

Enriched by **Experience.**  
Empowered by **Research.**



**ANUH PHARMA LTD.**

52nd ANNUAL REPORT 2011-12

# Anuh Pharma Limited

Anuh Pharma Limited is part of the SK Group. Founded in 1932, the SK Group has been serving the pharmaceutical industry for 80 years.



- **Macrolides**
- **Corticosteroids**
- **Anti TB**
- **Antibiotics**
- **Anti Malarials**

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Every organisation has at its core key values that both define and distinguish it. Like a complex and a complicated formula, these values come together and become powerful drivers of growth and success, longevity and legacy.

At Anuh Pharma Limited, we have two simple values that define, distinguish and drive us :

## EXPERIENCE and RESEARCH

These two values form the foundation of our growth and success.

With experience comes expertise and knowledge. But in an industry that has one of the fastest rates of innovation and technological advances, **it is research that differentiates leaders in our industry.** Experience needs to be empowered by research.

**Not many have experience that spans 8 decades accumulated over 4 generations!**

**Not many can build on this experience with power of cutting-age research!**

And when you have that rare mix of experience and research, history and future, pedigree and potential, you are :

Enriched by **Experience.**  
Empowered by **Research.**

# Business Review



Rich History and Proud Legacy

## 8 Decades 4 Generations

According to latest research in corporate longevity, the average life span of a company is 45 years.

The SK Group was established in 1932. The SK Group is a celebrated story in corporate longevity. It is a shining example of the glorious tradition of family businesses and entrepreneurship in India, and how a family business has successfully evolved into a top professional organisation. While the average life span of a company is 45 years, the SK Group has been going strong for 80 years and 4 generations, progressing and building ahead with every generation. That is unbeatable experience.

The US\$ 180 million group is today a leader in the Pharmaceuticals, Fine Chemicals, Speciality Chemicals, Bulk Drugs Formulation and Pharmaceutical Distribution. The group has 4 bulk drug factories, 2 formulation factories and 5 distribution centres.

At Anuh Pharma Limited, we are proud to be a part of the SK Group. We are a US\$ 50 million company, and leading manufacturers of Active Pharmaceutical Ingredients (API). We are one of the largest producers of macrolides in the country.

We also manufacture anti-bacterial, anti-tuberculosis, anti-malarial and corticosteroids. Our state of the art, ISO 9001-2000 and WHO-GMP certified manufacturing facility is located at Tarapur, only 120 kms. from Mumbai. We are a Star Export House and have consistently won Best Exporters' Awards from the Government of India.



## Sustained Growth

Since we started manufacturing in 1989, we have demonstrated sustained growth. We started manufacturing with a 15 tonne capacity. Over the years, we have steadily added to our manufacturing capacities. Today, our manufacturing capacity is 900 tonnes.

We have expanded into diverse therapeutic areas. We have state of the art production facilities, warehouse, quality control and R&D all under one roof.

As we augmented and enhanced our manufacturing facilities, we also expanded our global footprint into newer geographies. We developed new markets for our products through sustained marketing initiatives. Today, our products are well known in over 57 countries including Europe, Mexico and South Africa. Anuh Pharma Limited is a trusted partner to over 350 companies.

## Empowered by Research

Anuh Pharma Limited is at the forefront of R&D. At Anuh Pharma Limited, we firmly believe that R&D is key to what we are today and where we shall be tomorrow. The pharmaceutical industry has one of the fastest rates of innovation and technological advances. R&D has always been a top priority with Anuh Pharma Limited through all these years. Today, we have a 10,000 sq. ft. R&D division located at Thane-Belapur Road. It is equipped with latest technology and sophisticated machines. Divided into three sections, Analytical Development Lab, Chemical Synthesis Lab and a Pilot Plant, everything from product analysis to particle analysis, from process development to method improvements, from scaling up processes to clinical trials and validations, are all done in house in the R&D division.



The R&D division is ably supported in technology and knowledge by a team of highly qualified technical experts who are all doctorate and post-graduate level.

## Outlook

As we look forward, we see a future that is promising and secure. Promising, because the world of pharmaceuticals is expanding and presenting newer, bigger opportunities. Promising, because India is making rapid progress and well on way to become the second largest manufacturing centre in the world. Secure, because we are confident and capable. Because we have the rare combination of pedigree and legacy, vision and venture.

Because we are

**ENRICHED BY EXPERIENCE.  
EMPOWERED BY RESEARCH.**

# Chairman's Message



**It is estimated that India will emerge as the second biggest manufacturing hub in 2012, overtaking Italy.**

**Dear Shareholders,**

It is a pleasure to share my thoughts with you as we present our 52nd Annual Report for Anuh Pharma Limited. Anuh Pharma Limited has been an integral part of the SK Group. This year, the SK Group completes 80 years of service to the pharmaceutical industry. The group was founded way back in 1932, and has evolved over these eight decades as a leading importer, exporter, distributor and manufacturer of bulk drugs, chemicals and pharmaceutical formulations.

Anuh Pharma Limited has delivered yet another outstanding performance for the year 2011-12. What makes this performance especially outstanding is the fact that it was achieved at a time when the macro-environment was difficult due to overall uncertainty in Eurozone, modest recovery in the US and slowing growth in India.

The global pharmaceutical industry has been growing at the rate of 7%. While R&D and innovations within the industry are still majorly dominated by MNCs based in the western world, the manufacturing focus has been shifting to Asian giants – China

and India. China continues to remain the biggest manufacturing centre followed by Italy and India, and it is estimated that India will emerge as the second largest manufacturing hub in 2012, overtaking Italy.

The Indian pharmaceutical industry has been growing steadily at 14% for the last 3 years. What has been noteworthy is the rapid upgradation in the standards and quality of manufacturing. Indeed, one of the primary reasons why more and more manufacturers are shifting to India is due to this rapid scale up in plant, machinery and processes that match international standards.

Another area where the Indian pharmaceutical industry has made significant advances has been in R&D. R&D forms a critical part of this industry as new products and new processes lend a substantial advantage.



At Anuh Pharma Limited, we have acquired assets of a Spanish R&D laboratory. The acquisition of the R&D laboratory will further add to the strengths of the company as well as to the overall strength of the SK Group.

As we move forward, we are confident that Anuh Pharma Limited will continue to play a dominant role in the Indian pharmaceutical and API space and keep building on the momentum and deliver yet better results.

Yours faithfully,  
**Jayantilal P. Shah**  
Chairman

# Did You Know?

**While the Indian pharmaceutical industry grew at 14 % during the year, Anuh Pharma Limited grew almost 29.26%.**

**Anuh Pharma Limited has forayed into world-class R&D by acquiring assets of a Spanish R&D laboratory for Spanish company in India.**



**₹ 10/- invested in 1 share of Anuh Pharma Limited in 1989 is worth 96 shares of ₹ 5 each, approximately worth ₹ 11,500 today!**

**Anuh Pharma Limited is the largest producer of Erythromycin salts in India!**

**SK Group, which owns Anuh Pharma Limited, will complete 80 years of service to pharmaceutical industry this year on Dusshera.**

**Anuh Pharma Limited has been recognised as STAR TRADING HOUSE.**

# Managing Director's Message



**Mr. Bipin N. Shah, Managing Director of Anuh Pharma Limited,** reviews the performance of the company.

**Q. How was been year 2011-12 for the company?**

**A.** The year 2011-12 has indeed been one that presented a challenging scenario for Anuh Pharma Limited. On the one hand, the Eurozone crisis and slow rates of growth in most developed countries affected demand and off-take. On the other hand, domestic inflation and higher interest rates directly affected all input costs. To compound this, there was a general slowdown in industrial growth as well as overall GDP growth, that came down to 6.5% from over 8% in the two previous years.

However, at Anuh Pharma Limited, we have always taken challenges in our stride and overcome these with our consistent commitment to quality and sustained internal efficiencies. We have managed to increase our topline handsomely compare to average industry growth rate.

