



15th ANNUAL REPORT

**PARENTERAL DRUGS (INDIA) LIMITED****BOARD OF DIRECTORS**

Shri Manoharlal Gupta
Shri Vinod Kumar Gupta
Shri Govind Das Garg
Shri Gordhan B. Kathuria

Chairman Cum Managing Director
Managing Director
Whole Time Director

**REGISTERED OFFICE
& WORKS**

Village Asrawad,
P.O. Dudhia,
Nemawar Road,
Indore.

AUDITORS

M/s. T.N. Unni & Co.
Chartered Accountants,
402, Alankar Point,
Geeta Bhawan Square,
Indore - 452 001.

**BANKERS / FINANCIAL
INSTITUTIONS**

State Bank of India,
Industrial Finance Branch,
Apollo Towers,
INDORE

Dena Bank.
Navlakha Crossing,
INDORE.

Madhya Pradesh Financial Corporation
A.B.Road
INDORE



PARENTERAL DRUGS (INDIA) LIMITED

NOTES :

01. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE VALID MUST BE DEPOSITED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME FOR THE MEETING.
02. The Register of Members and the share transfer books of the Company will remain closed from Monday the 27th December, 1999 to Friday the 31st December, 1999 (Both days inclusive)
03. Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Company to reply the queries suitably.
04. The explanatory statements setting out the material facts in respect of the business under item No. 4 and 5 in terms of provisions of Section 173 of the Companies Act, 1956, are annexed hereto.

EXPLANATORY STATEMENT

In terms of provisions of Section 173 of the Companies Act, 1956 the following Explanatory Statement set out all material facts relating to the special Business mentioned under item No. 4 and 5 of the Notice.

ITEM NO. 4

The Bankers to the Company, State Bank of India, Industrial Finance Branch, Indore has sanctioned various credit facilities to the extent of Rs. 2050 lacs during the year to the Company and proposal for raising it to Rs.26.15 lacs is under consideration. The present limit has been secured and the proposed limit will be secured by way of charge over the properties of the Company.

In terms of Provisions of Section 293 (1) (a) of the Companies Act, 1956, the approval of the members of the Company is being sought to ratify the mortgages and charges created by the Company during the year in addition to the existing mortgages and charges, and to create such mortgage as the Board may think fit, on the assets of the Company, whether movable or immovable, both present and future in favour of the Bank to secure various credit facilities to be granted by it to the Company aggregating to Rs. 26.15 lacs together with interest thereon at the respective agreed rates payable by the Company in terms of Agreement entered/to be entered into by the Company with the bank.

The Directors of the Company recommend passing of the Ordinary Resolution.

None of the Directors of the Company is interested in the Resolution.

ITEM NO. 5

Shri Gordhan Bhojraj Kathuria was appointed as an Additional Director of the Company by the Board on 14th May, 1999 in terms of provisions of Section 260 of the Companies Act, 1956 and accordingly his period of office is coming to an end on the date of the ensuing annual general meeting. However the Company has received a notice in terms of provisions of Section 257 read with provisions of Section 190 of the Companies Act, 1956 for the appointment of Shri G.B. Kathuria as a Director of the Company liable to retire by rotation.

In view of the rich experience and knowledge which he carries, the Board recommends his appointment as a Director of the Company.

None of the Directors of the Company except Shri G.B. Kathuria is interested in the resolution.

BY ORDER OF THE BOARD

PLACE : INDORE

DATE : 30th November, 1999

VINOD KUMAR GUPTA
MANAGING DIRECTOR



PARENTERAL DRUGS (INDIA) LIMITED

DIRECTORS' REPORT

The Directors hereby present their Fifteenth Annual Report on the state of affairs of the Company and the Audited Financial Accounts for the financial year 1998-99 ended on 31st July, 1999 and the Auditors' Report thereon.

The financial year 1998-99 closing on 31st May, 1999, was extended upto 31st July, 1999 by the Board of Directors of the Company and the future financial years of the Company will also be closed on 31st July.

FINANCIAL RESULTS :

(RS. IN LACS)

	PREVIOUS YEAR 1996-98 (18 Months)	CURRENT YEAR 1998-99 (14 Months)
Profit before interest and Depreciation	853.41	1196.59

DEDUCTIONS

Interest	579.03	603.68
Depreciation	177.21	146.41
Deferred revenue and Public Issue Exp. Written Off	24.60	11.72
Income Tax Provisions	-	25.00
Net Profit for the year	72.57	409.78

Add:-

Depreciation excess provided written back	70.95	--
Balance Brought forward from previous year	453.12	413.78

APPROPRIATIONS

Proposed Dividend	-	-
Transfer to General Reserves	182.86	-
Balance carried to Balance Sheet	413.78	823.55

PERFORMANCE HIGHLIGHTS

During the period under review the Company recorded a turnover of Rs.7077.40 lacs as against the previous year's turnover of Rs.6423.35 lacs and against the previous year's operating profits of Rs. 97.18 lacs the Company recorded operating profits of Rs. 446.50 lacs.

