

12th
ANNUAL REPORT
1999-2000



...caring for your health



ARVIND REMEDIES LIMITED

The Treasure House of Pharmaceutical Excellence

OUR CREDO

TO THE PEOPLE

Arvind Remedies Limited shall always strive to keep up its commitment to all the ailing people of the Country, by providing quality products at affordable prices.

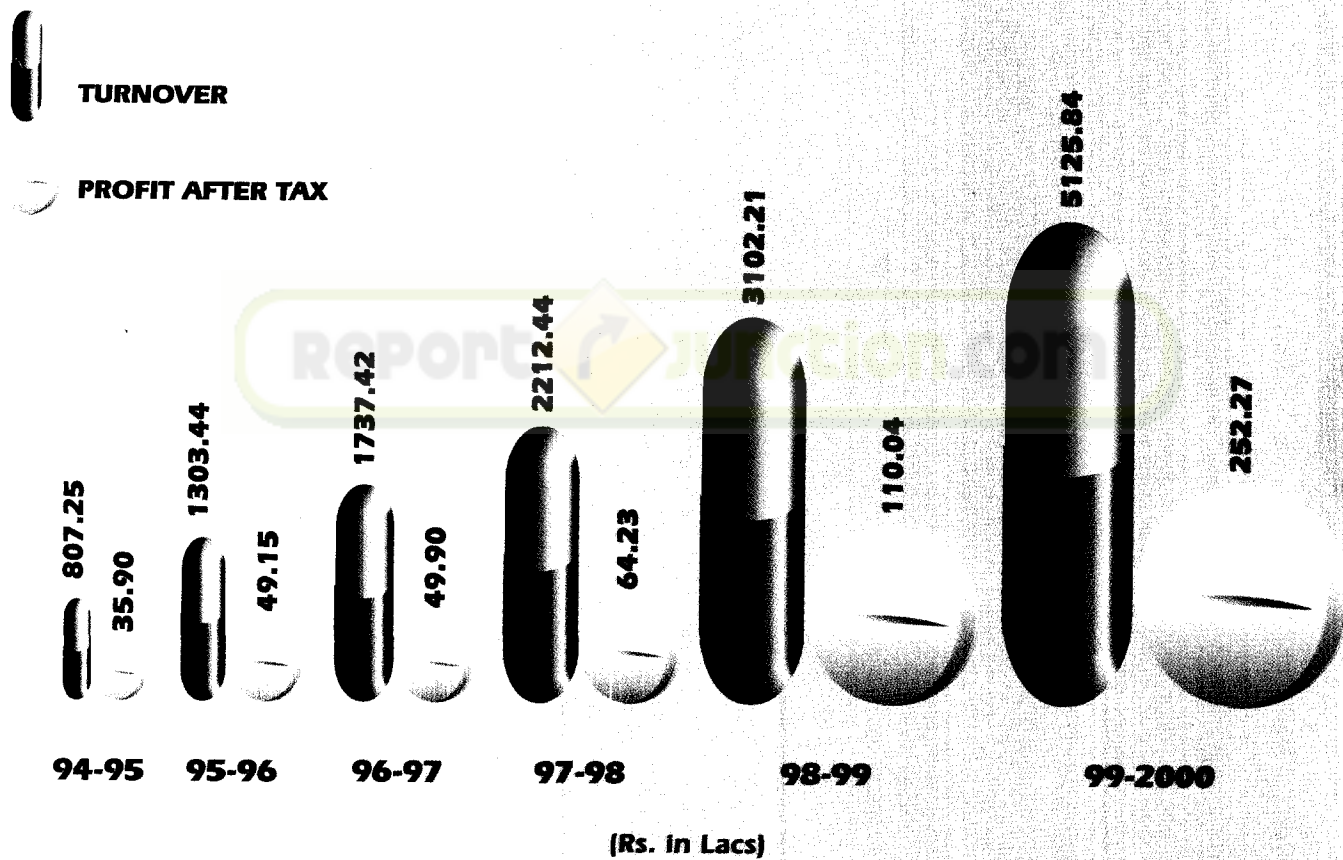
TO THE SOCIETY

ARL always maintains priority in keeping the environment clean and in its own way continues to contribute its share to a pollution free atmosphere.

