
a) Share Capital	A	92,730,000	92,730,000
b) Share Application Money		38,881,000	38,881,000
c) Reserves & Surplus	B	-	1,000,000
<b>II Loan Funds</b>			
a) Secured Loans	C	69,820,970	88,448,846
b) Unsecured Loans	D	39,519,848	31,399,044
<b>Total:</b>		<b><u>240,951,818</u></b>	<b><u>252,458,890</u></b>
<b><u>APPLICATION OF FUNDS</u></b>			
III Fixed Assets - Net Block	E	141,933,993	129,866,669
IV Investments	F	845,408	845,408
V Current Assets, Loans & Advances	G	206,863,668	119,103,255
Less: Current Liabilities & Provisions	H	<u>196,192,378</u>	<u>96,417,732</u>
Net Current Assets		10,671,290	22,685,523
VI <u>Miscellaneous Expenditure</u> (to that extent not written off or adjusted) Profit & Loss Account - Debit Balance		87,501,128	99,061,289
<b>Total:</b>		<b><u>240,951,818</u></b>	<b><u>252,458,890</u></b>
Notes forming part of accounts	Q		
As per our report even date <b>for P.S.N.RAVISHANKER &amp; ASSOCIATES</b> Chartered Accountants		for and on behalf of the Board <b>EVEREST ORGANICS LIMITED</b>	
P. RAVI SHANKER Partner		Dr.S.K.SRIHARI RAJU Managing Director	
Place: Hyderabad Date: 27-05-2010		S.K.HARI KRISHNA Executive Director	

**Profit & Loss Account as on 31.03.10**

Particulars	Sch. No.	(Amount in Rupees)	
		As on 31.03.10	for the year 31.03.09
<b>INCOME</b>			
Domestic Sales		378,357,554	204,367,220
Export Sales		44,802,510	64,762,223
		<u>423,160,064</u>	<u>269,129,443</u>
Less: Taxes & Duties		<u>30,905,981</u>	<u>24,633,889</u>
Net Turnover		392,254,083	244,495,554
Conversion Income		14,581,703	12,495,047
Other Income	P	5,981,286	2,908,586
Increase/(Decrease) in Stocks	I	11,494,245	2,588,396
<b>Total Income</b>		<b><u>424,311,316</u></b>	<b><u>262,487,583</u></b>
<b>EXPENDITURE</b>			
Raw Material Consumed	J	295,518,499	153,095,027
Manufacturing Expenses	K	51,833,975	45,351,824
Salaries, Wages & Other Benefits	L	21,651,422	17,722,414
Administrative Expenses	M	5,941,462	6,149,911
Selling & Distribution Expenses	N	7,164,329	5,639,470
Interest & Financial Expenses	O	13,645,935	7,156,980
Directors Remuneration		1,275,000	1,275,000
Depreciation	E	13,720,533	13,267,312
<b>Total Expenditure</b>		<b><u>410,751,155</u></b>	<b><u>249,657,938</u></b>
Profit for the year before taxation		13,560,161	12,829,645
Less: Prior Period Adjustments		-	105,267
Profit for the year		13,560,161	12,724,378
Less: Provision for Income Tax		-	-
Less: Provision for MAT		2,000,000	1,600,000
Less: Provision for FBT		-	250,000
Profit after Tax		<u>11,560,161</u>	<u>10,874,378</u>
Add: MAT Provision excess provided for previous year		-	52,061
		11,560,161	10,926,439
Less: Provision for FBT for prior years		-	-
		11,560,161	10,926,439
Add/(Less): Debit balance in Profit & Loss A/c.brought forward		(99,061,289)	(109,987,728)
Total amount of Loss transferred to Balance Sheet		(87,501,128)	(99,061,289)
Basic		1.25	1.04
Diluted		1.25	1.04
As per our report even date <b>for P.S.N.RAVISHANKER &amp; ASSOCIATES</b> Chartered Accountants Sd/- P.RAVI SHANKER Partner Place : HYDERABAD Date : 27-05-2010		for and on behalf of the Board <b>EVEREST ORGANICS LIMITED</b> Sd/- Dr.S.K.SRIHARI RAJU Managing Director	Sd/- S.K. HARI KRISHNA Executive Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