PARENTERAL DRUGS (INDIA) LIMITED

FUTURE PROSPECTS

The Company has launched few more branded products in the market and the brands which were launched during last few years have been established. The Company as a business strategy has decided to concentrate on establishment of more brands in the future and the major thrust of expansion would be towards this field only. The Company is also contemplating to set up small volume injectable plant at the present factory site, which will be operational during financial year 1999-2000.

DIRECTORS

Shri Vinod Kumar Gupta, Director of the Company retires by rotation at the Fifteenth Annual General Meeting and is eligible for re-appointment. The Board recommends his re-appointment.

Shri Gordhan Bhojraj Kathuria was appointed as an Additional Director by the Board at its meeting held on 14th May, 1999 whose period of office will come to end at the ensuing annual general meeting. However the Company has received a notice under Section 257 of the Companies Act, 1956 for his confirmation as a Director at the Fifteenth Annual General meeting. The Board recommends his appointment.

AUDITORS

M/s. T.N. Unni & Co., Chartered Accountants, Indore, Auditors of the Company, are retiring at the conclusion of the Fifteenth Annual General Meeting and they are eligible for re-appointment. The Board recommends their re-appointment.

AUDITORS' REPORT

Report of the Auditors, their observations on the Accounts and notes to the accounts for the year under review are self explanatory and does not require further explanation.

SUBSIDIARY COMPANY

The final accounts of the wholly owned subsidiary company i.e. Parenteral Drugs and Pharmaceuticals Limited, as required under Section 212 of the Companies Act, 1956 are enclosed and forming part of the accounts of the Company.

DIVIDEND

In view of the proposed future expansion activities of the Company and need for resources to meet out the requirement of the Capital to fund those projects the Board conveys its inability to recommend any dividend for the year 1998-99.

ALLOTMENT OF SHARES ON PREFERENTIAL BASIS

The Company allotted 25,00,000 equity shares of Rs. 10/- each aggregating to Rs. 2,50,00,000/- on 7th August, 1999 to a group Company of the promoters in terms of provisions of the SEBI Guidelines dated 4th August, 1994. The funds collected through the allotment are being utilised for the expansion programmes of the Company.

STATUS OF Y2K PREPAREDNESS

The risk to the Company due to year 2000 bug is limited to its financial accounting package only. The manufacturing facilities will not be adversely affected due to Y2K.



PARENTERAL DRUGS (INDIA) LIMITED

The existing financial accounting package is inbuilt Y2K compliant and there is no need to make separate expenditure on this account. However the Company has taken all the necessary precautions to deal with any contingency.

PARTICULARS OF EMPLOYEES

The provisions of Section 217 (2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are not attracted in case of any employee of the Company.

FIXED DEPOSITS

The Company has not accepted any deposit during the year from the public and there is no unpaid or unclaimed dividend with the Company.

ENERGY CONVERSION, TECHNOLOGY ABSORPTION

The Details of Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo during the year are annexed in form A and B as required under Section 217(1)(e) and forming part of the Report of the Board.

LISTING OF SHARES

The Shares of the Company are listed on Madhya Pradesh, Mumbai, Madras and Ahmedabad Stock Exchanges and the Company is regular in making payment of listing fee to the Exchanges.

INDUSTRIAL RELATIONS

The relations with the employees and the workers continued to be cordial during the year. The Directors wish to place on record their sincere appreciation for the excellent team spirit with which the employees have worked.

ACKNOWLEDGMENT

The Directors wish to place on record their sincere thanks to State Bank of India, Dena Bank, Madhya Pradesh Financial Corporation, and all other Government Agencies, for their support and co-operation during the year.

FOR AND ON BEHALF OF THE BOARD

VINOD KUMAR GUPTA
MANAGING DIRECTOR

MANOHARLAL GUPTA
CHAIRMAN CUM
MANAGING DIRECTOR

PLACE : INDORE

DATE : 30th November, 1999



PARENTERAL DRUGS (INDIA) LIMITED

ANNEXURE TO DIRECTORS' REPORT

Report on conservation of energy, Technology Absorption, Foreign Exchange Earnings and Outgo in accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 :-

A) CONSERVATION OF ENERGY

- 1) The Company continues to pay utmost importance to conservation of the energy. Some energy saving devices have been installed to reduce the consumption of power.
- 2) Additional Investment and Proposals if any being implemented for reduction in Consumption of energy :

An interfactory energy conservation group has been formed where conservation programs are decided and reviewed periodically.

