

**6th Annual Report
1999-2000**



ANKUR DRUGS AND PHARMA LIMITED

For ANKUR DRUGS & PHARMA LIMITED

DIRECTOR

BOARD OF DIRECTORS

Shri Atul H. Thakkar	: Director (Operations)
Shri Ashok K. Rajkotia	: Director
Shri Bhaskar G. Parikh	: Director
Shri Laxman Raj Bhandari	: Director
Shri Purnandu Jain	: Director
Shri Parmeshwar B. Bang	: Wholetime Director (Technical)

REGISTERED OFFICE

: G. B. Estate,
Near Borosil Glass Works,
Military Road, Marol,
Andheri (East), Mumbai - 400 059.

FACTORY

: Plot No. 3 & 4, Survey No 168,
Dabhel Industrial Co-op. Society Limited
Village Dabhel, Nani Daman (U.T.) 396 210.

AUDITORS

: G. Vijayvargiya & Co.
Chartered Accountants
Mumbai.

BANKERS

: Punjab National Bank

REGISTRARS & SHARE TRANSFER AGENT :

Choksh Infotech Limited
35, Ajanta House,
Marol Co-op. Industrial Estate,
Andheri-Kurla Road,
Andheri (East), Mumbai - 400 059.

ANKUR DRUGS AND PHARMA LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the Sixth Annual General Meeting of the Members of the Company will be held on Monday, 25th day of September, 2000 at the Registered Office of the Company at G.B. Estate, Near Borosil Glass Works, Military Road, Marol, Andheri (East), Mumbai-400 059 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Statement of Accounts for the year ended 31st March, 2000 and Balance Sheet as on that date alongwith the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bhaskar G. Parikh who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint M/s. M.G. Vashi & Co., Chartered Accountants, as the Auditors of the Company in place of retiring Auditors M/s. G. Vijayvargiya & Co., Chartered Accountants.

SPECIAL BUSINESS :

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

"RESOLVED THAT Mr. Atul Thakkar, who was appointed as an Additional Director of the Company with effect from 7th September, 1999 pursuant to the provisions of Section 260 of the Companies Act, 1956 and subject to the provisions of the Articles of Association of the Company and whose term expires at the sixth Annual General Meeting of the Company and for the appointment of whom the Company has received a notice under Section 257 of the said act from a shareholder proposing the candidature of Mr. Atul Thakkar for the office of a Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be subject to determination by rotation."

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

"RESOLVED THAT Mr. Parmeshwar B. Bang, who was appointed as an Additional Director of the Company with effect from 22nd August, 2000 pursuant to the provisions of Section 260 of the Companies Act, 1956 and subject to the provisions of the Articles of Association of the Company and whose term expires at the sixth Annual General Meeting of the Company and for the appointment of whom the Company has received a notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Parmeshwar B. Bang for the office of a Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be subject to determination by rotation."

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 the provisions of Sections 198, 269, 309 & 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said act, the Company hereby approves the appointment of Mr. Parmeshwar B. Bang as Wholetime Director (Technical) of the Company for a period of 5 years with effect from 1st September, 2000 on a consolidated remuneration of Rs. 3,25,000/- per annum with the liberty to the Board of Directors to alter and vary terms and conditions of the aforesaid appointment of and remuneration payable to the said Wholetime Director (Technical) from time to time."

"RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to Mr. Parmeshwar B. Bang, Wholetime Director (Technical) shall be governed by Section II of Part II of Schedule XIII of the Companies Act, 1956 or any statutory modification thereof."

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

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 and subject to the provisions of the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company, to borrow, in any manner, from time to time, any sum or sums of money at its discretion on such terms and conditions as the Board of Directors may deem fit, notwithstanding that the money to be borrowed by the Company together with the moneys already obtained or to be obtained (apart from temporary loans) from the Company's Bankers in the ordinary course of business, may exceed the aggregate of Paid-up Capital of the Company and its Free Reserves, not set apart for any specific purpose, provided that the maximum amount of money so borrowed by the Board and outstanding at any one time shall not exceed the sum of Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only)."

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8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
- "RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the Articles of Association of the Company be and is hereby altered in the following manner:

- (i) Insert the following Heading and Article alongwith the marginal notes as Article 25A after Article 25:

14 DEMATERIALISATION OF SECURITIES:

- (1) For the purpose of this Articles:

Definitions:

"Beneficial Owner" means a person whose name is recorded as such with a Depository.

"SEBI" means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.

"Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force.

"Bye-Laws" means bye-laws made by a Depository under Section 26 of the Depositories Act.

"Depository" means a Company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.

"Member" means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as a Beneficial Owner in the records of the Depository.

"Debentureholder" means the duly registered holders from time to time of the debentures of the Company.

"Participant" means a person registered as such under section 12(1A) of the Securities and Exchange Board of India Act, 1992.

"Record" includes the records maintained in the form of books or stored in computer or in such other forms as may be determined by regulations made by SEBI in relation to the Depository Act.

"Regulations" means the regulations made by the SEBI.

"Security" means such security as may be specified by the SEBI.

