

45th
ANNUAL REPORT
2004 - 2005



ANUH PHARMA LTD.

3-A, SHIVSAGAR ESTATE, DR. ANNIE BESANT ROAD, WORLI, MUMBAI - 400 011

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ANUH PHARMA LTD.

Forty-Fifth Annual Report of the Board of Directors
with the Audited Statement of Accounts
for the year ended 31st March 2005

Board of Directors : Mr. J. P. SHAH
Mr. L. P. SHAH
Mr. BHARAT N. SHAH
Mr. S. P. SONAWALA
Mr. JAGDISH M. MEHTA
Mr. J. G. SHAH
Mr. BIPIN N. SHAH, MANAGING DIRECTOR

Auditors : M/s. S. I. MOGUL & CO.
Chartered Accountants
Mumbai

Bankers : BANK OF INDIA

**Registrar and
Transfer Agents** : BIGSHARE SERVICES PVT. LTD.
E-2/3 Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East),
Mumbai - 400 072

Registered Office : A-3 Shivsagar Estate,
Dr. Annie Besant Road,
Worli,
Mumbai - 400 018

Factory : E-17/3 M.I.D.C.
Tarapur, Boisar,
Dist. Thane - 401 506

ANUH PHARMA LTD.

NOTICE

Notice is hereby given that the FORTY FIFTH ANNUAL GENERAL MEETING of the Members of M/s. ANUH PHARMA LIMITED will be held at 12.30 p.m on Thursday, 29th September, 2005 at "Utsav Hall", Samrat Restaurant, 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, 2005, and the Profit & Loss Account for the year ended on that date and the Reports of the Directors, Auditors.
2. To declare Dividend for the financial year ended 31st March, 2005.
3. To appoint a Director in place of Mr. Bharat N. 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 the 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 310 of the Companies Act, 1956 and other applicable provisions if any, the sitting fees payable to each Director of the Company, other than Managing/ Executive/Whole time Director shall not exceed Rs. 20,000/- per meeting for attending each Board and Committee meeting of the Company."
7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution :

"RESOLVED THAT in pursuance to the provisions of Section 314 of the Companies Act, 1956, consent of the company be and is hereby accorded to Mr. Ritesh B. Shah, son of Mr. Bipin N. Shah, Managing Director to hold an office or place of profit as a Sales Executive of the Company w.e.f. October 1, 2005 and at an enhanced/changed remuneration which shall not exceed Rs. 25,000/ (Rupees Twenty Five Thousand Only) p.m.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix the remuneration within the above mentioned limit from time to time."

For and on behalf of the Board of Directors
Sd/-

J. P. Shah-Chairman

Registered Office :

3-A, Shiv Sagar Estate, Dr. Annie Besant Road,
Worli, Mumbai – 400 018

Place : Mumbai.

Date : August, 26, 2005

NOTES :

1. The Register of Members and Share Transfer Book of the Company shall remain closed from September, 23, 2005 to September, 30, 2005 (both days inclusive)
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
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

Item No. 6

As per Clause 49 (Corporate Governance) of the Listing Agreement, all remuneration including sitting fees paid to non-executive directors, including independent directors, shall be fixed by the Board of Directors and shall be agreed to by shareholders in general meeting.

In view of the Clause 49 (Corporate Governance) of the Listing Agreement and Section 310 of the Companies Act, 1956 the above resolution is put before the General Meeting.

All the Directors except Managing Director are interested to the extent of sitting fees paid to them.

Item No. 7

Mr. Ritesh Shah, who is the son of Mr. Bipin N. Shah, Managing Director of the Company has been appointed as a Sales Executive of the Company w.e.f. 30th July 2004 at a remuneration of Rs.9,500/- per month. He is a M.B.A. (USA) by qualification.