Particulars	(Amount in Rupees)	
	As At 31.03.10	As At 31.03.09
<b><u>SCHEDULE - A</u></b>		
<b><u>SHARE CAPITAL</u></b>		
<b>I. <u>AUTHORISED CAPITAL</u></b>		
1,00,00,000 Equity Shares of Rs.10/- each	100,000,000	100,000,000
<b>II. <u>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>92,730,000</b>	<b>92,730,000</b>
<b><u>SCHEDULE - B</u></b>		
<b><u>RESERVES &amp; SURPLUS</u></b>		
Investment Subsidy from Govt.of Andhra Pradesh	-	1,000,000
	-	<b>1,000,000</b>
<b><u>SCHEDULE - C</u></b>		
<b><u>SECURED LOANS</u></b>		
Term Loan from Kotak Mahindra Bank Ltd - I (Previous year is with Phoenix ARC Ltd.)	18,009,387	34,215,320
Term Loan from Kotak Mahindra Bank Ltd - II	13,836,057	19,176,743
Overdraft from Kotak Mahindra Bank Ltd	7,710,055	5,706,420
Sales Tax Deferment Liability Amount	30,265,471	29,350,363
<b>Total:</b>	<b>69,820,970</b>	<b>88,448,846</b>
<b><u>SCHEDULE - D</u></b>		
<b><u>UNSECURED LOANS</u></b>		
(from the promoters and associates brought under obligation to the Financial Institutions/Banks)	39,519,848	31,399,044
<b>Total:</b>	<b>39,519,848</b>	<b>31,399,044</b>



**EVEREST ORGANICS LIMITED**



**EVEREST ORGANICS LIMITED**

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

S. No.		SCHEDULE - E FIXED ASSETS		Amount in Rupees									
		GROSS BLOCK					DEPRECIATION					NET BLOCK	
Particulars		As at 01.04.2009	Additions during the year	Deletions during the year	As at 31.03.2010	As at 01.04.2009	For the year	Deletions during the year	As at 31.03.2010	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009	
1.	Land & Site Development	5,359,816	-	-	5,359,816	-	-	-	-	-	5,359,816	5,359,816	
2.	Buildings	27,883,709	-	-	27,883,709	11,951,742	931,316	-	12,883,058	15,000,651	15,931,967	15,931,967	
3.	Plant & Machinery & Utilities	225,323,737	14,938,922	-	240,262,659	121,233,131	12,291,481	-	133,524,612	106,738,047	104,090,606	104,090,606	
4.	Office Equipment	1,424,905	14,100	-	1,439,005	1,379,863	5,530	-	1,385,393	53,612	45,042	45,042	
5.	Computers	3,196,317	167,321	-	3,363,638	2,908,995	68,767	-	2,977,762	385,876	287,322	287,322	
6.	Furniture & Fittings	1,048,054	22,262	-	1,070,316	681,868	66,714	-	748,582	321,734	366,186	366,186	
7.	Vehicles	3,755,008	-	-	3,755,008	1,520,981	356,726	-	1,877,707	1,877,301	2,234,027	2,234,027	
<b>Total (A):</b>		<b>267,991,546</b>	<b>15,142,605</b>	<b>-</b>	<b>283,134,151</b>	<b>139,676,580</b>	<b>13,720,533</b>	<b>-</b>	<b>153,397,113</b>	<b>129,737,038</b>	<b>128,314,966</b>	<b>128,314,966</b>	
1.	Capital Works-in-progress												
	Buildings												
	Plant & Machinery	1,551,703	25,584,175	14,938,922	12,196,956	-	-	-	-	12,196,956	1,551,703	1,551,703	
<b>Total Capital W.I.P. (B)</b>		<b>1,551,703</b>	<b>25,584,175</b>	<b>14,938,922</b>	<b>12,196,956</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,196,956</b>	<b>1,551,703</b>	<b>1,551,703</b>	
<b>Grand Total (A+B):</b>		<b>269,543,249</b>	<b>40,726,780</b>	<b>14,938,922</b>	<b>295,331,107</b>	<b>139,676,580</b>	<b>13,720,533</b>	<b>-</b>	<b>153,397,113</b>	<b>141,933,993</b>	<b>129,866,669</b>	<b>129,866,669</b>	



## SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	(Amount in Rupees)	
	As At 31.03.10	As At 31.03.09
<b>SCHEDULE - F</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 - G</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)	15,038,070	3,711,100
b. Work-in-Process (at cost of Raw Materials & Proportionate Overheads)	7,205,889	7,038,614
c. Raw Materials (at cost or market value whichever is lower)		
i) at factory	25,177,574	14,627,286
ii) with job workers	328,778	612,914
d. Stores and Spares	2,446,140	1,767,615
e. Packing Material	67,662	40,058
f. Coal Stock	4,133,130	2,338,099
	<u>54,397,243</u>	<u>30,135,686</u>
2. Sundry Debtors		
(Unsecured, Considered Good)		
i) above 6 months	3,637,604	1,196,176
ii) below 6 months	116,524,926	68,730,049
	<u>120,162,530</u>	<u>69,926,225</u>
3. Cash on Hand		
	24,327	10,429
4. Balance with Schedule Banks		
in Current Accounts	2,611,454	998,900
in Deposit Accounts	10,000,000	10,000,000
5. Tax Deducted at Source		
	806,026	336,280
<b>Total: A</b>	<b>188,001,580</b>	<b>111,407,520</b>
<b>B. LOANS &amp; ADVANCES</b>		
1. Advances Recoverable in cash or kind for the value to be recovered		
	7,487,231	3,166,430
2. Prepaid Insurance		
	112,926	69,300
3. Deposits with various Departments		
	3,897,766	3,202,285
4. Cenvat Credit		
	627,478	600,200
5. Export Incentives Receivable		
	2,680,390	-
6. Other Receivables		
	4,056,296	657,520
<b>Total: B</b>	<b>18,862,088</b>	<b>7,695,735</b>
<b>Total: (A) + (B)</b>	<b>206,863,668</b>	<b>119,103,255</b>

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

Particulars	(Amount in Rupees)	
	As At 31.03.10	As At 31.03.09
<b>SCHEDULE - H</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. Current Liabilities</b>		
1. Creditors for Raw Materials	148,612,293	62,189,033
2. Creditors for Expenses	6,266,636	5,686,681
3. Creditors for Capital Goods	1,660,444	2,287,821
4. Other Creditors	26,341,468	19,258,940
5. Statutory Dues	7,743,664	3,739,115
<b>Total: A</b>	<b>190,624,505</b>	<b>93,161,590</b>
<b>B. Provisions</b>		
1. Provision for Income Tax - MAT (F.Y.2009-10)	2,000,000	-
2. Provision for Income Tax - MAT (F.Y.2008-09)	1,600,000	1,600,000
3. Provision for FBT for earlier years	855,000	855,000
4. Provision for Gratuity	1,112,873	801,142
<b>Total: B</b>	<b>5,567,873</b>	<b>3,256,142</b>
<b>Total: A + B</b>	<b>196,192,378</b>	<b>96,417,732</b>
<b>SCHEDULE - I</b>		
<b>INCREASE/(DECREASE) IN STOCKS</b>		
<u>Closing 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>
<u>Opening Stocks</u>		
Work-in-Process	7,038,614	4,315,496
Finished Goods	3,711,100	3,845,822
	<b>10,749,714</b>	<b>8,161,318</b>
<b>Total</b>	<b>11,494,245</b>	<b>2,588,396</b>

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

Particulars	(Amount in Rupees)	
	As At 31.03.10	As At 31.03.09
<b><u>SCHEDULE - J</u></b>		
<b><u>RAW MATERIAL CONSUMED</u></b>		
Opening Stocks at Factory	14,627,286	6,848,434
Opening Stocks with Job Workers	612,914	1,263,774
Purchase of Raw Materials	305,784,651	160,223,019
<b>Total : A</b>	<b>321,024,851</b>	<b>168,335,227</b>
Less:		
Closing Stocks at Factory	25,177,574	14,627,286
Closing Stocks with Job Works	328,778	612,914
<b>Total : B</b>	<b>25,506,352</b>	<b>15,240,200</b>
<b>Rawmaterial Consumed - Total : A + B</b>	<b>295,518,499</b>	<b>153,095,027</b>
<b><u>SCHEDULE - K</u></b>		
<b><u>MANUFACTURING EXPENSES</u></b>		
1. Material Conversion Charges	1,980,230	2,350,789
2. Power & Fuel	24,115,327	22,889,402
3. Stores Consumables	3,938,826	2,639,564
4. R & D Expenses	951,678	362,554
5. Effluent Charges	3,306,326	2,664,548
6. Plant Repairs & Maintenance Charges	9,634,560	8,256,291
7. Production Contract Charges	7,907,028	6,188,676
<b>Total :</b>	<b>51,833,975</b>	<b>45,351,824</b>
<b><u>SCHEDULE - L</u></b>		
<b><u>SALARIES, WAGES &amp; BENEFITS TO STAFF</u></b>		
Salaries	14,896,775	11,403,528
Wages	745,596	598,249
Statutory and other benefits	5,697,320	5,442,620
Provision for Gratuity	311,731	278,017
<b>Total:</b>	<b>21,651,422</b>	<b>17,722,414</b>



