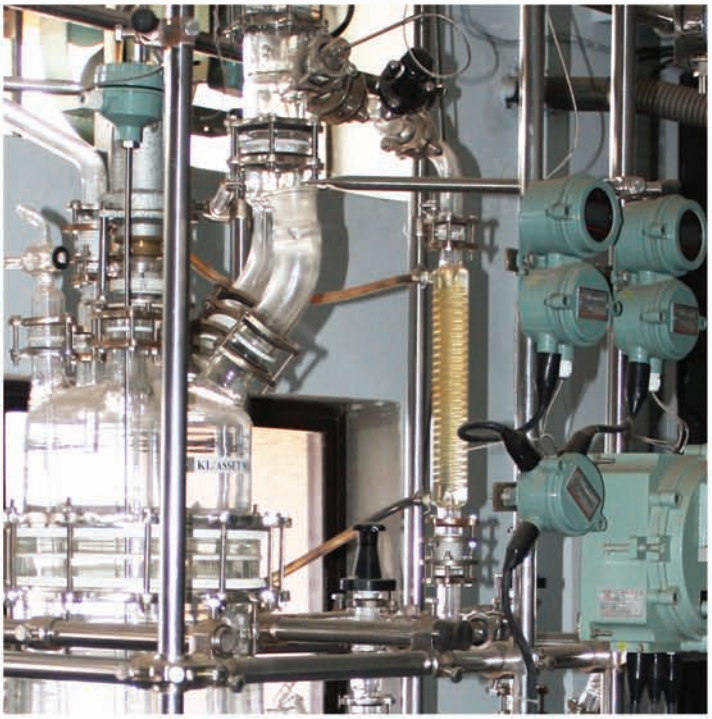

ANUH
PHARMA LTD.

53RD ANNUAL REPORT 2012-13

सत्यमेव जयते

भारत सरकार
GOVERNMENT OF INDIA
वाणिज्य एवं उद्योग मंत्रालय
MINISTRY OF COMMERCE & INDUSTRY
कार्यालय, मंडलीय संयुक्त महानिदेशक, विदेश व्यापार
OFFICE OF THE ZONAL JOINT DIRECTOR GENERAL OF FOREIGN TRADE

मान्यता प्रमाण पत्र
Certificate of Recognition

व्यापार सदन
TRADING HOUSE

STATUS HOLDER No.:03/16/0078/120502

मैसर्स .....

(आई ई सी सं. ..... और आयकर पैन सं. .....)

को विदेश व्यापार नीति, 2009-2014 के प्रावधानों के अनुसार व्यापार सदन का स्तर प्रदान किया जाता है। यह प्रमाण पत्र 1 अप्रैल ..... से 31 मार्च ..... तक ..... वर्षों की अवधि के लिए वैध है।

M/s **ANUH PHARMA LTD 3-A SHIV SAGAR ESTATE NORTH WING DR. ANNIE BESANT ROAD WORLI MUMBAI Maharashtra-400 018**

(IEC No. **0389021601** and Income Tax PAN No. **AAACA4478P**) are hereby accorded the status of Trading House in accordance with the provisions of the Foreign Trade Policy, 2009-2014. This Certificate is valid for a period of **FIVE** years, effective from 1st April **2012** to 31st March **2017**

सं./No. ZC/0078

तारीख/Date : **02.05.2012**

स्थान/Place : **Mumbai**

(फाईल सं./File No.) **03/81/105/00038/AM12/ ADDL. XXXXXXXX**

मंडलीय संयुक्त महानिदेशक विदेश व्यापार FOREIGN TRADE ZONAL JOINT DIRECTOR GENERAL

DR. KAVITA GUPTA
अपर मंडलीय संयुक्त महानिदेशक, विदेश व्यापार
Zonal Joint Director General of Foreign Trade

ANUH PHARMA LTD.

