

Golden Jubilee Year



ANUH PHARMA LIMITED



Mr. Ritesh Shah, General Manager - Marketing & Sales receiving the outstanding Export Performance Award from PHARMEXCIL for the year 2008-09 from the hands of Mr. Peter A. Nyongo, Hon. Minister for Medical Services, Government of Kenya, in the presence of Hon. Commerce Minister Shri Anand Sharma and Shri Bipin Shah, Managing Director of Anuh Pharma Limited.

ANUH PHARMA LTD.: A JOURNEY OF FIFTY YEARS....And many more to go!



*Fifty years ago, in the 1960s, when Shri P. R. Subramaniam, the then Chairman of Anuh Pharma Ltd. registered the company, it was with an idea to start a few Ayurvedic formulations. **Shri S.K. Shah**, founder Chairman of SK Group, was also one of the founder Directors of Anuh Pharma Ltd. Rudanil, Ugratin and Darnison were few of the ayurvedic formulations that Anuh Pharma started off with.*

However, our story is that of a magnificent metamorphosis. In the 1980s, the Sevantilal Kantilal Group acquired majority of the shares of Anuh Pharma Ltd. By 7th March, 1989, we shifted the location to a state of the art factory at MIDC, Tarapur. Today it stands there with six new plants added to the original construction.

There was also a major shift in the activities of the company. It has emerged as one of the largest producer of Erythromycins and various other Active Pharmaceutical Ingredients with a top line of 165 crores and reserves of more than 50 crores.

We have over a 100 dedicated staff and workmen who work relentlessly to keep the company soaring to greater heights. The company is a recipient of the Best Exporters Award, three times from Ministry of Commerce, Government of India. It has also received regulatory approval from European Directorate for the Quality of Medicines & Healthcare (EDQM) in form of Certificate of Suitability for Erythromycin Base, Erythromycin Ethyl Succinate, Pyrazinamide and Clobetalsol Propionate.

One share worth Rs. 10 in 1989 has risen to 96 shares of Rs. 5 each in 2010, the approximate market value of which is Rs. 19,200.

We believe in rising above our laurels. The management has already made a blue print for the next five years and the company dreams of achieving 400+ crores as top line to become one of the major players in production of pharmaceutical bulk drugs.

We are ready to fly higher with a brilliant past behind us and a wonderful future ahead!

ANUH PHARMA LTD.

**Fiftieth Annual Report of the Board of Directors
with the Audited Statement of Accounts for the year ended 31st March, 2010**

Board of Directors	: Mr. J. P. Shah, Chairman Mr. Bipin N. Shah, Managing Director Mr. L. P. Shah Mr. Bharat N. Shah Mr. J. G. Shah Mr. Dilip G. Shah Mr. Arun Todarwal Mr. Ashwin Shroff, Additional Director.
Auditors	: M/s. S. I. MOGUL & CO. Chartered Accountants Mumbai
Bankers	: BANK OF INDIA
Registrars and Transfer Agents	: BIGSHARE SERVICES PVT. LTD. E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072 Tel: (022) 2847 0652 / 53
Registered Office	: 3-A Shiv Sasgar Estate, North Wing, Dr. Annie Besant Road, Worli, Mumbai 400 018 Tel : (022) 6622 7575
Factory	: E-17/3 & 17/4 M.I.D.C., Tarapur, Boisar, Dist. Thane – 401 506

NOTICE

FIFTIETH ANNUAL GENERAL MEETING of the Members of ANUH PHARMA LIMITED will be held at 11.30 a.m. on Friday, 17th September, 2010, at M. C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Road, 18/20 K. Dubash Marg, Mumbai 400 001 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors.
2. To confirm payment of Interim Dividend made by the Directors on the equity shares for the year ended 31st March, 2010 as final Dividend.
3. To appoint a Director in place of Mr. Jayantilal P. Shah who retires by rotation and, being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Bharat N. 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, as an Ordinary Resolution, the following :
"RESOLVED THAT Mr. Ashwin Shroff, who was appointed as an Additional Director of the company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 137 of the Articles of Association of the Company and who holds office upto the date of the ensuing Annual General Meeting and being eligible for re-appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956, proposing his candidature as a Director of the Company, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation."
7. To consider and, if thought fit, to pass, with or without modification, as an Special Resolution, the following :
"RESOLVED THAT pursuant to Section 314 (1B) and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, the consent of the company be and is hereby accorded to increase the remuneration payable to Mr. Ritesh B. Shah (General Manager - Marketing & Sales), effective from April 1, 2010, from existing Rs. 50,000/- per month to a sum to be fixed by the Board from time to time, not exceeding Rs. 2,00,000/- per month including bonus, contribution to statutory provident fund and other perquisites.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take necessary steps in this regard."
8. To consider and, if thought fit, to pass, with or without modification, as an Special Resolution, the following :
"RESOLVED THAT pursuant to Section 314 (1B) and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, the consent of the company be and is hereby accorded to increase the remuneration payable to Mr. Vivek B. Shah (General Manager - Works), effective from April 1, 2010, from existing Rs. 50,000/- per month to a sum to be fixed by the Board from time to time, not exceeding Rs. 1,50,000/- per month including bonus, contribution to statutory provident fund and other perquisites.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take necessary steps in this regard."
9. To consider and, if thought fit, to pass, with or without modification, as a Special Resolution, the following :
"RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 the approval of members be and is hereby granted to capitalize a sum of Rs. 2,78,40,000/- (Rupees Two crore seventy eight lakhs forty thousand only) out of the reserves set free for distribution amongst the equity shareholders by issue of 55,68,000 equity shares of Rs. 5/- (Rupees Five Only) each credited as fully paid to the equity shareholders in the proportion of Two equity shares for every One equity share held by them as on the record date, to be fixed by the Board.

