12th

# ANNUAL REPORT
## 2001 - 2002



**ANUH PHARMA LTD.**

MEHTA MAHAL, 15 MATHEW ROAD, OPERA HOUSE, MUMBAI 400 004
PHONE 364 8862 (4 Lines) • FAX 91 - 23 - 363 3900
E-mail: anuh@shahgroupexports.com

LTD

Forty-second Annual Report of the Board of Directors
with the Audited Statement of Accounts
for the year ended 31st March 2002

| | | |
|---|---|---|
| Board of Directors | | Mr. J. P. Shah<br>Mr. L. P. Shah<br>Mr. Bharat N. Shah<br>Mr. S. P. Sonawala<br>Mr. Kantilal M. Choksh<br>Mr. J. G. Shah<br>Mr. Bipin N. Shah, Managing Director |
| Auditors | : | M/s. S.I. MOGUL & CO.<br>Chartered Accountants<br>Mumbai. |
| Bankers | : | BANK OF INDIA |
| Registered Office | : | Mehta Mahal,<br>15 Mathew Road,<br>Opera House,<br>Mumbai 400 004. |
| Factory | | E-17/3 M.I.D.C<br>Tarapur, Boisar,<br>Dist Thane - 401 506. |

## NOTICE

Notice is hereby given that the Forty-second Annual General Meeting of the Members of ANUH PHARMA LIMITED will be held at 12.30 p.m. on Friday, 27th September 2002 at Samrat Restaurant, "Umang Hall", J. Tata Road, Churchgate, Mumbai - 400 020 to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2002 and the Profit and Loss account for the year ended on that date and the reports of the Directors and Auditors.
2. To recommend declaration of Dividend, if any, for the financial year ended 31st March 2002.
3. To appoint a Director in place of Mr. J. P. Shah who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. J. G. Shah who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors of the company and to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Section 383 A of the Companies Act 1956, M/s. Sanjay Doshi & Associates, Company Secretaries be and is hereby appointed for issuing Secretarial Compliance Certificate for the Financial Year 2002 - 2003, at a remuneration to be fixed by the Board."



Place : Mumbai
Dated : 28th August, 2002

For and on behalf of the Board of Directors
Sd/-
J. P. SHAH - Chairman

Registered Office :
Mehta Mahal,
15 Mathew Road,
Mumbai-400 004.

**NOTES :**

1. The Register of Members and Share Transfer Book of the Company shall remain closed from 24th September, 2002 to 27th September, 2002 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF A PROXY NEED NOT BE A MEMBER.
3. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the Meeting.
4. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 7 days before the Annual General Meeting so that the same can be suitably replied.
5. Those Members who have so far not encashed their Dividends for earlier financial years may claim or approach the Company for payment, otherwise, the same will be transferred to the notified fund as per the provision of Section 205 of the Companies Act, 1956.
6. Members are requested to notify change in address, if any, immediately to the company at its Registered Office, quoting their Folio Numbers.
7. The relative Explanatory Statement, pursuant to Section 173(2) in respect of the special business set out in the accompanying Notice is annexed hereto.

**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**

Item No. 5

As per the provision of the Section 383(A) of the Companies Act, 1956, every year our company requires to obtain 'Compliance Certificate' from a Company Secretary in Whole Time Practice and this certificate is to be attached to Directors' Report. As the Compliance Certificate is required to be addressed to the members of the company, it would be in fitness of things that the appointing authority be the members to whom this certificate is addressed.

None of the Directors are in any way concerned, or interested in the resolution.

Place : Mumbai
Dated : 26th August, 2002
Registered Office :
Mehta Mahal, 15 Mathew Road,
Opera House, Mumbai 400 004.