**Q. Can you share some key financial indicators for the year?**

**A.** During the year 2011-12, the total revenues increased to ₹ 226.09 crores from ₹ 176.43 crores in the previous year, indicating an increase of 29.26%. This is against the industry growth rate 14%.

Our Profit Before Depreciation and Tax also increased to ₹ 19.37 crores from ₹ 18.61 crores in the previous year.

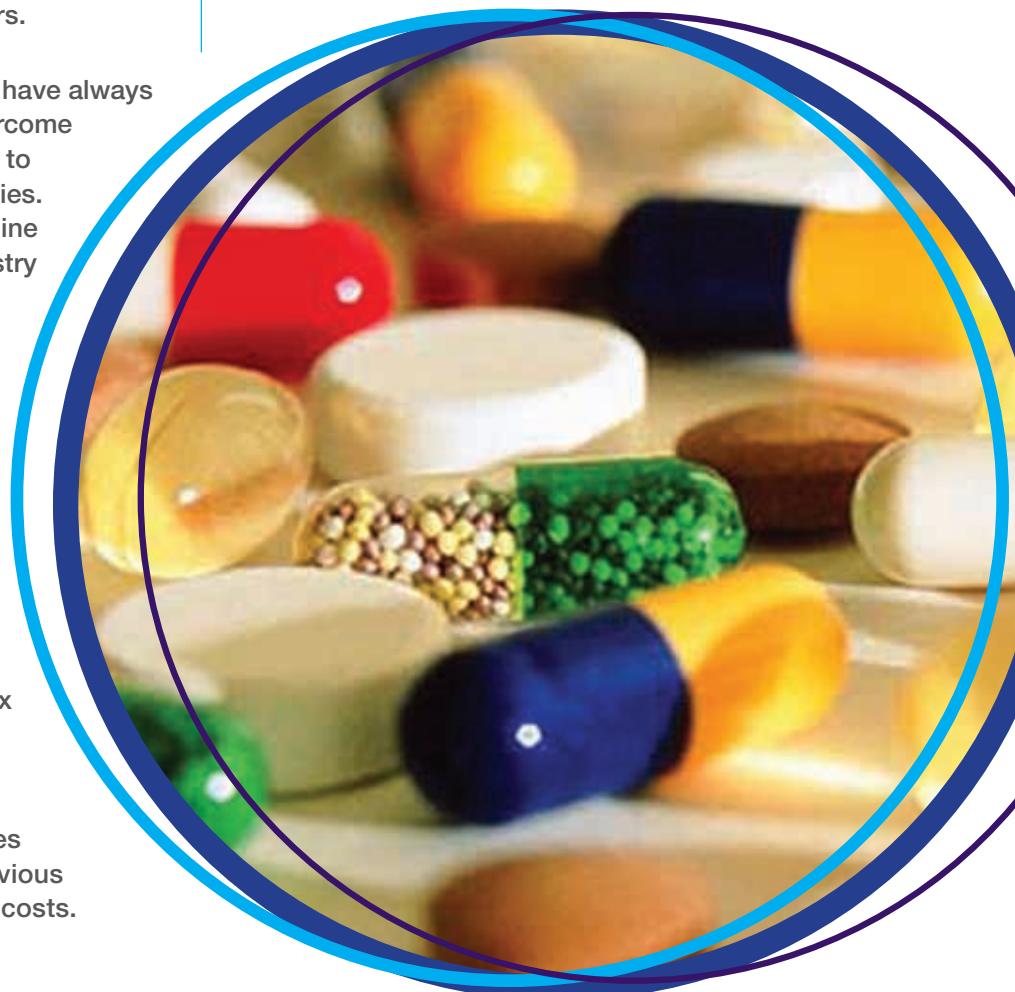
Our PAT for the year was ₹ 12.85 crores compared to ₹ 12.29 crores in the previous year. This was in spite of higher input costs.

The EPS for the year stood at ₹ 15.38 per share, compared to ₹ 14.71 per share in 2010-11.

The Reserves as on 31st March 2012 were ₹ 65.03, compared to ₹ 57.16 as on 31st March 2011

**Q. What have been outstanding events and initiatives for the company during the year?**

**A.** During the year, Anuh Pharma Limited was awarded **STAR TRADING HOUSE** status by the Joint





Director General of Foreign Trade, under the Ministry of Commerce. Anuh Pharma Limited is one of the few pharmaceutical companies in the Indian pharmaceutical industry to be awarded STAR TRADING HOUSE status for its outstanding export performance.

We launched PYRAZINAMIDE in Europe during the year.

We also started renovation of our intermediate plant for macrolide in the month of October 2011. It is expected to be completed in the month of June 2012, and upon completion, will increase our capacity for intermediate macrolides by 120 metric tonnes, taking our total capacity to 1020 metric tonnes.

**Q. What is your outlook on the future of the industry and prospects of the company?**

**A.** The outlook for the Indian pharmaceutical industry is extremely positive. It is expected to treble in value in the next three years. API segment is also expected to treble in line with the overall growth of the industry. In 2012 itself, India is expected to overtake Italy and emerge as the second largest manufacturing centre after China. What makes India attractive is not only its cost-advantages and English language skills, but also its regulatory framework.

At Anuh Pharma Limited, we are confident of excellent prospects in the future. We have a substantial market



in India (40%) and as the Indian pharmaceutical industry grows, we will continue to dominate it. We also have regulatory approvals for three products from Europe, and our prospects are especially bright for this important geography.

We are also looking to expand into new therapeutic areas. Going forward, we expect to grow our topline by at least 20% on a year on year basis for the next few years.

# Board of Directors



**Jayantilal P. Shah**  
Chairman



**Mr. Bipin N. Shah**  
Managing Director



**Mr. Lalitkumar P. Shah**  
Director



**Mr. Bharat N. Shah**  
Director



**Mr. Jasavantlal G. Shah**  
Director



**Mr. Dilip G. Shah**  
Director



**Mr. Arun Todarwal**  
Director



**Mr. Ashwin Shroff**  
Director

# Key Management Team



**Ketan L. Shah**  
Advisor



**Ritesh Shah**  
General Manager Marketing



**Vivek Shah**  
CEO R&D



**G. C. Sharda**  
CEO



**Raju Kotadia**  
Vice President Technical



**Jitendra Shah**  
Vice President Marketing



**Ketan N. Shah**  
General Manager Marketing



**Kaushal Shroff**  
General Manager Marketing

# Financial Snapshot

## 10-Year Performance

₹ in Lakhs

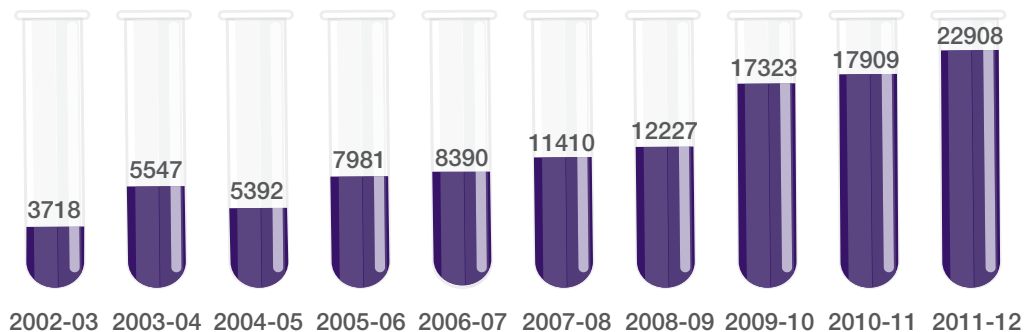
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
<b>CAPITAL ACCOUNT</b>										
Share Capital	69.6	69.6	69.6	69.6	139.2	139.2	139.2	139.2	417.6	417.6
Reserves	1569	2058	2368	2842	3237	3755	4282	5241	5716	6503
Borrowings	2	127	20	147	147	221	43	301	696	702
Gross Block	293	312	554	1033	1112	1295	1465	1559	1786	1936
Net Block	172	159	367	810	766	858	917	902	1028	1095
<b>REVENUE ACCOUNT</b>										
Profit before Depreciation & Tax	541	865	751	1054	1173	1249	1438	1870	1861	1937
Profit before Tax	523	830	718	1013	1050	1142	1325	1754	1751	1805
Profit After Tax	385	607	469	664	689	778	872	1255	1229	1285
Sales & Other Income	3718	5547	5392	7981	8390	11410	12227	17323	17909	22908
Earnings per Share (₹)	55.26	86.63	66.98	95.43	24.74	27.96	31.31	45.07	14.71	15.38
Dividend per Share (₹)	12.50	15.00	20.00	24.00	7.00	8.00	11.50	10	5.00	5.50