RESOLVED FURTHER THAT the bonus shares to be issued as fully paid equity shares shall be subject to the Memorandum and Articles of Association of the Company ranking in all respects *pari passu* to the existing equity shares.

RESOLVED FURTHER THAT the Boards of Directors of the Company be and are hereby authorised to carry out the necessary formalities to give effect to the above resolution."

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: 6th August, 2010

NOTES :

1. The Register of Members and Share Transfer Book of the Company shall remain closed from 13th September, 2010 to 17th September, 2010 (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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. 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.
4. Those Members who have so far not encashed their Dividend Warrants 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.
5. Members are requested to notify change in address, if any, immediately to the Company at its Registered Office, quoting their Folio Numbers.
6. 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. 6

Mr. Ashwin Shroff was appointed as an Additional Director of the company with effect from 30th October, 2009 under Article 137 of the Articles of Association of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Ashwin Shroff holds office as a Director upto the date of the ensuing Annual General Meeting of the Company.

A notice in writing has been received from a member of the Company under Section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Ashwin Shroff as a candidate for the office of Director of the Company. The requisite sum of Rs. 500/- as a deposit has been duly received from the member.

The Board recommends his appointment.

None of the Directors except Mr. Ashwin Shroff are, in any way, concerned or interested in the resolution.

Item No. 7

Mr. Ritesh B. Shah, who is the son of Mr. Bipin Shah, Managing Director, has been working as a Sales Executive of the company since 19th August, 2004. Looking to his excellent performance, effective from 1st April, 2010, he has been promoted to the position of General Manager - Marketing & Sales. In the Board Meeting of the company held on 6th August, 2010 the Board had approved his remuneration not exceeding Rs. 2,00,000/- per month effective from 1st April, 2010. In the Annual General Meeting of the company held on 29th September, 2007, the members had approved his remuneration to be fixed by the Board from time to time not exceeding Rs. 50,000/- including bonus, contribution to statutory provident fund and other perquisites, effective from 1st April, 2007.

The performance of Mr. Ritesh B. Shah, who is a MBA (USA) has been excellent and he has made significant contribution to the sales performance of the company. The Board in appreciation of his service, considers it appropriate to raise the remuneration payable to him, to be fixed by the Board from time to time, not exceeding Rs. 2,00,000/- per month including bonus, contribution to statutory provident fund and other perquisites, which is to be effective from 1st April, 2010.

As per provisions of Section 314(1B) of the Companies Act, 1956, such increase in remuneration is required to be approved by the members in a General Meeting through a Special Resolution.

The Board recommend the passing of the Special Resolution as set out at Item No. 7 of the accompanying Notice.

Mr. Bharat N. Shah and Mr. Bipin N. Shah are interested or concerned in the said Special Resolution.

Item No. 8

Mr. Vivek B. Shah, who is the son of Mr. Bipin Shah, Managing Director, has been working as a Sales Executive of the company since 1st October, 2008. Subsequently he was transferred to Tarapur plant to look after the production management of the factory. He has been working very hard and due to his commendable performance, effective from 1st April, 2010, he has been promoted to the position of General Manager - Works. In the Board Meeting of the company held on 6th August, 2010 the Board had approved his remuneration not exceeding Rs. 1,50,000/- per month effective from 1st April, 2010. In the Annual General Meeting of the company held on 16th September, 2009, the members had approved his remuneration to be fixed by the Board from time to time not exceeding Rs. 50,000/- including bonus, contribution to statutory provident fund and other perquisites, effective from 1st April, 2009.