Words imparting the singular number only include the plural number and vice versa.

Words imparting persons include corporations.

Words and expressions used and not defined in the Act but defined in the Depositories Act shall have the same meanings respectively assigned to them in that Act.

Company to recognise interest in dematerialised securities under Depositories Act.

- (2) Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.

Dematerialisation of Securities:

- (3) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialise its securities held in the Depositories and/or offer its fresh securities in a dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any.

Option to receive security certificates or hold securities with Depository:

- (4) Every person subscribing to or holding securities of the Company shall have the option to receive security certificate or to hold the securities with a Depository. If the person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the security.

Securities in Depositories to be in fungible form:

- (5) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.

ANKUR DRUGS AND PHARMA LIMITED**Rights of Depositories and Beneficial Owners:**

- (6) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
- (c) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

Beneficial Owner deemed as absolute owner :

- (7) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

Depository to furnish information :

- (8) Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

Cancellation of certificates upon surrender by a person :

- (9) Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

Option to opt out in respect of any security :

- (10) If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.

The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company.

The Company shall, within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

Service of Documents :

- (11) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Provisions of Articles to apply to shares held in Depository.

- (12) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depository Act. Allotment of Securities dealt with a Depository:

- (13) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

Distinctive numbers of Securities held in a Depository :

- (14) The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

Register and index of Beneficial Owners:

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(15) The Company shall cause to be kept a Register and index of Members and a Register and index of Debentureholders in accordance with Sections 151 and 152 of the Act respectively, and the Depositories Act, with details of shares and debentures held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Register and index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be Register and index of Members and Register and index of Debentureholders, as the case may be, for the purposes of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.

Register of Transfers :

(16) The Company shall keep a Register of Transfer and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form."

For and on behalf of the board

Place : Mumbai
Dated : 22nd August, 2000

L.R. BHANDARI
Director

REGISTERED OFFICE :

G.B. Estate,
Near Borosil Glass works,
Miliary Road,
Marol, Andheri (East),
Mumbai - 400 059.

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours (fortyeight hours) before the time fixed for holding the meeting.
3. Item No.3 of the Notice relates to the appointment of M/s. M.G. Vashi & Co., Chartered Accountants, as the Auditors of the Company in place of the retiring Auditors, M/s. G. Vijayvargiya & Co., Chartered Accountants. A special notice on leins of section 190 of the Companies Act, 1956 has been received under section 225(1) of the said Act from a Shareholder of The Company Proposing The appointment of M/s. M.G. Vashi & Co., Chartered Accountants in place of M/s. G. Vijayvarjiya & Co., Chartered Accountants being the retiring auditors. The retiring Auditors have informed the Company that they have no representation to make to the members of the company relating to the special notice.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 22nd September, 2000 to Monday, 25th September, 2000 (Both days inclusive)
5. Shareholders are requested to forward their queries on the Accounts for the financial year 31st March, 2000 to the Registered Office of the Company at least 10 days in advance to enable us to keep the information ready at the meeting.
6. The Annual Reports and Attendance slips will not be distributed at the Annual General Meeting. Shareholders are requested to bring the same along with them.

ANKUR DRUGS AND PHARMA LIMITED**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.****Item No.4 :**

Mr. Atul Thakkar was appointed as Additional Director of the Company with effect from 7th September, 1999 pursuant to the provisions of Section 260 of the Companies Act, 1956 and subject to the provisions of the Articles of Association of the Company. Pursuant to the provisions of the said section, the term of his appointment shall expire at the Sixth Annual General Meeting of the Company. In the meantime, the Company has received notice under Section 257 of the said act from a Shareholder proposing the candidature of Mr. Atul Thakkar for the offices of Director of the Company.

The resolution vide Item No.4 is therefore proposed for the approval of the Members.

Apart from the Mr. Atul Thakkar, no other Director shall be deemed to be concerned or interested in the said resolutions.

Item No.5:

Mr. Parmeshwar B. Bang was appointed as Additional Director of the Company with effect from 22nd August, 2000 pursuant to the provisions of Section 260 of the Companies Act, 1956 and subject to the provisions of the Articles of Association of the Company. Pursuant to the provisions of the said section, the term of his appointment shall expire at the Sixth Annual General Meeting of the Company. In the meantime, the Company has received notice under Section 257 of the said act from a Shareholder proposing the candidature of Mr. Parmeshwar B. Bang for the offices of Director of the Company.

The resolution vide Item No.5 is therefore proposed for the approval of the Members.

Apart from the Mr. Parmeshwar B. Bang, no other Director shall be deemed to be concerned or interested in the said resolutions.

Item No. 6 :

Mr. Parmeshwar B. Bang is expected to play an important role by providing able leadership and direction to the Company to create a niche over the competitors. It is considered that the knowledge and experience of Mr. Parmeshwar B. Bang combined with his strong technical background would help the Company to create a strong presence in the pharmaceutical market. The Board of Directors at their Meeting held on 22nd August 2000, appointed Mr. Parmeshwar B. Bang as Wholetime Director(Technical) of the Company for a period of five years with effect from 1st September 2000 at a consolidated remuneration of Rs.3,25,000/- per annum which shall include salary and such other perquisites and benefits to which the said Wholetime Director (Technical) shall be entitled to under the Company's rules, with liberty to the Board of Directors to alter the terms of appointment of and remuneration payable to him from time to time as may be agreed by and between the Board and the said Mr. Parmeshwar B. Bang.