**Note :** The face value of the company's equity share has been reduced from ₹ 10 to ₹ 5 effective from August 7, 2006.

# Graphs

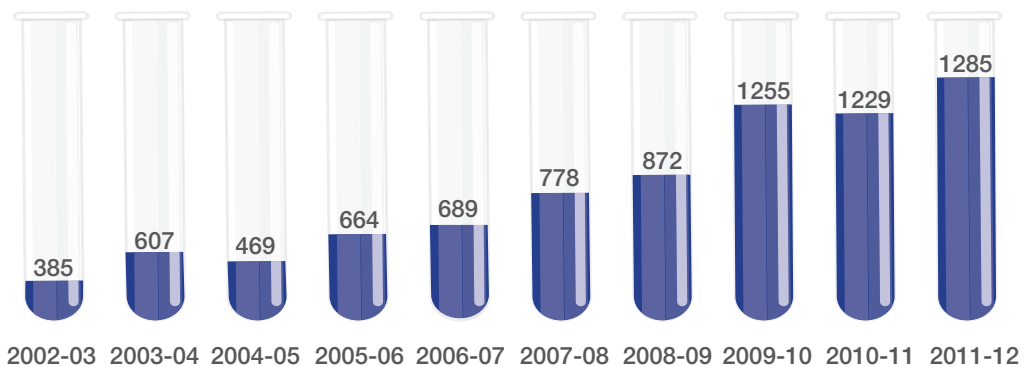
## Sales & Other Income

₹ in Lakhs



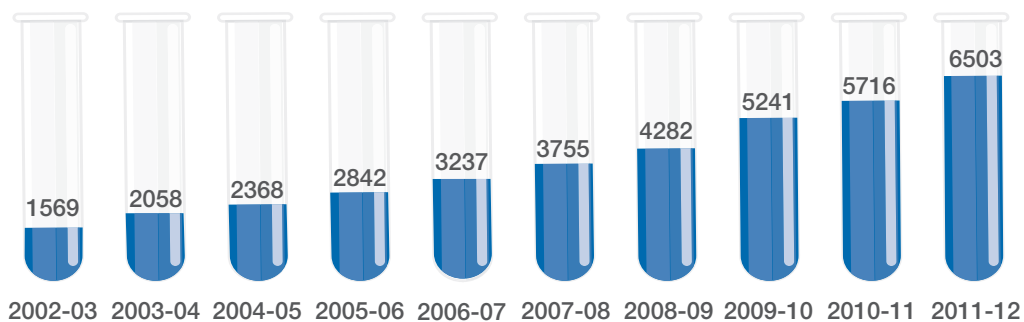
## Profit After Tax

₹ in Lakhs



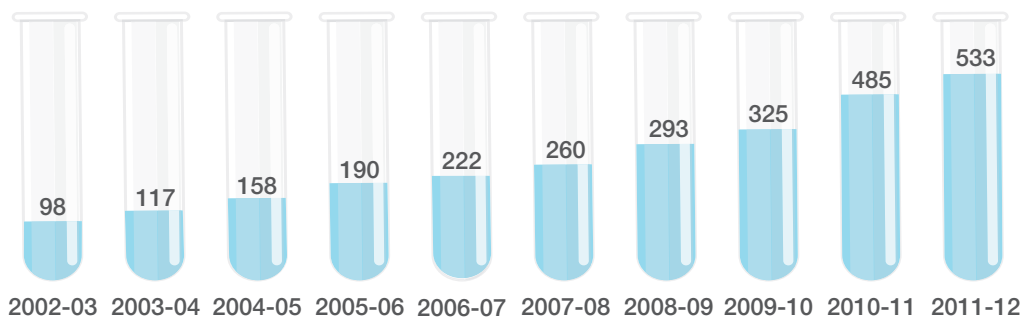
## Reserves

₹ in Lakhs



## Outflow of Dividend

₹ in Lakhs



# Corporate Information

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 Todarwal Mr. Ashwin Shroff
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.
Registered Office	: 3-A, Shivsagar 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

FIFTY SECOND ANNUAL GENERAL MEETING of the Members of ANUH PHARMA LIMITED will be held at 11.30 A.M. on Friday, 24<sup>th</sup> August, 2012 at M.C. Ghia Hall, 4<sup>th</sup> Floor, Bhogilal Hargovindas Road, 17/20, 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 31<sup>st</sup> March, 2012 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. Ashwin C. Shroff who retires by rotation and, being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Arun L. Tadarwal who retires by rotation and, being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Jayantilal P. 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.
6. To declare dividend for the Financial Year 2011-12.

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:** 30th May, 2012

# Notice

**NOTES:**

1. The Register of Members and Share Transfer Book of the Company shall remain closed from 20th August, 2012 to 24th August 2012 (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. As per General Circular No.: 17/2011 dated 21.04.2011 of Ministry of Corporate Affairs, the Company can send the copies of Annual Reports to the members via email to their respective E-mail addresses.

The members who are holding shares in Demat mode and want to get the soft copy of the Annual Report via E-mail are requested to register/update their E-mail address with their DP. The members who are holding shares in Physical mode and want to get the soft copy of the Annual Report via E-mail are requested to submit their respective E-mail address to the Company.

for and on behalf of the Board of Directors

Sd/-

**J.P. Shah**  
Chairman

Place: Mumbai  
Date: 30th May, 2012



# Directors' Report

The Members,

Your directors have pleasure in placing before you the 52<sup>nd</sup> Annual Report of the Company along with the Accounts for the year ended 31st March, 2012:

## FINANCIAL HIGHLIGHTS

	(₹ in Lakhs)	
ACCOUNTING YEAR	2011-12	2010-11
Revenue from Operations	22609	17643
Other Income	299	266
Profit before finance cost, depreciation and tax	1987	1884
Finance cost	50	22
Depreciation	132	111
Provision for tax (net)	520	522
Profit after tax	1285	1229
Profit and Loss Account balance B/f	1130	877
Income Tax adjustment of earlier years	36	9
Profit available for Appropriation	2451	2115
Transfer to General Reserve	500	500
Proposed Dividend	459	418
Tax on Dividend	75	67
Balance carried to the Balance Sheet	1417	1130

## DIVIDEND

For the year under review, the Directors have recommended a Dividend of ₹ 5.50 per share i.e. @ 110% (₹ 5.00 per share i.e. @ 100% for the previous year) on Equity Shares of face value of ₹ 5/- each of the company. The total gross dividend outgo shall be ₹ 533.88 lakhs as compared to ₹ 485.34 lakhs during the previous year.

## OPERATIONS

The revenue and operation income for the year ended 31<sup>st</sup> March, 2012 amounted to ₹ 22609.43 lakhs as against ₹ 17643.07 lakhs for the previous year. Thus the turnover of the company has increased by about 28.15% as compared to last year's turnover.

During the year 2011-12 profit before tax as compared to last year has increased by 3.10% from ₹ 1750.77 lakhs to ₹ 1805.00 lakhs and profit after tax has increased by 4.53% from ₹ 1228.96 lakhs to ₹ 1284.61 lakhs.