Fifty-Third Annual Report of the Board of Directors
with the Audited Statement of Accounts for the year ended 31st March, 2013

Board of Directors	:	Mr. Jayantilal P. Shah, Chairman Mr. Bipin N. Shah, Managing Director Mr. Lalitkumar P. Shah Mr. Bharat N. Shah Mr. Jasvantlal G. Shah Mr. Dilip G. Shah Mr. Arun L. Todarwal Mr. Sandeep M. Joshi Mr. G.C. Sharda
Auditors	:	M/s. S.I. MOGUL & CO. Chartered Accountants 73-B Mittal Court, Nariman Point, Mumbai 400 021
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, Shivsasgar 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
R & D Division	:	A-514, TTC Industrial Area, MIDC, Mahape, NAVI MUMBAI - 400 701

NOTICE

FIFTY THIRD ANNUAL GENERAL MEETING of the Members of ANUH PHARMA LIMITED will be held at 3.00 p.m. on Friday, 2nd August 2013 at 6th Floor, Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 12, K. Dubasb 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, 2013 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors.
2. To appoint a Director in place of Mr. Lalitkumar P. Shah who retires by rotation and, being eligible offers himself for re-appointment.
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 the auditors of the company and to fix their remuneration.
5. To declare dividend for the Financial Year 2012-13.

SPECIAL BUSINESS:

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

   "RESOLVED THAT Mr. Sandeep Joshi, 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 reappointment 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 Ordinary Resolution, the following :

   "RESOLVED THAT Mr. G.C. Sharda, 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 reappointment 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."

8. To consider and, if thought fit, to pass, with or without modification, as an Special Resolution, the following :

   "RESOLVED THAT pursuant to provisions of Section 293 (1) (d) of the Companies Act, 1956, consent of the members of the Company be and is hereby accorded to the Board of Directors to borrow money, from time to time at its discretion either from the Company's bank or any other bank, financial institutions or any other lending institutions or persons on such terms and conditions as may be considered suitable by the Board of Directors up to a limit not exceeding in the aggregate ₹ 200 crores [Rupees Two hundred crores only] notwithstanding that the moneys to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves that it is to say, reserves not set apart for any specific purpose."

For and on behalf of the Board of Directors

Sd/-

J. P. Shah
Chairman

Registered Office:

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

Place: Mumbai
Date: 24th May, 2013

NOTES:

1. The Register of Members and Share Transfer Book of the Company shall remain closed from 29th July, 2013 to 2nd August, 2013 (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 Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing companies to send documents to their shareholders in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, members who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the Share Transfer Agents of the Company and register their email-id. Members holding shares in dematerialized form are requested to contact their Depositary Participant. Members may please note that notices, annual reports, etc. will be available on the Company's website-www.anuhpharma.com and the same shall also be available for inspection, during the office hours, at the Registered Office of the Company. Members will be entitled to receive the said documents in physical form free of cost at any time upon request.**
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. 6

Mr. Sandeep Joshi was appointed as an Additional Director of the company with effect from November 9, 2012 under Article 137 of the Articles of Association of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Sandeep Joshi 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. Sandeep Joshi as a candidate for the office of Director of the Company. The requisite sum of ₹ 500/- as a deposit has been duly received from the member.

The information required to be furnished under the Code of Corporate Governance is given hereunder:

Mr. Sandeep Joshi aged 52 years, graduate in Chemistry from Bombay University and completed his M.B.A Degree from Poona, Symbiosis Institute of Business Management, currently holds position of Managing Director in Eurogen Pharma Pte Ltd in Singapore. He joined Lupin Laboratories Limited after training stints in Denmark (Cheminova Als) & Sweden (Supra AB).

He has more than 20 years of experience in export marketing and business development with companies in India and abroad and has built excellent relations with major pharmaceutical companies internationally.

Mr. Sandeep Joshi has strong background of out-sourcing and business development in Life Science Industry.

He worked for some reputed Companies such as Lupin (India), Medochemie(Cyprus), Pliva (Croatia), the Nordic Group, Invent Pharma , among others.

He has held and presently also holds senior positions in following Companies:

1. Managing Director of Eurogen Pharma Pte Ltd., Singapore
2. Director of Holden Medical Pvt. Ltd.

3. Board Member, Holden Medical Laboratories Pvt. Ltd.
4. Board Member, Orffa Animal Nutrition Pvt. Ltd.
5. Advisor, Aegis Ltd, Cyprus
6. Advisor, Oriox Japan Ltd, Japan

Mr. Sandeep Joshi does not hold any share in the Company either in his name or for other persons on a beneficial basis.