The management appreciates the sincere efforts and hard work put in by Mr. Ritesh Shah, in working of the company. The Company, therefore proposes to increase the Remuneration of Mr. Ritesh Shah from 9,500/- to a salary not exceeding Rs. 25,000 per month from time to time. Under the provisions of Section 314 of the Companies Act, 1956 any remuneration to the relative of Director exceeding Rs. 10,000/- (Rupees Ten thousand only) requires approval of members by a Special Resolution at the Annual General Meeting.

Mr. Bipin N. Shah, Managing Director is concerned or interested in this resolution.

For and on behalf of the Board of Directors
Sd/-

J. P. Shah Chairman

Place : Mumbai.

Date : August 26, 2005

DIRECTORS' REPORT

To,

The Members,

Your directors have pleasure in placing before you the 45th Annual Report of the Company along with the Accounts for the year ended 31st March 2005 :

FINANCIAL HIGHLIGHTS

Rs. (in Lakhs)

ACCOUNTING YEAR	2004-2005	2003-2004
Sales	5170	5355
Other Income	222	192
Profit before interest, depreciation and taxation	754	868
Interest	4	3
Depreciation	33	35
Provision for taxation (net)	248	224
Profit after tax	469	606
Profit and Loss Account balance B/f	172	133
Profit available for Appropriation	641	739
Transfer to General Reserve	400	450
Interim Dividend paid/ Dividend (Proposed)	139	104
Tax on Dividend	20	13
Balance carried to the Balance Sheet	82	172

DIVIDEND

Last year the company paid a Dividend of Rs. 15.00 per Equity Share (150%). Your Directors have pleasure to recommend for your consideration payment of Dividend of Rs. 20.00 per Equity Share (200%) for the year ended 31st March 2005

OPERATIONS

The sales and operating income for the year ended 31st March 2005 amounted to Rs. 517 millions as against Rs. 535.5 millions for the previous year. The turnover of the company has declined by about 3.40% as compared to last year's turnover. As a result of stiff competition, the margin is reduced and so the Profit before Tax is also reduced.

CHANGE OF REGISTERED OFFICE

The Company has shifted the Registered Office

from :

Mehta Mahal, 15 Mathew Road,
Opera House, Mumbai 400 004

to our own new modern office at :

A-3 Shivsagar Estate, North Wing,
Dr. Annie Besant Road, Worli, Mumbai 400 018

This new office will help us achieve better efficiency in administration.

EXPORTS

Exports for the year ended 31st March 2005 have declined to Rs. 261.5 millions as against Rs. 326.5 millions in the previous year, showing a decline of 19.9%.

Now we have planned to achieve an export sale of Rs. 400 million. We shall also be concentrating on local sales, as now there are no incentives for exports.

AWARDS

The Directors are pleased to inform the members that the Federation of Indian Export Organisations set up by Ministry of Commerce, Government of India, has once again given your company "NIRYAT SHREE" Export Award for its export performance during the year 2003-04.

CURRENT OUTLOOK

We are putting up a new factory building with all latest modern techniques and facilities to achieve much better quality standards and to meet the international requirements. This unit will increase our production capacity by approximately 70% and the plant will be commissioned in January 2006.

DIRECTORS

Mr. Bharat N. Shah and Mr. J.G. Shah retire by rotation at the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment.

LISTING ON THE STOCK EXCHANGE

The Company's shares are listed with The Stock Exchange, Mumbai and the Company has paid the necessary listing fees for the Financial Year 2005-06.

FIXED DEPOSITS

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

PARTICULARS OF EMPLOYEES

Particulars of employees as required u/s 217 (2A) of the Companies Act, 1956 are not annexed since there are no employees 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.

DIRECTOR'S 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 2005 –

- i) The 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 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 of the profit or loss of the Company for the period ended 31st March, 2005.
- 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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO (Section 217 (1)(e))

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, technology absorption, foreign exchange earnings and outgo is given in Annexure 'A' & 'B' and forming part of this report.