## EXPORTS

Exports for the year ended 31<sup>st</sup> March, 2012 have increased by about 46.15% from ₹ 7028.29 lakhs to ₹ 10271.76 lakhs.

## CURRENT OUTLOOK

The second phase of a new plant for manufacture of drug intermediates shall be ready for commissioning by July 2012. The Company expects to achieve better value addition and also profitability when this plant becomes operational.

## R & D LABORATORY

In the month of April 2012, the Company has acquired all assets of a "State of Art" Research & Development Laboratory which was being run by a Spanish Company. This Laboratory is situated in Navi Mumbai and is already functional.

## DIRECTORS

Mr. Ashwin C. Shroff, Mr. Arun L. Todarwal and Mr. Jayantilal P. Shah retire by rotation at the forthcoming Annual General Meeting and being eligible have offered themselves 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 2012-13.

# Directors' Report

## 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 31<sup>st</sup> March, 2012 –

- 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. 31<sup>st</sup> March, 2012 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 (Firm Registration No. 106512W), 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 re-appointing 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.

## 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

Place: Mumbai

Date: 30th May 2012

Registered Office:

3-A, Shiv Sagar Estate,  
Dr. Annie Besant Road,  
Worli, Mumbai – 400 018

# 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.

### A. Power and fuel consumption:

#### 1. Electricity

	Current Year	Previous Year
	2011-12	2010-11
(a) Purchased		
Units	2681404	2157738
Total cost ₹ In(lacs)	167.57	114.81
Rate/unit ₹ (	6.25	5.32
(b) Own generation		
Rate/Unit ₹ (	Nil	Nil
2. Coal	Nil	Nil
3. Light Diesel Oil		
Quantity )(KL	194.25	134.04
Total cost (₹ In lacs)	79.07	44.21
Average rate per ltr. (₹)	40.70	32.98
4. Other/Internal generation	N.A.	N.A.
<b>B. Consumption per unit of production</b>		
Electricity KWH	3.38	4.16
Light Diesel Oil Ltrs.	0.24	0.26
Coal	N.A.	N.A.
Other	N.A.	N.A.
<b>2. TECHNOLOGY ABSORPTION</b>		
A. Research & Development (R&D)	Nil	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 ₹ 10127.50 lakhs as against ₹ 6940.90 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 ₹ 16235.22 lakhs during the year as against ₹ 13798.99 lakhs in the previous year.

# Compliance Certificate

CIN: L24230MH1960PLC011586  
Nominal Capital: ₹ 100,000,000 /-

To,  
The Members,  
**ANUH PHARMA LIMITED**  
A-3, Shiv Sagar Estate,  
North Wing, Dr. Annie Besant Road,  
Worli, Mumbai – 400 018

We have examined the registers, records, books and papers of **ANUH PHARMA LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31<sup>st</sup> March, 2012**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to me/us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder.
3. The Company, being Public Limited Company, comments under Section 3(1)(iii) of the Companies Act, 1956, applicable to private company are not required.
4. The Board of Directors duly met **4 times on 6<sup>th</sup> May, 2011; 5<sup>th</sup> August, 2011; 11<sup>th</sup> November, 2011 and 3<sup>rd</sup> February, 2012** in respect of which meetings proper notices were given and the proceedings were properly signed and recorded in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from **23<sup>rd</sup> September, 2011 to 27<sup>th</sup> September, 2011 (both days inclusive)** and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on **31<sup>st</sup> March, 2011** was held on **27<sup>th</sup> September, 2011** after giving due notice to the Members of the Company and the resolution passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors and/or persons or firms referred in the Section 295.
9. The Company has duly complied with the provisions of the Section 297 of the Act in respect of contracts specified in that section during the financial year under scrutiny.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. The Company has obtained necessary approvals from the Board and Members as required pursuant to the provisions of Section 314 of the Act.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
  - (i) has made no allotment and has delivered all the certificates on lodgement thereof for transfer/transmission or any other purpose during the F.Y. 2011-2012 in accordance with the provisions of the Act.
  - (ii) has deposited the amount of final dividend declared on 27<sup>th</sup> September, 2011 in a separate Bank Account on 29<sup>th</sup> September, 2011 which is within 5 days from the date of declaration of such dividend.
  - (iii) has paid/posted warrants for the dividend declared to all the members within a period of 30 (Thirty) days from the date of declaration.
  - (iv) has transferred the amounts from Dividend Account, which have remained unclaimed/unpaid for a period of seven years to Investor Education and Protection Fund for the dividend declared for the year ended **2003-2004** during the Financial Year 2011-12.

# Compliance Certificate

- (v) has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of directors, additional directors and directors to fill casual vacancies during the financial year.
  15. The Company has not appointed any Managing Director / Whole-Time Director during the financial year.
  16. The Company has not appointed any sole-selling agents during the financial year.
  17. The Company was not required to obtain any approvals from the Central Government, Registrar or such authorities as may be prescribed under the various provisions of the Act during the year under review except the following:
    - (i) Approval of the Regional Director u/s. 297 of the Companies Act, 1956 for related party transaction has been received vide order No. RD/297/124 to 127/5/2011/2225 dated 1st July, 2011.
  18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
  19. The Company has not issued any Equity Shares during the financial year.
  20. The Company has not bought back any shares during the financial year.
  21. The Company has no preference shares/debentures.
  22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
  23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A the financial year
  24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ended on 31<sup>st</sup> March, 2012 is within the borrowing limits of the company.
  25. The Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act.
  26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under review.
  27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
  28. The Company has not altered the provisions of the Memorandum with respect to the name of the company during the year under scrutiny.
  29. The Company has not altered the provisions of the Memorandum with respect to the share capital of the company during the year under scrutiny and complied with the provisions of the Act.
  30. The Company has not altered its Articles of Association during the year under scrutiny.
  31. There were no prosecution initiated against the Company and no fines or penalties or any other punishment was imposed on the company during the financial year for offences under the Companies Act.
  32. The Company has not received any money as security from its employees during the financial year.
  33. As informed to us, the Provident Fund contributions has been generally deposited regularly during the year with the prescribed authorities.

For Sanjay Doshi & Associates  
Company Secretaries

Sanjay Doshi  
Proprietor  
C.P. No.: 7595

Place: Mumbai  
Date : 30th May, 2012

# Annexure A

**Registers maintained by the Company:**

Particulars	Under Section
1. Register of Members	u/s 150
2. Register of Transfers	u/s 108
3. Register of Particulars of Contracts in which Directors are interested	u/s 301
4. Register of Proxies	—
5. Register of Directors, Managing Directors, Manager & Secretary	u/s 303
6. Register of Directors Shareholdings	u/s 307
7. Register of Charges	u/s 143
8. Index of Members	u/s 151
9. Register of Directors' Attendance	—
10. Register of Shareholders' Attendance	—
11. Register of Fixed Assets	u/s 209
12. Minutes Book of Board & General Meeting	u/s 193

# Annexure B

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on **31<sup>st</sup> March, 2012.**

Sr. No.	Form No./ Return	Filed under Section	For	Date of Filing	Whether Filed within prescribed time Yes/No	If delay in filing Whether requisite additional fees paid Yes/No
1	Form 21	Sec. 141	Notice of the court or the company law board order or any other competent authority	20/08/2011	Yes	No
2	Form 23C	Sec. 233B (2)	Form of application to the Central Government for appointment of cost auditor	29/08/2011	Yes	No
3	Form 23	Sec 193	Registration of Resolution	13/10/2011	Yes	No
4	Form 66	Sec 383(A)	Compliance Certificate for the year 2010-11	13/10/2011	Yes	No
5	Form 20B	Sec 159	Annual Return for the year end 31.03.2011	10/11/2011	Yes	No
6	Form 1 INV	Rule 3 of Investor Education & Protection Fund	Amounts credited to Investor Education and Protection Fund	21/11/2011	Yes	No
7	Form 23AC & ACA	Sec 210 & 220	Balance Sheet as on 31.03.2011	05/12/2011	Yes	No

# Management Discussions & Analysis

## Global Pharmaceutical Market

The global pharmaceutical market grew up by 6% in 2011 to 890 billion US Dollars. The size of the global market for pharmaceuticals is expected to grow nearly by US Dollars 250 billions over the next 5 years, reaching USD 1.1 TRILLION IN 2016. The 5-8% compound annual growth rate during the period reflects the impact of leading products losing patent protection in developed markets, as well as strong overall growth in the world's EMERGING COUNTRIES.