TO ITS EMPLOYEES

ARL has always maintained a very friendly & cordial relationship with its employees. The Company firmly believes in the development of Human resources & views every employee as its greatest asset.

PERFORMANCE - AN OVERVIEW





Core Management Team

**WE SYNCHRONISE OUR EFFORTS
TO SERVE THE HUMANITY
EVEN STILL BETTER**

THE PHARMACEUTICAL INDUSTRY IN INDIA

The Indian Pharmaceutical industry is growing at an estimated rate of 14.67% per annum and is rated as the fifth largest globally in terms of Volume. The Industry is almost-self reliant.

Multi-national corporations, which dominated the Indian market in the initial stages have been experiencing a decline in their market share since 1970 because of the support from the Government in developing Pharmaceutical Companies in India. This has resulted in an enviable growth & consistent improvement in Margins.

The Indian Pharmaceutical industry is one of the largest among the developing countries and is well known and appreciated internationally for technical competence. Owing to the low cost of drug prices the global share of the Indian Market, in value terms, is a meager 1%. The Industry is gearing up to reach the standards of Multinationals & crores of Rupees are being invested to develop superior molecules & new drug delivery systems.

Having established itself as a supplier to the formulators of the world, the industry is now gearing up to manufacture and supply all types of formulations.

This Industry is also in the process of developing newer dosage delivery systems to make better formulations and can therefore compete in the world market with superior drug delivery system.

ARVIND REMEDIES LIMITED (ARL) started its operations a decade ago with the intent to cater to Institutional markets and because of its perseverance to maintain quality products, the Company has gained a status of being one of the largest Suppliers to prestigious institutions such as Defence, DGHS & D, ESI (All India) and World Health Organisation aided projects. With its strong and successful Institutional foundation and to have its Own BRAND EQUITY ARL ventured into the growing but competitive prescription Market, 8 years ago and with the determination & hard work of its devoted & committed team, today ARL can proudly claim to be one among the fast growing Indian Pharmaceutical Company with its products available from Kashmir to Kanyakumari.

ARL has already registered its presence in the International Market through the Orders from Countries like Sri Lanka, Malaysia & Gulf Countries and further the process of registration to establish itself with various Countries in a bigger way is going on in full swing. Presently ARL is planning to enter the OTC-Market, the Market by Media as some of its Products like ARTIN OIL, STRESOF, ARTIN RUB are being widely accepted as household products.

ARL has recorded an excellent, turnover of 51 crores compared to 31 crores in the previous year - an increase of 64%. The gross profit has grown by 97%. In view of the excellent performance the board is recommending a dividend of 10% for the year ended 31/3/2000.