For and on behalf of the Board of Directors

Sd/-
J. P. Shah

## DIRECTORS' REPORT

Your Directors have pleasure in presenting their Forty-second Annual Report and Audited Accounts for the year ended 31st March 2002

### FINANCIAL RESULTS

| | 2001-02 | 2000-01 |
|---|---|---|
| | (Rupees in Lakhs) | |
| Profit for the year before Taxation | 494.70 | 328.65 |
| Provision for Taxation -- Current Tax | 101.00 | 71.00 |
| -- Deferred Tax benefit | (4.28) | -- |
| Profit after Tax | 397.96 | 257.65 |
| Balance of profit from previous year | 67.71 | 30.88 |
| Amount available for appropriation | 465.67 | 288.53 |

### APPROPRIATIONS :

| | | |
|---|---|---|
| Proposed Dividend | 69.60 | 41.76 |
| Tax on Dividend | — | 4.26 |
| General Reserve | 325.00 | 174.80 |
| Balance carried to next year | 71.07 | 67.71 |
| | 465.67 | 288.53 |



### DIVIDEND

Your Directors have pleasure to recommend for your consideration payment of Dividend for the year ended 31st March 2002 of Rs. 10.00 per share (100%).

### OPERATIONS

The sales and operating income for the year ended 31st March 2002 amounted to Rs. 310 millions as against Rs.292 millions for the previous year. Thus, there is an increase of 9% in sales and operating income.

### EXPORTS

The Exports of the year ended 31st March 2002 have increased to Rs. 166 millions as against Rs. 157 millions in the previous year. The Company is continuously improving on export front. More than 50% of the total sale constitutes exports. The company continues to enjoy the recognition as an Export House from Government of India.

**CURRENT OUTLOOK**

During current year the Company has embarked upon a project to modernise and expand capacity at its plant at Tarapur for manufacture of antibiotic bulk drugs. The project is being implemented in phases, so as not to disrupt current production and is expected to be completed by 30th June 2003. The total estimated cost of the modernisation & expansion of project is Rs. 2.50 crores.

During the year ended 31st March 2002, the comany has discontinued the production of Metalic Stearates and it is not expected to affect company's growth adversely.

The market conditions for the company's products remain to be stable and your Directors expect the company to achieve satisfactory growth in turnover and profits in the current year also

**EMPLOYEES**

There is no employee drawing remuneration of more than Rs. 24,00,000/- per annum during the year under review, if employed for full year or more than Rs. 2,00,000/- per month, if employed for part of the year.

**DIRECTORS**

Mr. J. P. Shah and Mr. J. G. Shah retire by rotation at the forth coming Annual General Meeting and being eligible offer themselves for reappointment.

**INDUSTRIAL RELATIONS**

Industrial relation continued to be satisfactory. Your Directors place on record their appreciation for the valuable contribution made by the employees of your Company.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

As required under Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 the particulars relating to conservation of energy and technology absorption are given in form A & B annexed hereto.

During the year, the Foreign Exchange earnings has been to the extent of Rs. 160.17 millions from exports and the Foreign Exchange outgo has been to the extent of Rs. 194.06 millions for imports of basic raw materials and for incurring travelling expenses for export promotion.

**DIRECTORS' RESPONSIBILITY STATEMENT**

u/s 217 (2AA) of the Companies Act, 1956

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March 2002

i) that applicable accounting standards have been followed along with proper explanations relating to material departures, if any.

ii) that the Directors had selected such accounting policies and applied them consistently and made judgements 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 financial year and of the profit or loss of the company for the period ended 31st March 2002.

iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) that the Directors had prepared the annual accounts on a going concern basis.

**EXPLANATIONS RELATING TO OBSERVATIONS MADE IN AUDITORS REPORT AND COMPLIANCE CERTIFICATE**

a) Your Directors are confident that all loans given and investments made are sound and are in the best interest of the company and the company has passed necessary resolution for enhancing the investment limit by Postal Ballot in the month of June 2002.

b) The Directors state that the advertisement in newspaper for book closure at the time of last Annual General Meeting was not given due to an oversight. This year the necessary advertisement for book closure had been duly published.