- 3) Impact of measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production of goods :

The adoption of energy conservation measures have resulted in its awareness amongst the employees and it expected that this will help in reducing the power and fuel consumption per unit of production.

- 4) (A) Total energy consumption per unit of production :

Details as per Form 'A'

- (B) Technology Absorption :

Details as per Form 'B'

- (C) Foreign Exchange Earnings and Outgo:

- i) Total Foreign exchange earnings during the period was
Rs. 215.46 lacs (previous) year Rs.129.11 lacs

- ii) Total foreign exchange outgo

(Rs. in lacs)

	For the period ended on 31-7-99	For the period ended on 31-05-98
CIF value of materials imported	559.61	310.33
For Capital Goods	-	

PARENTERAL DRUGS (INDIA) LIMITED



FORM - 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY :-

A) POWER AND FUEL CONSUMPTION

	Current Year	Previous Year
1) Electricity		
a) Purchased units (in lacs)	36.62	29.41
Total Amount (Rs. in lacs)	145.39	118.97
Rate/Unit (Rs)	3.97	4.04
b) Own Generation	-	-
i) Through Diesel Generator		
Units (in lacs)	11.83	1.59
Units per litre of Diesel	3.52	2.60
Oil/Unit	0.28	0.38
ii) Through steam	-	-
Turbine/Generator	-	-
units	-	-
Units per litre of fuel	-	-
Oil/gaslost/Unit	-	-

2) Coal (specify quality and where use

a) Steam coal (for distilled water)	3059.76	3798.30
Quantity (Tones)		
Total Cost (Rs. in lacs)	61.20	67.59
Average Rate (Rs.)	2000.15	1779.48
3) Furnace Oil		
Quantity	7.55	2.00
Total Amount	52.86	16.53
Rate/Unit	7.00	8.26

B) CONSUMPTION PER UNIT OF PRODUCTION

Production (Unit 1000 Bottles)		
Electricity (Units)	62.29	65.65
(Purchased+Own Generation)		
Coal (Kgs)	52.04	84.79

PARENTERAL DRUGS (INDIA) LIMITED**FORM B****FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION
RESEARCH AND DEVELOPMENT**

- 1) Specific areas in which Research & Development carried by the Company. In House Research & Development at Company's own laboratory.
 - Development of new products
 - Development of modified design for bottles for better outlook.
- 2) Benefits derived as a result of above Research & Development
 - New products were developed and introduced in the market
- 3) The Company intends to establish an independent R & D cell supported by a pilot plant. This will help in developing a wide range of products and also further optimising process conditions without effecting the production on the main plant.
- 4) Expenditure
 - a) Capital
 - b) Recurring : The expenditure has been charged under primary head of expenses.
- 5) In case of imported Technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.

a) Technology Imported	N.A.
b) Year of Import	N.A.
c) Has the technology been fully absorbed	N.A.
d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plan action	N.A.

FOR AND ON BEHALF OF THE BOARD

VINOD KUMAR GUPTA
MANAGING DIRECTORMANOHARLAL GUPTA
CHAIRMAN CUM
MANAGING DIRECTOR

PLACE : INDORE

DATE : 30th November, 1999



PARENTERAL DRUGS (INDIA) LIMITED

AUDITORS' REPORT

To,

The Members of
M/s. PARENTERAL DRUGS (INDIA) LIMITED
INDORE

We have audited the attached Balance Sheet of M/s. PARENTERAL DRUGS (INDIA) LIMITED, Indore for the period of 14 months ended on 31.7.99 and the Profit & Loss Account for the period ended on that date annexed thereto and report that.

- (1) As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
- (2) Further to our comments in the Annexure referred to in Paragraph (1) above :-
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of such books.
 - (c) The Company's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts; and
 - (d) In our opinion, the Balance Sheet and Profit and Loss Account are drawn in accordance with the accounting standards as per section 211 (3C) of the Act.
 - (e) In our opinion and to the best of our information and according to the explanation given to us, the said Accounts read with the Notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view;
 - (i) In the case of Balance Sheet, of the State of Affairs of the Company as at July 31, 1999 ; and
 - (ii) In the case of the Profit and Loss Account, of the Profit for the period ended on that date.

For T.N.Unni & Co.
Chartered Accountants,

PLACE : INDORE
DATE : 30th November 1999

(T.N.Unni)
Partner