In the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the said Wholetime Director (Technical) shall be governed by Section II of Part II of Schedule XIII of the Companies Act, 1956 or any statutory modification thereof.

In compliance with the applicable provisions of the Companies Act, 1956 and Schedule XIII thereto, an Ordinary Resolution in terms of Item No.6 of the accompanying Notice is being proposed for the approval of the members at the forthcoming Annual General Meeting.

Except Mr. Parmeshwar B. Bang, none of the Directors shall be deemed to be concerned or interested in the above resolution.

Item No. 7 :

For the purpose of augmenting financial resources for setting up its business and for operational requirements, the Company, may also have to resort to borrowings from banks, financial institutions, venture capital funds or such other external sources. Section 293(1)(d) of the Companies Act, 1956, requires the consent of the Members in a General Meeting for authorising the Board of Directors to borrow moneys (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), which may be in excess of the aggregate of the Company's paid-up capital and free reserves.

Accordingly, resolution is recommended vide Item No.7 for granting powers to the Board of Directors of the Company.

None of the Directors of the Company shall be deemed to be concerned or interested in the said resolution.

6TH ANNUAL REPORT - 1999-2000**Item No.8 :**

Consequent to the introduction of the Depository System and setting up of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDS) and considering the benefits of scripless trading, your Company, with a view to provide better services to investors, proposes to enter into Agreement(s) with NSDL and/or CDS to have electronic depository facilities for the shares of the Company. The Depository System of holding securities in an electronic form is a far safer and more convenient method for holding and trading in the securities of the Company.

With the enactment of the Depositories Act, 1996 and amendments to certain provisions of the Companies Act, 1956, a new Article is proposed to be introduced, briefly stating the frame-work of the System of Depository as per the provisions of the Depositories Act, 1996 with a view to facilitating operation of the Depository System. In view of this, consequent changes are required to be incorporated in the Article of Association of the Company by inserting a new Article 25A immediately after the existing Article 25 so as to be in line with the amended provisions of the Companies, 1956 read with provisions of the Depositories Act, 1996.

The Special Resolution at Item No. 8 is therefore, proposed pursuant to Section 31 of the Companies Act, 1956.

A copy of the existing Memorandum and Articles of Association of the Company together with the proposed alterations will be open for inspection by the members at the Registered Office of the Company between the hours of 11.00 A.M. and 1.00 P.M. on all working days till the date of Annual General Meeting.

For and on behalf of the Board

L.R. BHANDARI
Director

Place : Mumbai.
Dated : 22nd August 2000.



ANKUR DRUGS AND PHARMA LIMITED**DIRECTORS' REPORT**

To,
The Members of
ANKUR DRUGS AND PHARMA LIMITED

The Directors present their 6th Annual Report on the business operations of the Company alongwith the Statement of Audited Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS

	Year Ended 31st March 2000	(Amt. in Rs.) Year Ended 31st March 1999
Operational & Other Income	18048888	1493744
Profit/(Loss) before Tax & Depreciation	3881721	259225
Less : Depreciation	3420492	1276862
Profit/(Loss) before Tax	461229	(917637)
Less : Income Tax for earlier years	-	3250
Profit/(Loss) after Tax	461229	(920887)
Less : Prior Period adjustments	6389	-
	454840	(920887)
Add.: Balance brought forward	(920887)	-
Balance carried to Balance Sheet	(466,047)	(920,887)

OPERATIONS :

During the year under review, Total Income increased to Rs. 180.49 lacs as against Rs. 14.94 Lacs in the earlier year. The Profit before Tax and Depreciation amounted to Rs. 38.82 Lacs as compared to Rs. 2.59 Lacs for the previous year recording an increase of almost 15 times. However, due to higher provision for Depreciation, the Company's Net Profit for the year under review reduced substantially to Rs. 4.61 Lacs. After considering the prior year adjustments and brought forward losses aggregating to Rs. 9.27 Lacs, the loss balance of Rs. 4.66 Lacs has been carried forward to the Balance Sheet.

DIVIDEND :

In view of inadequate profit and carried forward loss at the end of the year under review, your Directors regret their inability to recommend any dividend for the year ended 31st March 2000.

BUSINESS OUTLOOK :

With the help of sustained efforts and aggressive business policies, the Company has been able to strike remarkable deals during the year under review, enabling it to cater to a sound clientele base. In the current year, the company has entered into tie-up with Ranbaxy Laboratories Limited and other parties for whom the Company will undertake manufacturing of several products, to be marketed by them. The Company has also received orders from Cipla Limited for manufacturing of Ayurvedic Capsules, on Job Work basis.

During the current Financial year, the company installed its Dry Powder Section, considering the above, your Directors are optimistic that the Company would be able to report better performance during the current year.