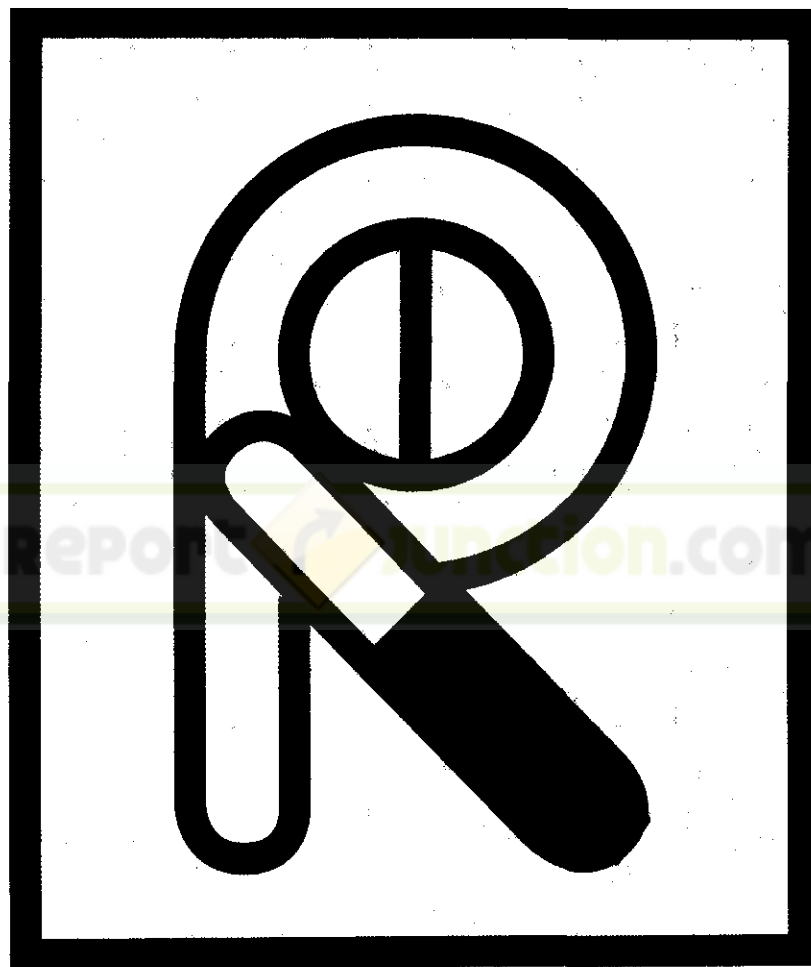


SIXTH ANNUAL REPORT

1998-1999



 **RELISH
PHARMACEUTICALS
LIMITED**

RELISH PHARMACEUTICALS LIMITED

Annual Report 1998-99

Sixth Annual General Meeting Programme
 Date : 30th September, 1999
 Day : Thursday
 Time : 10 A.M.
 Place : 4th Floor, Moonlight Complex,
 Opp Gurukul, Drive-in-Road,
 Ahmedabad-380052.

CONTENTS :

1. Notice of Meeting
2. Directors' Report
3. Auditors' Report
4. Balance Sheet
5. Profit and Loss Account
6. Schedules forming part of the Accounts
7. Cash Flow Statement as per Clause 32 of the Listing Agreement
8. Company's General Business Profile
9. Attendance Sheet & Proxy Form

Board of Directors

- | | |
|---------------------------|-------------------|
| 1. Shri Rajeshkumar Patel | Chairman |
| 2. Shri Mihir M Patel | Managing Director |
| 3. Smt. Riddhi M Patel | Director |
| 4. Shri Kanubhai G Patel | Director |

Company Secretary

Shri Girish Thakkar

Auditors

Dipak I Patel & Co.,
 Chartered Accountants,
 403, Diwan Chambers,
 Nr. Guj High Court, Navrangpura,
 Ahmedabad 380 009

Bankers to the Company

Union Bank of India
 Syndicate Bank

Registered Office and Share Department

1-2, 4th Floor, Moonlight Complex,
 Opp. Gurukul, Drive in Road,
 Ahmedabad 380 052
 Phone No. (079) 7420247