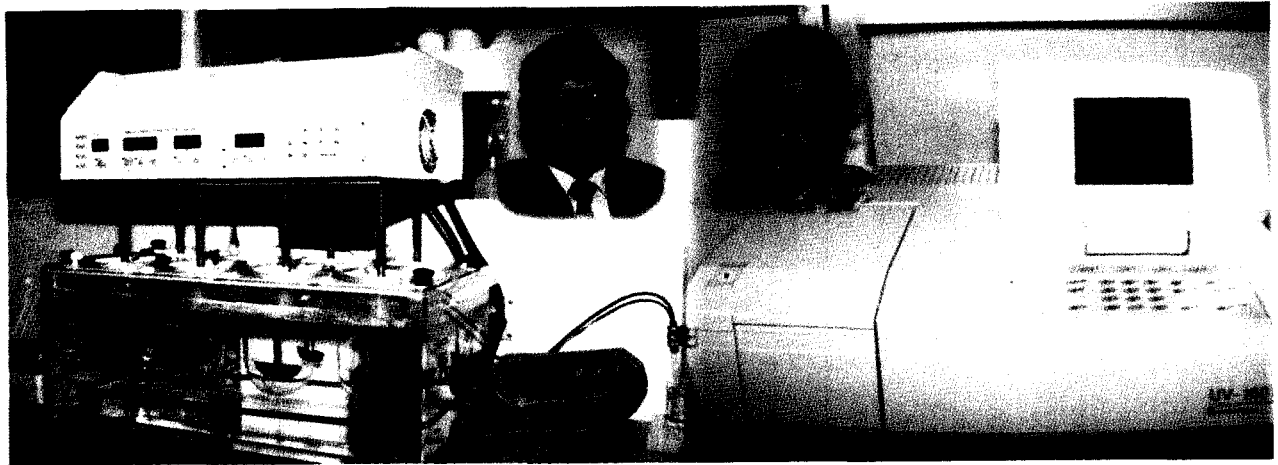
ARL continues to work on the invention of new Drugs at its R & D Lab which will help the Company to compete in a post-GATT environment when the Patent Act comes into effect. Efforts and initiatives are focussed on enhancement of team specific skills for achieving immediate business objective of ISO 9002 Certification.

At ARL, we intend to put our vast knowledge and experience to use and have made very ambitious plans for ourselves in marketing, manufacture and supply.

ARL's aim is to reach a coveted position to be one among 50 Top Pharma Companies by 2005.



ARVIND KUMAR B SHAH
MANAGING DIRECTOR



R & D Te

Innovative Immitations
heading Towards Right Formulations
For The Apt Disease



Quality Seriousness, Ave
Seriousness In Illness

QC Team

Dear Shareholders,

It gives me great pleasure to write a few lines to the shareholders of this Company that is poised to make a mark in this millennium.

I firmly believe in the thought that, what we think we can do, we will do, and I am privileged and honored to have a team of committed and devoted colleagues who are pursuing the path to make Arvind Remedies Ltd. a dream Company.

The main thrust for growth would be on marketing with:

1.Short term Strategies:- Increase our share of branded generics by increasing the prescription share from Doctors. The plans are clearly defined.

2.Medium term Strategies:- Expand our marketing activities to many other parts in the Country especially the East and West, where the potential is large. We also intend to increase our share in the export of our formulations. We also plan to focus on the domestic OTC market.

3.Long term Strategy:- We plan to invest in the development of Unique herbal products with a focus on products for stress management and also a product for Bed Sores - a night mare for the Medical Profession.

I am certain that with this goal and determination and the excellent support of my colleagues, our dreams would become a reality.