The regulatory and non-regulated markets of pharmaceuticals are looking at reducing their costs to keep pace with competition and recession.

## Global Bulk Drugs Market

Three segments – Branded Prescription drugs, Over-the-Counter (OTC) drugs and Generic Prescription drugs account for a majority of global bulk drug consumption.

The total global bulk drug consumption is US Dollars 120 billion out of which 80% is used for Branded Prescription drugs, 10% for OTC drugs and 10% for Generic Prescription drugs.

## Indian Pharmaceutical Market

The Indian domestic pharmaceutical market size is 12 billion US Dollars in the year 2011 and is expected to grow at a high double digits till 2015.

## Indian Bulk Drug Market

The size of Indian Bulk Drug market in 2011 is 12 billion US Dollars and is projected to be worth 20 billion US Dollars in 2015 with a CAGR of 22%. Currently 90% of the domestic bulk drug requirement is being met by the Indian industry.

India has now emerged as the second largest producer of bulk drugs after China.

India has more than 80 US FDA approved plants, the second highest in the world after the US.

## Manufacturing

Anuh Pharma Ltd. is well positioned to service its existing and potential markets through its manufacturing operations at Tarapur in Maharashtra.

The company enjoys WHO GMP and ISO 9001:2000 approvals and all the facilities are built and operated according to cGMP (current good manufacturing practices).

The company has also submitted DMF to USFDA for 2 of its products, namely Erythromycin and Erythromycin Oxime Base. It already holds Certificate of Suitability (COS) for (1) ERYTHROMYCIN BASE, (2) ERYTHROMYCIN ETHYL SUCCINATE and (3) PYRAZINAMIDE issued by EDQM.

The Company has also submitted DMF to WHO Geneva for prequalification of PYRAZINAMIDE.

The company has also received plant approvals from several MNCs.

We have undertaken further expansion of our plant capacity and it is expected to be commissioned in July 2012.

## Quality

Quality is the key factor for any API business and Anuh Pharma Ltd. enjoys a high reputation for quality. An independent Quality Assurance team headed by Doctorate and Senior Chemists ensures this function. A number of sophisticated instruments like HPLC, GC, IR Spectrophotometer, etc., are installed in QC and department.

## Research & Development

During the month of April 2012 the Company has acquired an existing Research & Development Laboratory in Mahape, Navi Mumbai from a Spanish Company. This Research & Development Laboratory has three sections, i.e. Analytical Development Lab, Chemical Synthesis Lab and a Pilot Plant. Each section is equipped with latest and sophisticated equipments and machineries.

This will help us in intensifying our Research & Development activity with a view to enlarge our bulk drugs portfolio.

## Human Resources

Anuh Pharma Ltd. has always acknowledged its human capital as the most important and fundamental source of its success. Consequently, the Company's HR department has enabled it to acquire, develop, motivate and maintain its skilled human resource.

The company worked on its recruitment process at bringing about improvement in:

1. Speed at which talent is brought in.
2. Quality of talent with respect to competence and compatibility.
3. Cost of recruitment.

The Company has appointed a well experienced and qualified person as “VICE PRESIDENT – MARKETING”, who will head the marketing operations and achieve the targets given by our management.

### Financial Performance

In the bygone fiscal, the revenue from operation of Anuh Pharma Ltd. increased by 27.94% to ₹ 22,609.43 lakhs from ₹ 17,643.06 lakhs.

The company generated ₹ 1805.00 lakhs in PBT as compared to ₹ 1750.77 lakhs in the previous year.

### Opportunities and Outlook

Anuh Pharma Ltd will be able to place itself in a strong position by expanding strategically, increasing its manufacturing capacities and enhancing capacities across the organization.

The company is looking at different opportunities in untapped markets and also across a value chain. It plans for alliances

with business associates in the global market, giving a huge boost to the selective products that it already deals in.

We are fully conscious of our responsibility toward our customers. Our efforts are directed toward the fulfillment of customer satisfaction through the quality of products. As the consolidation of this industry gains momentum, the need to develop a dedicated team of skilled manpower assumes urgency and importance

We will continue to focus on training and motivation of manpower so as to develop teams of qualified and skilled personnel to effectively discharge their responsibilities in a number of projects and activities. It is, in this context, which we have been working towards promoting the skills and professionalism of our employees to cope with and focus on the challenges of change and growth.

### Cautionary statement

Certain statement in the management discussion and analysis may be forward looking within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realisation, forex market, changes in government policies and regulations, tax regimes, economic development within India and the countries in which the Company conducts business and other incidental factors.



# Corporate Governance Report

Pursuant to Clause 49 of the Listing Agreement following is the report on Corporate Governance for the financial year 2011-12.

## Company's Philosophy on Code of Corporate Governance

The Company believes that Corporate Governance envisages attainment of high level of transparency, accountability, fair and equal treatment of all shareholders, compliance with regulations, and sustainable value creation for all shareholders, ethical practices and integrity thereby assisting the top management of the Company in efficient conduct of its business.

The Company believes that its systems and actions must be integrated for enhancement of corporate performance resulting in maximization of shareholders' value in the long run, protection of the interest of its shareholders and employees and maintenance of cordial relationship with its customers and bankers. The Company places due emphasis on regulatory compliances.

## I. Board of Directors

### (A) Composition of Board and changes since the date of last Annual General Meeting

The present Board of Directors of the Company comprises of 8 Directors, of which 1 is Executive Director, 3 are Non-Executive Directors and remaining 4 are Independent Non Executive Directors with independent judgment in the deliberation and decision of the Board. The Chairman of the Board is a non-executive Director.

### (B) No. of Board Meetings

The Board of Directors met 4 Times during the year under review. The meetings of the Board of Directors were held on various dates as follows:

(1) May 6, 2011 (2) August 5, 2011 (3) November 11, 2011 and (7) February 3, 2012. Detailed agenda notes and the information required to be given in terms of Business on the agenda were circulated in advance to all the Directors of the Company. The Directors including Non-Executive Directors actively participated in the Board Meeting.

Name of the Director	Designation	Category	No. of Board Meetings held during the year	No. of Board Meetings attended during the year	Attendance at last AGM held on September 27, 2011
Mr. Jayantilal P. Shah	Chairman	Promoter Non-Executive Director	4	4	Yes
Mr. Bipin N. Shah	Managing Director	Promoter Executive Director	4	4	Yes
Mr. Lalitkumar P. Shah	Director	Promoter Non-Executive Director	4	2	Yes
Mr. Bharat N. Shah	Director	Promoter Non-Executive Director	4	3	Yes
Mr. Jasvantlal G. Shah	Director	Independent Non-Executive Director	4	3	Yes
Mr. Dilip. G. Shah	Director	Independent Non-Executive Director	4	2	No
Mr. Arun Todarwal	Director	Independent Non-Executive Director	4	4	Yes
Mr. Ashwin Shroff	Director	Independent Non-Executive Director	4	1	No

### (C) Secretarial Standards relating to the Meetings:

The Institute of Company Secretaries of India (ICSI) has established Secretarial Standards relating to the Meetings of the Board and Committees thereof and Annual General Meetings. At this stage, these are only recommendatory and are likely to become mandatory in due course. It is the intention of the Company to generally comply with these Standards.

At the end of the year, none of the Directors is a member of more than ten Board-level Committees or a Chairman of more than five such Committees, as required under Clause 49 of the Listing Agreement.