Corporate Office

4th Floor, Newyork Tower "A",
 Gandhinagar-Sarkhej Highway,
 Thaltej Char Rasta,
 Ahmedabad 380 054
 Phone No. (079) 7478948, 7442412

Works

Plot No. 795 Rakanpur,
 Sola Santej Road,
 Taluka: Kalol (N G)
 Dist. Mehsana 382 721
 Phone No. (027648) 6316, 6317

RELISH PHARMACEUTICALS LIMITED

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NOTICE

NOTICE is hereby given to the Members of the **RELISH PHARMACEUTICALS LIMITED** that the Sixth Annual General Meeting of the Members of the Company will be held on **Thursday, the 30th September, 1999 at 10.00 a.m.** at Registered office of the Company 1-2, 4th Floor, Moonlight Complex, Opp Gurukul, Drive-in Road, Ahmedabad 380 052 to transact the following Business:

ORDINARY BUSINESS:

- 1) To Receive and adopt the Audited Balance Sheet as at 31-3-99, Profit and Loss Account of the company for the year ended on 31st March, 1999 and the Report of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Mihir M Patel, who retire by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS :

- 3) To consider, and if thought fit, to pass, with or without modification, the following resolution as an ordinary Resolution:
"RESOLVED THAT M/s M. Bhansali & Associates Chartered Accountants, Ahmedabad be and are hereby appointed as the Auditors in place of retiring Auditors M/s. Dipak I Patel & Company, Chartered Accountants, Ahmedabad who are not seeking re-appointment as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting to audit the Company's Accounts and any other business/undertaking that the Company may venture into or commence during the financial year 1999-2000 on a remuneration, as the Board of Directors may decide, plus the reimbursement of all the travel and out of pocket expenses actually and properly incurred by the Auditors for the purpose of Audit."

Place : Ahmedabad By order of the Board of
 Date : 31st July, 1999 **Relish Pharmaceuticals Limited**

(Rajeshkumar V Patel)
Chairman

NOTES:

1. A Member entitled to Attend and vote at the meeting is also entitled to appoint a Proxy to attend and vote instead of himself and on behalf of him and that a Proxy need not be a member of the company.
2. Proxies in order to be effective should be duly completed stamped and signed and must be deposited at the Registered Office of the company not less than 48 hours before the meeting.
3. The register of Members and Share Transfer Books of the Company will remain closed from **23rd September, 1999 to 30th September, 1999** both days inclusive as per the provisions of section 154 of the Companies Act., 1956.
4. *Members are requested to notify immediately any change in their addresses to the Share Department of the Company at its Registered Office.*

5. Members are requested to bring their copy of the Annual Report to the meeting as no extra copies will be distributed at the meeting place as measure of economy.
6. Members desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
7. *Compliance with clause 32 of Listing Agreement :*
 - a. Company's Shares are listed on
 Ahmedabad Stock Exchange Mumbai Stock Exchange.
 Kamdhenu Complex, Phiroze Jeejeebhoy Tower,
 Ambawadi, Ahmedabad. Dalal Street, Mumbai.
 - b. The Company has paid the Annual Listing fees to each of the above Stock Exchanges.

As required by Section 173 of the Companies Act, 1956

The following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying notice dated 31st July, 1999.

ITEM NO.3

The retiring Auditors M/s. Dipak I. Patel & Co. Chartered Accountants, Ahmedabad have expressed their inability to continue as Auditors due to their going abroad for a long period. The company proposes to appoint M/s. M. Bhansali & Associates Chartered Accountants, Ahmedabad as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration and re-imbursement of actual expenses as may be decided by the Board of Directors. Item No.3 of the Notice is commended to the Members for approval.

None of the Directors is deemed to be concerned or interested in the said Resolution under Item No.3 of the Notice.

DIRECTORS' REPORT

The members, **RELISH PHARMACEUTICALS LIMITED**

Dear Members,

Your Directors have pleasure in presenting the **6th Annual Report** together with audited statement of accounts for the year ended March 31, 1999.