Item No. 7

Mr. G.C. Sharda was appointed as an Additional Director of the company with effect from May 24, 2013 under Article 137 of the Articles of Association of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. G.C. Sharda 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. G.C. Sharda as a candidate for the office of Director of the Company. The requisite sum of ₹ 500/- as a deposit has been duly received from the member.

The information required to be furnished under the Code of Corporate Governance is given hereunder:

Mr. G.C. Sharda aged 69 years, graduated in Commerce having passed intermediate examination from Institute of Cost and Works Accountant.

He was accountant for 12 years and also as Materials Manager in M/s. Jayshree Chemicals Limited, Ganjam, Orissa, a company engaged in the manufacture of Chlor-Alkali Chemicals.

He has also worked for 8 years as General Manager in M/s. G Amphray Laboraties, who are engaged in manufacturing of bulk drugs.

He was also an Executive Director for 10 years in M/s. Triochem Products Limited, who are engaged in manufacturing of bulk drugs & formulations.

He was also Director- Commercial for more than 2 years in M/s. Chemox Laboratories Limited. who are engaged in manufacturing of bulk drugs & formulations.

Mr. G.C. Sharda was also Chief Executive Officer for more than 15 years in M/s. Anuh Pharma Limited and Eskay Fine Chemicals.

Mr. G. C. Sharda holds 1000 shares in the Company either in his name or for other persons on a beneficial basis.

Item No. 8

The Company may require to borrow money in excess of its Share Capital & Reserves for executing its future business plans. Since, as per provisions of Section 293(1)(d), the shareholders approval has to be taken to enhance the limits of borrowing powers of the Board, hence it is placed before the members to consider the increase from the existing limits of borrowings to ₹ 200 crores.[Rupees Two hundred crores only].

None of the Directors is interested in the aforesaid proposal and recommends your acceptance thereof.

For and on behalf of the Board of Directors

Sd/-

J. P. Shah
Chairman

Place: Mumbai
Date: 24th May 2013

DIRECTORS' REPORT

The Members,

Your directors have pleasure in placing before you the 53rd Annual Report of the Company along with the Accounts for the year ended 31st March, 2013:

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Accounting Year	2012-2013	2011-2012
Sales	**24160**	22458
Other Income	**329**	446
Profit before interest, depreciation and taxation	**1939**	1942
Interest	**4**	5
Depreciation	**166**	132
Provision for taxation (net)	**515**	520
Profit after tax	**1254**	1285
Profit and Loss Account balance B/f	**1417**	1130
Income Tax adjustment of earlier years	**(25)**	36
Profit available for Appropriation	**2646**	2451
Transfer to General Reserve	**500**	500
Proposed Dividend	**501**	459
Tax on Dividend	**85**	75
Balance carried to the Balance Sheet	**1560**	1417

DIVIDEND

For the year under review, the Directors have recommended a Dividend of ₹ 6.00 per share i.e. @ 120% (₹ 5.50 per share i.e. @ 110% for the previous year) on Equity Shares of face value of ₹ 5/- each of the company. The total dividend outgo shall be ₹ 501.12 lakhs as compared to ₹ 459.36 lakhs during the previous year.

OPERATIONS

The sales and operating income for the year ended 31st March 2013 amounted to ₹ 24160.50 lakhs as against ₹ 22458.16 lakhs for the previous year. Thus the turnover of the company has increased by about 7.58% as compared to last year's turnover.

During the year 2012-13 profit before tax as compared to last year has decreased by 2.02% from ₹ 1805.00 lakhs to ₹ 1768.47 lakhs and profit after tax has decreased by 2.42% from ₹ 1284.61 lakhs to ₹ 1253.50 lakhs

EXPORTS

Exports for the year ended 31st March 2013 have reduced by about 2.32% from ₹ 10271.76 lakhs to ₹ 10033.86 lakhs.

CURRENT OUTLOOK

The company has planned to achieve a sales turnover of ₹ 277 crores during the current year.