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

Particulars	(Amount in Rupees)	
	As At 31.03.10	As At 31.03.09
<b><u>SCHEDULE - M</u></b>		
<b><u>ADMINISTRATIVE EXPENSES</u></b>		
Travelling & Conveyance	1,015,067	982,394
Postage & Telephone Charges	495,025	427,419
Rent, Rates & Taxes	639,836	808,631
<b><u>Audit Fee:</u></b>		
a) Statutory Audit Fee	80,000	80,000
b) Tax Audit Fee	30,000	30,000
c) Others	30,000	30,000
Insurance	968,351	847,997
Consultancy Charges	202,675	761,677
Other Administrative Expenses	2,480,508	2,181,793
<b>Total:</b>	<b>5,941,462</b>	<b>6,149,911</b>
<b><u>SCHEDULE - N</u></b>		
<b><u>SELLING &amp; DISTRIBUTION EXPENSES</u></b>		
Postage & Telegrams	26,833	35,300
Business Promotion	1,519,788	1,616,760
Travelling & Conveyance	1,414,784	582,150
Commission & Discounts	472,936	553,168
Freight - Outward	1,613,078	1,293,293
Packing Material	1,974,104	1,448,093
DEPB Fee & ECGC Premium	7,600	10,600
Analytical Charges	135,206	100,106
<b>Total:</b>	<b>7,164,329</b>	<b>5,639,470</b>
<b><u>SCHEDULE - O</u></b>		
<b><u>INTEREST &amp; FINANCIAL CHARGES</u></b>		
Interest	11,502,961	3,637,517
Bills Discounting Charges	591,519	264,893
Other Finance Charges	1,551,455	3,254,570
<b>Total:</b>	<b>13,645,935</b>	<b>7,156,980</b>
<b><u>SCHEDULE - P</u></b>		
<b><u>OTHER INCOME</u></b>		
Exchange Variance	429,818	2,658,217
Interest on Fixed Deposits & Others	2,871,077	250,369
Exports Incentive Received	2,680,390	-
<b>Total:</b>	<b>5,981,286</b>	<b>2,908,586</b>

**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.

**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.

**NOTES FORMING PART OF THE ACCOUNTS**

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

	2009-10	2008-09
i) Payments to Raw Material Creditors	88.93	181.95
ii) Travelling expenses	2.28	2.15
b) Foreign Exchange received on Exports	409.00	472.00

3. In view of the substantial carried forward losses and unabsorbed depreciation no deferred tax asset 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 also by the personal guarantees of promoter directors.

5. The total CENVAT available on Raw Materials amounting to Rs.281.64 Lacs (previous year Rs.182.42 lacs) has been adjusted in the cost of raw materials and the unavailed CENVAT credit amounting Rs.6.27 lacs (previous year Rs.6.00 lacs) has been shown in the "Current Assets" in the Balance Sheet.

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.):

(Amount – Rs. In lakhs)

Particulars	2009-10	2008-09
Managing Director & Other Directors	12.75	12.75



**NOTES FORMING PART OF THE ACCOUNTS**

8. Details of production, Turnover (As certified by the management)

**a) Annual Capacities: (as Certified by the management)**

Year	2009-10			2008-09		
	Name of the Product	Installed Capacity TPA	Operating Capacity TPA	% of Capacity Achieved	Installed Capacity TPA	Operating Capacity TPA
Ciprofloxacin Enrofloxacin	150	84.45	56.30	150	60.11	40.07
Omeprazole Op.Sulphide Op.Magnesium	110	102.68	93.35	110	99.08	90.07
Benzimidazole	120	86.69	72.24	120	79.80	66.50
Esomeprazole	25	9.26	37.08	12	7.30	60.83
Pantaprazole	25	7.91	31.64	-	-	-