**AUDITORS**

The Company's auditors M/s. S. I. Mogul & Co., Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to be reappointed for the current year and you are requested to consider reappointing them as Auditors and fix their remuneration.

**LISTING ON THE STOCK EXCHANGES**

The Company's shares are listed with The Stock Exchange, Mumbai and the company has paid the necessary listing fees for the financial year 2002-03.

**FIXED DEPOSITS**

The Company has not accepted or renewed any Fixed Deposits within the meaning of Section 58- A of the Companies Act, 1956.

**SECRETARIAL COMPLIANCE REPORT**

As per the provision of Section 383(A) of the Companies Act 1956 and the Companies Amendment Act, 2000 and notification dated 11/06/2002 issued by the Department of Company Affairs, our Company was required to obtained a Secretarial Compliance, Certificate from a practicing Company Secretary. The Board of Directors have obtained the Secretarial Compliance Certificate for the Financial Year 2001-2002 from M/s. Sanjay Doshi & Associates, Company Secretaries and the same is attached herewith.

Your Directors recommend the re-appointment of M/s. Sanjay Doshi & Associates, Company Secretaries, who being eligible and have offered themselves for reappointment for the Financial Year 2002-03 for issuing the Secretarial Compliance Certificate.

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co- operation received from our bankers, employees, auditors and consultants during the period under review. The Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels. The Directors also place on record their gratitude to the Members for the continued support and confidence.

Place : Mumbai
Dated : 29th August, 2002
Registered Office :
Mehta Mahal,15 Mathew Road,
Opera House, Mumbai 400 004.

For and on behalf of the Board of Directors

Sd/- J. P. Shah
Chairman

## FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

| I. CONSERVATION OF ENERGY | CURRENT YEAR 31.3.2002 | PREVIOUS YEAR 31.3.2001 |
|---|---|---|
| A Power and fuel consumption | | |
| 1 Electricity | | |
| a) Purchased | | |
| Unit | 405974 | 453016 |
| Total amount ( Rs. in lacs ) | 17.87 | 20.71 |
| b) Own generation | Nil | Nil |
| Rate/Unit (Rs.) | 4.39 | 4.57 |
| 2 Coal | Nil | Nil |
| 3 Light Diesel Oil | | |
| Quantity (KL) | 80.7 | 128 |
| Total amount (Rs.in lacs) | 10.20 | 18.64 |
| Average rate (Rs.) | 12.75 | 15.75 |
| 4 Other / Internal generation | N. A. | N. A. |
| B. Consumption per unit of production | | |
| Electricity KWH | 2.84 | 1.88 |
| Light Diesel Oil Ltrs. | 0.58 | 0.61 |
| Coal | N. A. | N. A. |
| Other | N. A. | N. A. |

2. TECHNOLOGY ABSORPTION

| | | |
|---|---|---|
| A. Research & Development (R & D) | Nil | Nil |
| B. Technology absorption, adaption and innovation | Nil | Nil |

**COMPLIANCE CERTIFICATE**

Registration No. of the Company: 11-11586
Nominal Capital 1,50,00,000/-

To,
The Members,
ANUH PHARMA LIMITED.
Mehta Mahal, 15 Mathew Road,
Opera House, Mumbai - 400 004

We have examined the registers, records, books and papers of ANUH PHARMA LIMITED as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provision contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2002. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to me / us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year

1) the Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per provisions and the rules made there under and all entries therein have been duly recorded .

2) the Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder

3) the Company, being Public Limited Company, comments under section 3(1) (iii) of the Companies Act, 1956, applicable to private company are not required.

4) the Board of Directors duly met 7 times on 27th April 2001, 27th July 2001, 14th August 2001, 30th October 2001, 30th January 2002, 4th March 2002 and 8th March 2002, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolution passed in the Minutes Book maintained for the purpose.