### (D) Information required under Clause 49 IV(G) of the listing agreement on Directors seeking appointment / re-appointment :

#### Mr. Ashwin C. Shroff

Mr. Ashwin C. Shroff, aged 67 years, a graduate in Chemistry from Bombay University, joined Excel Industries Ltd. Moving through various operational and functional departments in the Company, he rose to become its Managing Director in 1995. He became the Chairman of the Company in 2004.

Along these crucial years of growth, both Excel Industries Ltd. and he have emerged stronger, revolutionizing the Industrial chemicals, Agro chemicals and Environment related businesses.

Mr. Ashwin Shroff has been an active spokesman of the Indian Chemical industry and, as the President of Indian Chemical Council (ICC) during 1996- 98, he represented the industry at various levels. He has had the opportunity to interact with the Government bodies and share his experience in shaping the industry specific policies.

Mr. Ashwin Shroff has been a regular participant in various study groups, conferences, seminars etc., and has contributed papers on diverse subjects, and articles in leading journals.

Mr. Ashwin Shroff is connected with various NGOs like The Vivekanand Research & Training Institute (VRTI).

He is also a Director in the following companies:

1. Chairman & Managing Director of Excel Industries Ltd.
2. Chairman & Director of Excel Corp. Care Ltd., Mumbai
3. Chairman & Director of Transpek Industry Ltd., Baroda
4. Chairman & Director of Transpek – Silox Industry Ltd., Baroda
5. Director of Excel Industries (Australia) Pty. Ltd.
6. Director, Phthalo Colours & Chemicals (India) Ltd.
7. Director, Waxsam Limited, Hong Kong
8. ECCL Investments & Finance Limited
9. Director of Kamaljyot Investment Ltd.
10. Director of Bhartiya Management Development (Section 25 Company)
11. Director of Indian Centre for Climate and Societal Impacts Research (Section 25 Company)
12. Developmental & Eco Friendly Enterprises (Section 25 Company)
13. Director of Federation of Kutch Industries Association (Section 25 Company)

He is also the chairman/member of the following committees:

#### Excel Crop Care Ltd.:

- Shareholders & Investors Grievance Committee – Chairman

#### Transpek Silox Industry Ltd.:

- Remuneration Committee - Chairman

In the past, he has held and presently also he holds senior positions in business associations and social/educational organizations like:

- Past president of Indian Chemical Council
- Past Executive Committee Member, Kutchh Navnirman Abhiyan (a federation of Voluntary agencies in Kutchh)
- Trustee of Vivekanand Research & Training Institute (VRTI), a voluntary agency based in Kutchh, Gujarat
- Chairman, FICCI Environment Committee
- Committee Member, Ramkrishna Mission, Mumbai
- Also associated with Management Educational Institutes

viz. SIES College of Management Studies (SIESCOM) and Narsee Monjee Institute of Management Studies (NMIMS).

#### Mr. Arun L. Todarwal

Mr. Arun L. Todarwal, aged 54 years is a fellow member of the Institute of Chartered Accountants of India. He has been practicing as a Chartered Accountant since 1981. During his years of practice, he has handled various professional assignments including Statutory Audits, Internal Audits, Management and Systems Audits, Due diligences, Taxation, International Taxation, Joint Ventures, etc. He is well-versed in Tax matters and has travelled abroad on several occasions to deliver talks on Indian Taxation as well as Investment in India. Mr. Arun Todarwal is also a member of the Institute of Internal Auditors, National Centre for Quality Management, Bombay Management Association and Bombay Chartered Accountants Society. His vast experience has put him on panel of Auditors with the Registrar of Co-operatives Societies and the Official Liquidator, Mumbai High Court.

Mr. Arun Todarwal is a director of the following Companies :

1. Director of Graviss Hospitality Limited.
2. Director of Graviss Hotels & Resorts Limited.
3. Director of Lakecity Ventures Private Limited.
4. Director of SREI Mutual Fund Private Limited.
5. Director of Sterlite Technologies Limited.
6. Director of Welspun Global Brands Limited.
7. Director of Welspun India Limited.
8. Director of Welspun Investments & Commercials Limited.

He is also the chairman/member of the following committees:

#### Sterlite Technologies Limited:

- Audit Committee - Chairman
- Remuneration Committee - Chairman
- Shareholders & Investors' Grievance Committee - Member
- Allotment Committee – Member

#### Graviss Hospitality Limited:

- Audit Committee - Member

#### Welspun India Limited:

- Audit Committee - Member
- Remuneration Committee - Member
- Finance and Administration Committee - Member

#### Welspun Global Brands Limited:

- Audit Committee – Member
- Investors' Grievance and Share Transfer Committee-Member
- Remuneration Committee – Member

#### Welspun Investments & Commercial Limited :

- Audit Committee – Member
- Investors' Grievance and Share Transfer Committee - Member
- Remuneration Committee – Member

In a short span, Arun Todarwal has gained a lot of experience and is highly accomplished in the profession of Chartered Accountancy.

#### Mr. Jayantilal P. Shah

Mr. J.P. Shah aged 83 years is a B.A. LL.B and is a Non-Executive Director and Chairman of the Company since October 1980. He has over 60 years experience in managing pharmaceutical business and industry. He has been instrumental in setting up several business and pharmaceutical units of the SK Group.

He is also a Director in the following companies:

1. Director of Sevantilal Kantilal Private Limited
2. Director of Japosh Investment & Trades Private Limited

In the past, he has held senior positions in business associations and social/educational organizations like:

- a. Member of the Managing Committee of Chemist & Druggists Association.

- b. Chairman of Patan Co-op. Bank Ltd.
- c. President of Rotary Club of Bombay South.
- d. Managing Committee Member of North Gujarat Education Society.

**REMUNERATION OF DIRECTORS**

**Details of Remuneration**

The Board, within the overall limits approved by the Members, considered the matters with regard to review and approval of remuneration payable to the Executive and Non Executive Directors of the Company. Details of remuneration to the directors of the Company for the year ended March 31, 2012 are as follows:

Name of Director	Sitting Fees (₹)	Salary & Perquisites (₹)	
		Salary & Perquisites	
Mr. Bipin N. Shah		Salary & Perquisites	16,78,884/-
		Commission	17,45,317/-
		Total	34,24,201/-
Mr. Jayantilal P. Shah	26,000/-		
Mr. Bharat N. Shah	19,500/-		
Mr. Lalitkumar P. Shah	13,000/-		
Mr. Jasantlal G. Shah	39,000/-		
Mr. Dilip G. Shah	26,000/-		
Mr. Arun Todarwal	52,000/-		
Mr. Ashwin Shroff	6,500/-		

**II. Audit Committee**

**Terms of Reference & Composition, Name of Member and Chairman:**

The Audit Committee of the Company comprises of Mr. Jasantlal G. Shah, Chairman of the Committee, Mr. Arun Todarwal and Mr. Dilip G. Shah, all being independent Directors and Mr. Bipin N. Shah, who is the Managing Director of the company. All members of the Audit Committee have knowledge on financial matters and the Chairman of the Audit Committee was a Company Secretary in various large Indian and multi-national companies.

The Company has appointed M/s. I. O. Dharia & Co., Chartered Accountants, as Internal Auditors of the Company for reviewing with the management quarterly and annual financial statements and other matters as covered under Clause 49 of the Listing Agreement and report to the Audit Committee.

The terms of Reference to this Committee, *inter alia*, covers all the matters, specified under Section 292(A) of the Companies Act, 1956 and also all the matters listed under Clause 49 of the Listing Agreement with the Stock Exchange such as oversight of the Company’s financial reporting process; recommending the appointment / reappointment of statutory auditors. The Audit Committee has powers, *inter-alia*, to investigate any activity within its terms of reference and to seek information from any employee of the company as well as seek outside legal and professional advice.

The Audit Committee reviews all the information which are required to be mandatorily reviewed by it under the corporate governance.