The performance of Mr. Vivek B. Shah, who has done M.Sc. in Biotechnology has been excellent and he has made significant contribution to the production management at the company's plant. The Board in appreciation of his service, considers it appropriate to raise the remuneration payable to him, to be fixed by the Board from time to time, not exceeding Rs. 1,50,000/- per month including bonus, contribution to statutory provident fund and other perquisites, which is to be effective from 1st April, 2010.

As per provisions of Section 314(1B) of the Companies Act, 1956, such increase in remuneration is required to be approved by the members in a General Meeting through a Special Resolution.

The Board recommend the passing of the Special Resolution as set out at Item No. 8 of the accompanying Notice.

Mr. Bharat N. Shah and Mr. Bipin N. Shah are interested or concerned in the said Special Resolution.

Item No. 9

The year 2009-10 being the Golden Jubilee year of the company, to make it a memorable occasion, the Board of the Company proposes to issue Bonus shares in the ratio of 2 equity shares of Rs. 5/- each (fully paid) for every 1 equity share of Rs. 5/- each held. The company has ample Reserves to capitalize the same pursuant to provision of Section 81 of the Companies Act, 1956.

None of the Directors are concerned or interested in the Resolution except to the extent of their respective shareholdings.

For and on behalf of the Board of Director

Sd/-

J. P. SHAH
Chairman

Place: Mumbai
Date: 6th August, 2010

DIRECTORS' REPORT

The Members,

Your directors have pleasure in placing before you the 50th Annual Report of the Company along with the Accounts for the year ended 31st March, 2010:

FINANCIAL HIGHLIGHTS

Accounting Year	(Rupees in Lakhs)	
	2009-2010	2008-2009
Sales	16457	12051
Other Income	866	175
Profit before interest, depreciation and taxation	1881	1520
Interest	11	83
Depreciation	116	112
Provision for taxation (net)	469	425
Profit after tax	1285	900
Profit and Loss Account balance B/f	418	342
Profit available for Appropriation	1703	1242
Transfer to General Reserve	500	450
Proposed Dividend/Interim Dividend	279	320
Tax on Dividend	47	54
Balance carried to the Balance Sheet	877	418

DIVIDEND

Yours Directors recommend that the Interim Dividend of Rs. 10/- per share of face value of Rs. 5/- (200%) declared on 29th January, 2010 is to be treated as the final Dividend for the year ended 31st March, 2010.

BONUS SHARES

On the occasion of the Golden Jubilee Year of the Company, your Directors are pleased to propose issue of Bonus Shares in the ratio 1:2, thus capitalizing a sum of Rs. 2,78,40,000/- out of General Reserve.

OPERATIONS

The sales and operating income for the year ended 31st March, 2010 amounted to Rs. 16,457.22 lakhs as against Rs. 12,051.35 lakhs for the previous year. Thus the turnover of the company has increased by about 36.55% as compared to last year's turnover.

During the year 2009-10 profit before tax as compared to last year has increased by 32.29% from Rs. 1,325.48 lakhs to Rs. 1,753.52 lakhs and profit after tax has increased by 43.94% from Rs. 871.63 lakhs to Rs. 1,254.66 lakhs.

EXPORTS

Exports for the year ended 31st March, 2010 have increased by about 11.92% from Rs. 5,641.13 lakhs to Rs. 6,313.88 lakhs.

CURRENT OUTLOOK

The company expects to maintain the tempo of growth during the current year as well, and may achieve record sales and net profit.

DIRECTORS

Mr. Ashwin Shroff was appointed as an Additional Director on the Board with effect from October 30, 2009. Mr. Ashwin Shroff holds office as a Director upto the date of the ensuing Annual General Meeting of the Company, a notice in writing under Section 257 of the Companies Act, 1956 has been received by the Company to appoint Ashwin Shroff as a Director of the Company.

Mr. Jayantilal P. Shah and Mr. Bharat N. Shah retire by rotation at the forthcoming Annual General Meeting and being eligible have offered himself for re-appointment.

LISTING ON THE STOCK EXCHANGES

The Company's shares are listed with Bombay Stock Exchange Ltd. and the Company has paid the necessary listing fees for the Financial Year 2010-11.

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

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March, 2010:-

- 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 viz. 31st March, 2010 and of the profit or loss of the Company for the year ended on that date.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 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 are given in Annexure 'A' and forming part of this report.

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 re-appointment 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 re-appointment, if made, would be within the prescribed limits u/s. 224 (1B) of the Companies Act, 1956.