During the year, the Foreign Exchange earnings has been to the extent of Rs. 257.08 millions (FOB) from exports and the Foreign Exchange outgo has been to the extent of Rs. 364.96 millions for imports of basic raw materials and for incurring travelling expenses for export promotion.

SECRETARIAL COMPLIANCE REPORT.

Your company has appointed M/s. Sanjay Doshi & Associates, Company Secretaries, to certify the compliance of the Companies Act requirements observed by us. A copy of their Certificate is attached.

AUDITORS

M/s. S. I. Mogul & Co., Chartered Accountants, the Statutory Auditors of the Company retire at this Annual General Meeting and are eligible for the reappointment as Auditors of the company to hold the office from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Directors recommend reappointing M/s. S. I. Mogul & Co., as auditors of the company. A certificate has been received from the Auditors to the effect that their reappointment, if made, would be within the prescribed limits u/s. 224 (1B) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your directors would like to express their sincere appreciation for the assistance and cooperation 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 records their gratitude to the Members for their continued support and confidence.

By Order of the Board
Sd/-
J. P. Shah - Chairman

Place : Mumbai.

Date : 26th August, 2005

Registered Office :

3-A, Shiv Sagar Estate,
Dr. Annie Besant Road,
Worli, Mumbai – 400 018

**FORM FOR DISCLOSURE OF PARTICULARS WITH
RESPECT TO CONSERVATION OF ENERGY.**

1. CONSERVATION OF ENERGY:	CURRENT YEAR	PREVIOUS YEAR
A. Power and fuel Consumption	2004-05	2003-04
1. Electricity		
(a) Purchased		
Unit	896433	814221
Total amount (Rs. In lacs)	35.66	33.09
Rate/unit	3.98	4.06
(b) Own generation		
Rate/Unit (Rs.)	Nil	Nil
2. Coal	Nil	Nil
3. Light Diesel Oil		
Quantity (KL)	79.27	74.53
Total cost	16.45	13.19
Average rate	20.75	17.69
4. Other/Internal generation	N.A.	N.A.
B. Consumption per unit of production		
Electricity KWH	3.38	3.18
Light Diesel Oil Ltrs.	0.30	0.29
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 innovatioin	Nil	Nil

COMPLIANCE CERTIFICATE

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

To,
The Members,
ANUH PHARMA LIMITED.
A-3, Shiv Sagar, Estate,
North Wing, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.

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 provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2005**. 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 **5 times** on **28th April, 2004, 30th July, 2004, 24th August, 2004, 29th October, 2004 and 28th January, 2005**, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from **17th September, 2004 to 24th September, 2004 (both days inclusive)** and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on **31st March, 2004** was held on **24th September, 2004** after giving due notice to the Members of the Company and the resolution passed thereat were duly recorded in the minutes book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year
8. The Company has not advanced any loans to its directors and/or persons or firms referred in the Section 295 of the Act.
9. The company has duly complied with the provisions of the section 297 of the Act in respect of contracts specified in that section.

10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. The Company has obtained necessary approvals from the Board of Directors pursuant to Section 314 of the Act.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has :
 - (i) delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act.
 - (ii) deposited the amount of interim dividend declared on **28th April, 2004** in a separate Bank Account on **30th April, 2004** which is within 5 days from the date of declaration of such dividend.
 - (iii) paid /posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration.
 - (iv) transferred the amounts from Dividend Account, which have remained unclaimed/unpaid for a period of seven years to Investor Education and Protection Fund for the dividend declared for the year ended **1996-1997** during the Financial Year **2004 – 2005**.
 - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There were appointment of **additional director** and **resignation of** director during the Financial year under review for which forms have been filed duly with the Registrar of Companies, Maharashtra.
15. The reappointment of Managing Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Companies Act, 1956 during the Financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued shares or other securities during the financial year.
20. The company has not bought back any shares during the financial year ending 31st March, 2005.
21. The company has no preference shares/debentures.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.