FINANCIAL RESULTS	1997-98	1998-99
	Rs.	Rs.
Profit before depreciation and Interest	6780986.00	8571709.00
Ded. ... Depreciation	3195246.00	3357439.00
Interest	2064442.00	3428336.00
Profit after Depreciation and Interest	1521298.00	1785934.00
Provision for taxation	115000.00	200000.00
Net Profit transferred to Balance Sheet	1406298.00	1585934.00

RELISH PHARMACEUTICALS LIMITED

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DIVIDEND

Looking to the very small amount of profit earned during the year under review as also looking to the long term requirements of the funds for the purpose of development of the business of the company as well as augment the long term requirements of working capital, your directors have not recommended any amount of dividend to be paid but the same will be carried forward to the next years.

OPERATIONS REVIEW

During the year under review, the Company achieved sales turnover of Rs. 1064.83 lacs as against Rs. 867.70 lacs during the previous year depicting an **increase** of over **22.72 %** and the company achieved profit after depreciation and interest of Rs. 17.86 lacs as against Rs. 15.21 lacs during the previous year.

EXPORTS

The company has exported goods worth Rs. 317.36 lacs during the financial ending on 31st March, 1999 as against Rs. 298.73 lacs during the previous year.

PROSPECTS & NEW PROJECTS

Your directors are pleased to inform that Injection Plant is ready to commence commercial production subject to permission of the respective authorities. The working results of the company for the current year as well as coming years are sure to be excellent on account of commencement of the injectable plants.

DEPOSITS

The company has not accepted any deposits as contemplated under the provisions of section 58 A of the Companies Act., 1956.

DIRECTORS

In accordance with the Companies Act, 1956 and Articles of Association of the Company, one of your Director Mr. Mihir M Patel retire by rotation and is eligible for re-appointment.

AUDITORS

M/s Dipak I. Patel & Co. Chartered Accountants, Ahmedabad have expressed their inability to be re-appointment as Statutory Auditors due to their going abroad for long period. Hence the directors recommended to pass ordinary resolution for the appointment of M/s M.Bhansali & Associates, Chartered Accountants, Ahmedabad as statutory auditors of the company. The Company has received a letter from the Auditors to the effect that their appointment shall be within the limits laid down under section 224(1B) of the Companies Act. A resolution proposing their appointment as the regular Auditors of the company for the period from the conclusion of this Annual General Meeting upto the date of the next Annual General Meeting is required to be passed. Your directors recommend to pass the said resolution.

YEAR 2000 COMPLIANCE (Y2K)

The company has assessed the Y2k impact on the organisation, perceives this as manageable and taken effective steps to be Y2k compliant by end October, 1999. The cost involved is not expected to be significant.

EMPLOYEES

There are no employees of the company who were in receipt of the remuneration of Rs. 3,00,000/- in the aggregate if employed for the year and in receipt of the Monthly remuneration of Rs. 25,000/- in the aggregate if employed for a part of the year under review. Hence the information required under section 217 (2A) of the Companies Act., 1956 being not applicable and are not given in this report.

STATUTORY INFORMATION

The statutory information relating to the Conservation of Energy, Research & Development, Technology Absorption & Adoption, Foreign Exchange Earnings and outgo as required in the form and manner prescribed by the Companies (Disclosure of Particulars in the Report of the Board of Directors) order 1988 is given in a separate annexure forming part of this report.

INDUSTRIAL RELATIONS

During the year under review, Industrial Relations remained extremely cordial and harmonious which contributed to achieve the excellent performance results.

ACKNOWLEDGMENT

Your Directors wish to place on record their deep appreciation to the various departments of State and Central Govt., Financial Institutions and Banks for their co-operation and support and also look forward for their continued co-operation and support to the company.

Your Directors wish to thank the shareholders for the whole hearted support extended to the company.

Your Directors also acknowledge the continued support given by the valued customers and suppliers.

Your Directors also wish to express their appreciation of the services of all the employees and for their valuable co-operation, dedication and loyalty.

Place : Ahmedabad

Date : 31st July, 1999

For and on behalf of the Board of

RELISH PHARMACEUTICALS LIMITED

(Rajeshkumar Patel)

Chairman

ANNEXURE TO THE DIRECTORS' REPORT STATUTORY INFORMATION REQUIRED TO BE DISCLOSED IN THE REPORT OF THE BOARD OF DIRECTORS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) ORDER 1988.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION & ADOPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY:-**(a) Energy Conservation Measures Taken:**

Company's Plant has been designed to achieve high efficiency in the utilisation of energy.