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

Description	Production (Qty./Kgs.)		Sales (Qty./Kgs.)		Net Sales Value (Rs.in Lacs)	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Omeprazole Powder	99785	74782	68606	52732	1330.61	1209.41
Benzimidazole	97563	79892	55848	45719	237.77	235.43
Chloro Compound	105542	86821	23840	20346	420.02	394.11
Op.Sulphide	118729	92069	1132	0	19.50	0
Op.Magnesium	2609	4086	2504	3853	50.28	86.42
Omeprazole Pellets	14798	8832	14837	6125	50.73	22.08
Omeprazole Sodium	1637	630	1146	739	37.24	22.74
Esomeprazole Magnesium	9269	7346	8940	8902	369.95	355.26
Pantaprazole	7910	1651	7978	1526	350.99	74.60
Ammonium sulphate	251455	123920	251455	186285	28.66	13.30
Tetralone	98438	—	88750	—	580.35	—
Q-Acid	85379	—	79750	—	537.27	—
Others	1238	75265	10743	18861	24.37	31.61
<b>Total :</b>					<b>3922.54</b>	<b>2444.96</b>

**NOTES FORMING PART OF THE ACCOUNTS****c) Details of Major Raw-material consumed (As certified by the management)**

Description	2009-10		2008-09	
	(Qty/Kgs)	Value (Rs.lacs)	(Qty/Kgs)	Value (Rs.lacs)
3, 5 Lutidine	90,350	261.59	74,730	217.17
MDC	400,685	104.18	282,895	93.36
Acetone	224,144	128.19	15,288	8.67
Acetic Acid	214,919	82.68	158,140	51.68
Toluene	195,445	97.13	92,509	50.18
Para Ansidine	94,024	104.22	90,250	104.01
Methanol	354,463	79.12	270,129	59.43
DMS	156,688	44.03	61,966	9.29
APS	169,962	122.63	142,137	112.02
Acetophenone	73450	287.99	—	—
Other Materials	—	1652.41	—	825.14
<b>Totals :</b>		<b>2955.18</b>		<b>1530.95</b>

**d. Value of Imported and indigenous Raw material consumed (As certified by the Management)**  
(Amount-Rs.in Lakhs)

Item	2009-10		2008-09	
	Percentage	Value	Percentage	Value
Imported	2.93	86.44	15.53	237.83
Indigenous	97.07	2868.74	84.47	1293.12
<b>Total</b>	<b>100.00</b>	<b>2955.18</b>	<b>100.00</b>	<b>1530.95</b>

09. Contingent Liabilities not provided for : - NIL –

10. Amount due to small scale industrial undertaking during the year ended 31.03.2010 could not be identified as specific information regarding SSI status is not forthcoming from parties.

11. The company deals in Bulk Drugs, APIs, and thus deals in only one segment and hence the information pertaining to the Segmental Reporting is not applicable to the Company.

12. Paise have been rounded off to the nearest rupee.

13. Figures have been re-grouped/re-arranged wherever necessary.



**NOTES FORMING PART OF THE ACCOUNTS**

14. The balances outstanding on account of sundry debtors/sundry creditors/advances are subject to confirmation from the respective parties.

As per our report even date  
For P.S.N.RAVISHANKAR & 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 : 27.05.2010

**CASH FLOW STATEMENT AS ON 31.03.10**

Particulars	(Rs.in.Lakhs)	
	As on 31.03.10	Year Ended 31.03.09
<b>Cash Flow from Operating Activities</b>		
Profit/(Loss) as per the Profit & Loss A/c.	135.60	128.30
Adjustment for Depreciation	137.21	132.67
Investment Subsidy from Govt.of Andhra Pradesh	(10.00)	-
Provision for Gratuity	3.12	2.78
Excess Provision made for previous year (MAT)	-	0.53
Interest and Financial Charges paid	136.46	71.57
Interest earned	(11.62)	(2.50)
<b>Operating Profit/(Loss) before working capital charges</b>	<b>390.77</b>	<b>333.35</b>
Adjustment for :		
Increase)/Decrease in Sundry Debtors	(502.36)	(259.68)
(Increase)/Decrease in Inventories	(242.62)	(105.41)
Increase)/(Decrease) in Current Liabilities	974.63	128.86
(Increase)/Decrease in Loans & Advances & Other Current Assets	(116.36)	35.18
<b>Cash Generated from Operations</b>	<b>504.06</b>	<b>132.30</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets including Capital Works in Progress	(257.88)	(142.60)
Interest earned	11.62	2.50
<b>Cash used in Investing Activities</b>	<b>(246.26)</b>	<b>(140.10)</b>
<b>Cash Flow from Financing Activities</b>		
Increase)/(Decrease) Loans from Banks/Financial Institutions/ARC	(195.43)	95.98
Increase)/(Decrease) in other Secured Loans	9.15	24.49
Prior Period Adjustments	-	(1.05)
Increase)/(Decrease) Unsecured Loans	81.21	66.77
Interest and Financial Charges paid	(136.46)	(71.57)
	<b>(241.53)</b>	<b>114.62</b>
Net Increase/(Decrease) in Cash & Cash Equivalents	16.26	106.82
Opening Cash & Cash Equivalents	110.09	3.27
Closing Cash & Cash Equivalents	<b>126.35</b>	<b>110.09</b>