The Audit Committee met 4 times during the year under review. The meetings were held on various dates as follows:

- (1) May 6, 2011 (2) August 5, 2011 (3) November 11, 2011 (4) February 3, 2012.

The attendance of each member of Audit Committee in the committee meetings is given below:

Name of the Director	No. of Meetings Held	No. of Meetings attended
Mr. Jasantlal. G. Shah	4	3
Mr. Arun Todarwal	4	4
Mr. Bipin N. Shah	4	4
Mr. Dilip G. Shah	4	2

**COMPANY SECRETARY**

Since the Company’s paid-up capital is less than ₹ 5,00,00,000/- (Rupees Five crores only) as per the provisions of Section 383A of the Companies Act, 1956. Company is not required to appoint full time Company Secretary in Employment but is required to obtain a Secretarial Compliance Certificate from Company Secretary in Practice. Company has obtained the required Certificate from M/s. Sanjay Doshi & Associates, Practicing Company Secretary.

### III. Share Transfer cum Investors Grievance Committee

The Share transfer cum Investors Grievance Committee consists of 3 Directors i.e. Mr. Lalit P. Shah, Mr. Bharat N. Shah and Mr. Bipin N. Shah.

Mr. Lalit P. Shah, Non-Executive Director, is the Chairman of the Committee. No transfers were pending as on March 31, 2012. The Company received 6 (Six) complaints during the year under review and the same were resolved satisfactorily. No complaint was pending as on March 31, 2012.

The details of the last three Annual General Meetings held are as follows:

Year	Venue	Date	Time
2008-2009	M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Road, 18/20, K. Dubash Marg, Mumbai – 400 001.	16.09.2009	11.30 a.m.
2009-2010	M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Road, 18/20, K. Dubash Marg, Mumbai – 400 001.	17.09.2010	11.30 a.m.
2010-2011	M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Road, 18/20, K. Dubash Marg, Mumbai – 400 001.	27.09.2011	11.30 a.m.

### DECLARATION

I, Bipin N. Shah, Managing Director of Anuh Pharma Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1) (D) (ii) of the Listing Agreement entered into with the Stock Exchange for the year ended March 31, 2012.

### MD/ CEO CERTIFICATION

The Managing Director/ CEO have certified to the Board, *inter alia* the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under Clause 49(v) of the Listing Agreement, for the year ended March 31, 2012.

### DISCLOSURES

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. Details are given elsewhere in the Annual Report at Note 32 of the Accounts.
- Details of non-compliance by the company, penalties, and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years - NIL.
- Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement in respect of Corporate Governance. The Company has not adopted a whistle blower policy, which is not mandatory requirement as per the Listing Agreement.

### MEANS OF COMMUNICATION

The quarterly / half-yearly / annual financial results are normally published in English and Marathi Newspapers viz. in Free Press Journal, and Navshakti, Mumbai respectively. A Report on Management Discussion and Analysis forms part of the Annual Report.

### GENERAL SHAREHOLDER INFORMATION

#### A. Annual General Meeting

Day : Friday,

Date : 24<sup>th</sup> August, 2012

Time : 11.30 a.m.

Venue : M.C. Ghia Hall, 4th Floor,  
Bhogilal Hargovindas Road,  
17/20, K. Dubash Marg, Mumbai 400 001

#### B. Financial Calendar

Quarter	Period	Publications of Results
First	Apr-Jun	August 7, 2011
Second	Jul-Sep.	November 12, 2011
Third	Oct-Dec	February 4, 2012
Fourth	Jan-Mar	May 11, 2012

**C. Dates of Book Closure:**

**D. Dividend Payment Date**

Dividend of ₹ 5.00 per share i.e. @ 100% on Equity Shares of face value of ₹ 5/- each of the company has paid during the financial year.

**E. Listing on Stock Exchanges:**

The Company's Equity Shares are listed on The Bombay Stock Exchange, Mumbai

**F. Stock Code :**

506260 on the Stock Exchange, Mumbai.

**G. ISIN Number for NSDL & CDSL :**

INE489G01022

**H. Market Price Data:**

High & Low during each month in the last financial year (given below).

Month	High (₹)	Low (₹)
April 2011	164.40	131.75
May 2011	146.00	120.00
June 2011	137.70	122.00
July 2011	141.00	125.05
August 2011	140.00	120.00
September 2011	140.70	124.50
October 2011	157.00	120.00
November 2011	153.80	121.35
December' 2011	133.50	110.00
January 2012	131.80	111.00
February' 2012	142.00	121.00
March' 2012	133.90	111.05

**I. Registrars & Transfer Agent:**

Big Share Services Pvt. Limited  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Sakinaka, Andheri (East),  
Mumbai – 400 072  
Tel.: 022 28470652 / 53

**J. Share Transfer:**

All transfers received are processed by the Share Transfer Agents and Share Transfer Register is sent to the Company for approval. The Share Transfer cum Investors / Shareholders' Grievance Committee comprising Directors considers and approves the same. Thereafter, the Share Transfer Agents carry out necessary endorsements on the share certificates and dispatch the same to the transferees.

**K. Shareholding Pattern:**

The Distribution of the shareholding pattern as on March 31, 2012 was as under:

Category	No. of Shareholders	% of total Shareholders	No. of Shares held	% of Shareholding
Upto 5000	4534	90.7708	7,63,224	9.14
5001 - 10000	224	4.4845	3,21,894	3.86
10001 - 20000	119	2.3824	3,48,457	4.17
20001 - 30000	45	0.9009	2,29,136	2.74
30001 - 40000	11	0.2202	76,319	0.91
40001 - 50000	13	0.2603	1,16,590	1.40
50001 - 100000	16	0.3203	2,39,522	2.87
100001 and above	33	0.6607	62,56,858	74.91
Total	4995	100.00	83,52,000	100.00

**Shareholding Pattern as on March 31, 2012**

Category	No. of shareholders	No. of shares	% holding
Indian Promoters	25	54,29,338	65.01
Clearing Members	11	2,372	0.03
FII's and NRIs	58	44,733	0.53
Domestic Companies	129	1,93,050	2.31
Resident Individuals	4772	26,82,570	32.12
TOTAL	4995	83,52,000	100

Dematerialisation of Shares: 81,79,492 Equity Shares equivalent to 97.94% of the total paid-up Equity Capital have been in dematerialized form as on March 31, 2012.

Compliance Officer : Mr. G. J. Chari

E-Mail ID : anuh@sk1932.com

Tel.No. : 022 6622 7575

Fax No. : 022 6622 7600.

Address for Correspondence : 3-A, Shivsagar Estate, North Wing, Dr. Annie Besant Road, Worli. Mumbai – 400 018.

# Certificate on Corporate Governance

To,  
The Members of  
ANUH PHARMA LIMITED

We have examined the compliances of conditions of Corporate Governance by "ANUH PHARMA LIMITED" (hereinafter referred to as the Company) for the year ended March 31, 2012 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the abovementioned Listing Agreements.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained and produced before us by the Share Transfer-cum-Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the effectiveness with which the management has conducted the affairs of the Company.