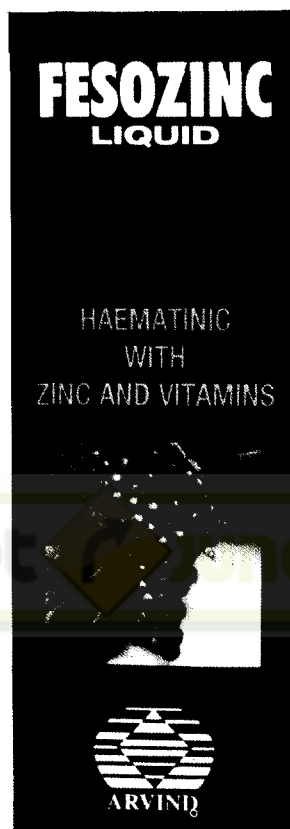


THOMAS PHILIP
PRESIDENT

...Adjuant therapy for
a Healthy Delivery



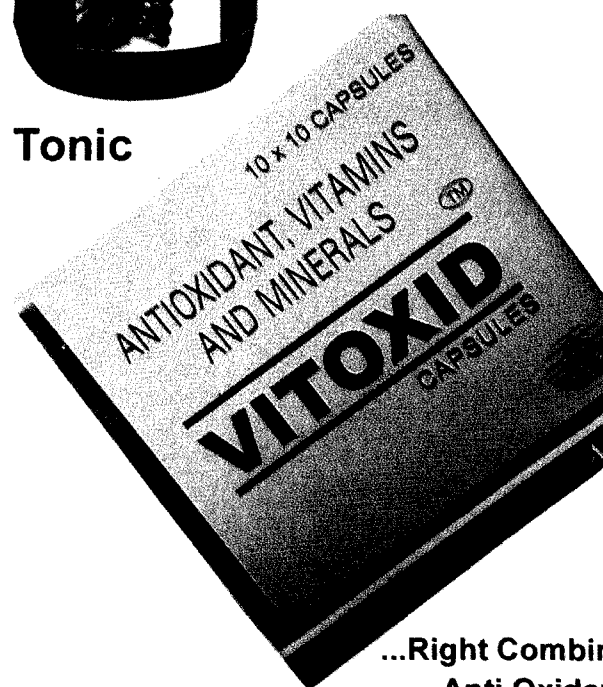
...For Healthy Ey
& Skin



...Healthy Iron Tonic



...Haematinic



...Right Combin
Anti Oxidar

Shri. ARVIND KUMAR B SHAH

Managing Director

Shri. S.B. Shah

Prof. C.M.K. Reddy

Mr. Chotalal

Dr. Mrs. Chandra Ravindran

Mr. V. Sarath

Alternate Director

Company Secretary

Mr. S.N. Madhavan

Auditors

M. Raghunath & Co.,

*Chartered Accountants,
Chennai.*

M/s. Ernst & Young Private Limited

*Chartered Accountants,
Chennai.*

Registered & Corporate Office

*25/9, Nelson Manickam Road,
Mehta Nagar, Chennai - 600 029.*

Works

*25/9, Nelson Manickam Road,
Mehta Nagar,
Chennai - 600 029.*

*38,39,40 SIDCO Industrial Estate,
Kakkalur, Thiruvallur District
Tamil Nadu 602 003.*

Bankers

STATE BANK OF INDIA

Commercial Branch

**INDUSTRIAL DEVELOPMENT
BANK OF INDIA**

NOTICE

Notice is hereby give that the **Twelfth ANNUAL GENERAL MEETING** of the Members of the Company will be held as scheduled below:

Date : Thursday, 6th July, 2000
 Time : 10.30 A.M
 Place : New Woodlands Hotel Pvt.Ltd.,
 72 to 75 Dr. Radhakrishnan Salai,
 Mylapore, Chennai – 600 004.

To transact the following business.

ORDINARY BUSINESS

1. To receive consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2000 and the Balance Sheet as at that date and the Report of the Directors and the Auditors thereon.
2. To Declare Dividend on Equity Shares.
3. To appoint a Director in the place of Shri S B Shah who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in the Place of Mr. Chotalal who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting 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 the Authorised Share Capital of the Company be and is hereby increased from Rs. 7,00,00,000 to Rs. 15,00,00,000.

RESOLVED FURTHER that clause V of the Memorandum of Association be and is hereby altered to read as the Share Capital of the Company is Rs.15,00,00,000(Rupees Fifteen Crores) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each and 3,00,000 (Three Lakhs) Cumulative Preference Shares of Rs. 100/- (Rupees One Hundred) each with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of the Company for the time being and to vary, modify or abrogate and such rights, privileges or conditions in such a manner as may be permitted by the Act or provided by the Articles of the Company for the time being.”

7. To Consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION.

“RESOLVED that the existing Article(2) of the Articles of Association of the Company be and is hereby substituted by the following new Article:

The Authorised Share Capital of the Company as Rs.15,00,00,000(Rupees Fifteen Crores) divided into:

1,20,00,000 (One Crore Twenty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each and 3,00,000 (Three Lakhs) Cumulative Preference Shares of Rs. 100/- (Rupees One Hundred) each”.