**AUDITORS CERTIFICATE**

We have examined the cash flow statement of M/s.Everest Organics Limited for the year ending 31st March, 2010. The statement has been prepared by the company in accordance with the requirements of Clause 32 of the Listing Agreement with Mumbai Stock Exchange and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the company as per our report dated 27th May, 2010, to the Members of the Company.

As Per our report even date  
For **P.S.N. Ravi Shankar & Associates**  
**Chartered Accountants**

**P.Ravi Shanker**  
Partner.

Date : 27.05.2010  
Place : HYDERABAD

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

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	:	31.03.2010

**II. CAPITAL RELEASED 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.240951	Total Assets	:	Rs.240951
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**SOURCES OF FUNDS**

i. Paid up Capital	:	92730	ii. Reserves & Surplus	:	NIL
iii. Secured Loans	:	69821	iv. Unsecured Loans	:	39520
v. Share Application Money	:	38881			

**APPLICATION OF FUNDS**

i. Net Fixed Assets	:	141934	ii. Investments	:	845
iii. Net Current Assets	:	10671	iv. Misc.Expenses	:	NIL
v. Accumulated Losses	:	87501			

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

i. Turnover including other income	:	424311
ii. Total Expenditure	:	410751
iii. Profit before tax	:	13560
iv. Profit after tax	:	11560
v. Earnings per share	:	Rs.1.25
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**

I/We \_\_\_\_\_ of \_\_\_\_\_  
 \_\_\_\_\_ in the district of \_\_\_\_\_ being  
 a member/members of the above named company, hereby appoint \_\_\_\_\_ as my  
 proxy to vote for me/us on my/our behalf of the 17<sup>th</sup> Annual General Meeting of the Company to be  
 held on Friday the 27<sup>th</sup> August 2010, at 3 P.M. at the Aroor Village, Sadasivpet Mandal, Medak  
 District, Andhra Pradesh - 502 291

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

Ledger Folio No \_\_\_\_\_ No. of Shares \_\_\_\_\_

Signature \_\_\_\_\_

Affix  
 Revenue  
 Stamp

Note: The proxy duly completed must be deposited at the Corporate Office 8-3-214/50, 4th Floor,  
 Srinivasa Colony (West), Opp. MCH Park, Hyderabad - 500 038 not less than 48 hours  
 before the time for holding the meeting.

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**EVEREST ORGANICS LIMITED**  
 AROOR VILLAGE, SADASIVPET MANDAL  
 MEDAK DISTRICT,  
 ANDHRA PRADESH - 502 291

**ATTENDANCE SLIP**

I hereby record my presence at the 17<sup>th</sup> Annual General Meeting of Everest Organics Limited at  
 the Aroor Village, Sadasivpet Mandal, Medak District, Andhra Pradesh - 502 291 on Friday the  
 27<sup>th</sup> August 2010, at 3 P.M.

1. Full Name of the Member : \_\_\_\_\_  
 (in Block Letters)
2. Full Name of the Proxy : \_\_\_\_\_
3. Ledger Folio No. : \_\_\_\_\_
4. Number of Shares Held : \_\_\_\_\_

NOTE: Members attending must fill in this attendance slip and hand it over at the entrance of  
 the venue of the meeting.

**PRINTED MATTER  
BOOK - POST**



*If Undelivered, please return to:*

**EVEREST ORGANICS LIMITED**

Corporate Office: 8-3-214/50

4th Floor, Srinivas Colony (West)

Opp.MCH Park, Madhura Nagar

Hyderabad - 500 038.

Tel: 040-23737137/138