DIRECTORS

In accordance with the Articles of Association of the Company, Mr. Lalitkumar P. Shah and Mr. Bharat N. Shah retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

The Board of Directors at their meeting held on November 9, 2012 appointed Mr. Sandeep Joshi as Additional Director pursuant to section 260 of the Companies Act, 1956 who will hold office till the date of the ensuing Annual General Meeting. The Company has received his candidature as a Director from a member pursuant to Section 257 of the said Act. The information required to be furnished under Clause 49 IV (G) of the Listing Agreement is given in the Notice of the 53rd Annual General Meeting.

Mr. Ashwin Shroff, resigned as the Director of the Company with effect from November 9, 2012. Your Directors wish to place on record their appreciation for the valuable contributions made by Mr. Shroff.

The Board of Directors at their meeting held on May 24, 2013 appointed Mr. G.C. Sharda as Additional Director pursuant to section 260 of the Companies Act, 1956 who will hold office till the date of the ensuing Annual General Meeting. The Company has received his candidature as a Director from a member pursuant to Section 257 of the said Act. The information required to be furnished under Clause 49 IV (G) of the Listing Agreement is given in the Notice of the 53rd Annual General Meeting.

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 2013-14.

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 ₹60,00,000/- per annum during the year under review, if employed for full year or more than ₹ 5,00,000/- per month, if employed for part of the year.

DIRECTOR'S RESPONSIBILITY STATEMENT

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March 2013 :-

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 2013 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.

COST AUDITORS

Pursuant to the provisions of section 233B of the Companies Act, 1956 and with the prior approval of Central Government, Mr. Girikrishna S Maniar (Fellow Membership No. 8202), practicing Cost Accountant, had been appointed to conduct audit of cost records of bulk drugs for the financial year ended 31st March, 2013. The Cost Audit Reports would be submitted to the Central Government within prescribed time.

The Cost Audit Reports for bulk drugs for the year ended 31st March, 2012 were filed with the Central Government on 10/01/2013.

AUDITORS

M/s. S. I. Mogul & Co., Chartered Accountants (Firm Registration No. 106512W), 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 record their gratitude to the Members for their continued support and confidence.

By Order of the Board

Sd/-

J. P. SHAH
Chairman

Registered Office:

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

Place: Mumbai
Date: 24th May 2013

ANNEXURE 'A' TO THE DIRECTORS REPORT

(Under Section 217(1)(e) of the Companies Act 1956)

1. CONSERVATION OF ENERGY:

Form for Disclosure of Particulars with respect to Conservation of Energy.

	Current Year 2012-13	Previous Year 2011-12
A. Power and fuel consumption:		
1. Electricity		
(a) Purchased		
Units	**2647385**	2681404
Total amount (₹ In lacs)	**191.49**	167.57
Rate/unit (₹)	**7.23**	6.25
(b) Own generation		
Rate/Unit (₹)	**Nil**	Nil
2. Coal	**Nil**	Nil
3. Light Diesel Oil		
Quantity (KL)	**206.89**	194.25
Total cost (₹ in lacs)	**94.97**	79.07
Average rate per ltr. (₹)	**45.90**	40.70
4. Other/Internal generation	**N.A**	N.A.
B. Consumption per unit of production		
Electricity KWH	**3.54**	3.38
Light Diesel Oil Ltrs.	**0.28**	0.24
Coal	**N.A.**	N.A.
Other	**N.A.**	N.A.

2. TECHNOLOGY ABSORPTION

A. Research & Development (R&D)	**Nil**	Nil
In-house Research & Development facilities		
i) Capital Expenditure (₹ in lacs)	**136.30**	Nil
ii) Revenue Expenditure (₹ in lacs)	**126.09**	Nil
B. Technology absorption, adoption and innovation	**Nil**	Nil

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

A. **Earnings :** The FOB value of export of the company during the year aggregated to ₹ 9834.94 as against ₹ 10063.16 lakhs in the previous year.

B. **Outgo :** The CIF value of outgo in foreign exchange of the company by way of imports, payment of commission, exhibition and travelling expenses aggregated to ₹ 18410.64 during the year as against ₹ 15369.76 lakhs in the previous year.