**For Sanjay Doshi & Associates**  
Company Secretaries

**Sanjay Doshi**  
Proprietor  
C.P. No.: 7595

Place: Mumbai  
Date : 30th May, 2012

# Auditors' Report

The Members,

TO THE MEMBERS OF ANUH PHARMA LIMITED

1. We have audited the attached Balance Sheet of ANUH PHARMA LIMITED ("Company") as at March 31, 2012 and the related Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (e) On the basis of written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the director is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
    - (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
    - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For S. I. MOGUL & CO.  
*Chartered Accountants*  
Firm Registration No. 106512W

**SAMIR S. MOGUL**  
*Partner*

Mumbai: May 30, 2012

Membership No. 100731



# Annexure to the Auditors' Report

As referred to in paragraph 3 of our report of even date on the accounts for the year ended March 31, 2012,

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of a major portion of fixed assets was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The fixed assets disposed off during the year are not substantial and hence, it has not affected the going concern assumption.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The Company has not granted or taken any loan, secured or unsecured, to or from any party covered in the register maintained under section 301 of the Companies Act, 1956 and hence, the provisions of clause 4(iii)(b) to 4(iii)(g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of the contracts and arrangements referred to in section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 500,000 in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- (vi) The Company has not accepted any deposit from the public to which the provisions of section 58A and section 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- (vii) The Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of section 209 of the Act, and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, wealth tax, service tax, custom duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, the following undisputed amounts payable in respect of above were in arrears as at March 31, 2012 for a period of more than six months from the date on which they became payable:

**Statement of Outstanding Dues**

Sr. No.	Name of the Statute	Nature of the Dues	Amount (₹)	Remarks	Financial Year to which the amount relates
1.	Income-tax Act, 1961	Income-tax deducted at source ("TDS") under section 194J on Royalty	3,675	since paid on May 30, 2012	2011-2012
2.	Income-tax Act, 1961	TDS under section 194C on payment to contractor	357	since paid on May 10, 2012	2011-2012
		<b>Total</b>	<b>4,032</b>	since paid as mentioned above	

- (b) According to the information and explanations given to us, the dues as on March 31, 2012 in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess that have not been deposited with the appropriate authorities on account of any dispute are as under:

Statement of Disputed Dues					
Sr. No.	Name of the Statute	Nature of the Dues	Amount (₹)	Financial Year to which the amount relates	Forum where dispute is pending
1.	Bombay Sales Tax Act, 1959	Sales Tax	627,925	1991-1992	The figures in the amount column are as per the orders dated April 10, 2003 of the Assistant Commissioner of Sales Tax (Appeals), Thane. Thereafter, the Company had preferred an appeal before the Maharashtra Sales Tax Tribunal, which has passed its orders on August 27, 2009. However, the Company has not yet received the revised assessment orders giving effect to the above referred Tribunal orders. The Company has filed a Writ Petition before the Honourable High Court of Bombay contesting the Tribunal order.
		Interest	635,859		
		Penalty	2,000		
2.	Central Sales Tax Act, 1956	Sales Tax	645,790	1991-1992	
		Interest	2,500		
3.	Bombay Sales Tax Act, 1959	Sales Tax	150,645	1992-1993	
		Interest	246,007		
		Penalty	500		
4.	Central Sales Tax Act, 1956	Sales Tax	148,262	1992-1993	
		Interest	241,880		
		Penalty	2,000		
<b>Total</b>			<b>2,703,368</b>		

- (x) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not taken any loans from a financial institution nor issued any debentures.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) In our opinion and according to the information and explanations given to us, the Company has not taken any term loans. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) During the year, the Company has not issued any secured debentures. Therefore, the provisions of clause 4(xix) of

the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(xx) During the year, the Company has not raised any money by public issues.

(xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **S. I. MOGUL & CO.**  
Chartered Accountants  
Firm Registration No. 106512W

**SAMIR S. MOGUL**  
Partner  
Membership No. 100731

Mumbai: May 30, 2012

## Auditors' Certificate

The Board of Directors  
Anuh Pharma Ltd. ("Company")  
A-3, Shivsagar Estate, North Wing, Dr. Annie Besant Road,  
Worli, Mumbai 400 018

Dear Sirs,

We have examined the Cash Flow Statement for the year ended on March 31, 2012. The Statement has been prepared by the Company in accordance with the requirement of Clause 32 of the Listing Agreement with Bombay Stock Exchange Limited and is based on and in agreement with the corresponding

Balance Sheet and Statement of Profit and Loss of the Company for the year ended on March 31, 2012 covered by our report of even date to the members of the Company.

For **S. I. MOGUL & CO.**  
Chartered Accountants  
Firm Registration No. 106512W

**SAMIR S. MOGUL**  
Partner  
Membership No. 100731

Mumbai: May 30, 2012

# Balance Sheet

as on March 31, 2012

In ₹

Particulars		Note No.	As at March 31, 2012	As at March 31, 2011
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
	(a) Share capital	1	41,760,000	41,760,000
	(b) Reserves and surplus	2	650,297,881	571,599,116
	(c) Money received against share warrants		-	-
			<b>692,057,881</b>	<b>613,359,116</b>
2	<b>Share application money pending allotment</b>		-	-
3	<b>Non-current liabilities</b>			
	(a) Long-term borrowings		-	-
	(b) Deferred tax liabilities (net)		-	-
	(c) Other long term liabilities		-	-
	(d) Long-term provisions	3	1,152,899	1,446,965
			<b>1,152,899</b>	<b>1,446,965</b>
4	<b>Current liabilities</b>			
	(a) Short-term borrowings	4	13,024,164	70,226,231
	(b) Trade payables	5	294,351,842	224,943,900
	(c) Other current liabilities	6	26,873,768	103,452,710
	(d) Short-term provisions	7	162,879,816	226,305,448
			<b>497,129,590</b>	<b>624,928,289</b>
	<b>TOTAL</b>		<b>1,190,340,370</b>	<b>1,239,734,370</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
1	(a) <b>Fixed assets</b>	8		
	(i) Tangible assets		74,894,072	81,045,769
	(ii) Intangible assets		304,184	202,886
	(iii) Capital work-in-progress		34,279,922	21,528,231
	(iv) Intangible assets under development		-	-
			<b>109,478,178</b>	<b>102,776,886</b>
	(b) Non-current investments	9	250,618,000	136,200,000
	(c) Deferred tax assets (net)	10	1,169,987	173,110
	(d) Long-term loans and advances	11	6,685,509	5,965,534
	(e) Other non-current assets	12	-	-
			<b>367,951,674</b>	<b>245,115,530</b>
2	<b>Current assets</b>			
	(a) Current investments	13	75,125,006	176,824,281
	(b) Inventories	14	125,921,211	169,001,265
	(c) Trade receivables	15	390,884,569	253,595,436
	(d) Cash and bank balances	16	66,430,078	87,755,860
	(e) Short-term loans and advances	17	163,236,265	306,460,658
	(f) Other current assets	18	791,567	981,340
			<b>822,388,696</b>	<b>994,618,840</b>
	<b>TOTAL</b>		<b>1,190,340,370</b>	<b>1,239,734,370</b>
	<b>NOTES FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS</b>	1-37		
	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	38		

As per our report of even date  
**For S. I. MOGUL & CO.**  
*Chartered Accountants*  
 Firm Registration No. 106512W  
**SAMIR S. MOGUL**  
*Partner*  
 Membership No. 100731  
 Mumbai: May 30, 2012

**For ANUH PHARMA LIMITED**

**BIPIN SHAH**                      **BHARAT SHAH**                      **J. G. SHAH**  
*Managing Director*                      *Director*                      *Director*

Mumbai: May 30, 2012

# Statement of Profit and Loss

for the year ended March 31, 2012

In ₹

Particulars		Note No.	Year ended on March 31, 2012	Year ended on March 31, 2011
I.	Revenue from operations (gross)	20	2,403,521,820	1,893,831,668
	Less: Excise duty	20	(142,578,363)	(129,525,096)
	Revenue from operations (net)	20	2,260,943,457	1,764,306,572
II.	Other income	21	29,851,737	26,612,126
III.	<b>Total Revenue (I + II)</b>		<b>2,290,795,194</b>	<b>1,790,918,698</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	22	1,821,004,006	1,349,635,003
	Purchases of Stock-in-Trade	23	101,125,025	129,457,004
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(30,940,020)	(3,185,922)
	Employee benefits expense	25	32,008,939	28,045,724
	Finance costs	26	4,985,714	2,224,231
	Depreciation and amortization expense	8	13,215,279	11,067,467
	Other expenses	27	168,895,750	98,597,792
	<b>Total expenses</b>		<b>2,110,294,693</b>	<b>1,615,841,299</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>180,500,501</b>	<b>175,077,399</b>
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>180,500,501</b>	<b>175,077,399</b>
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before tax (VII - VIII)</b>		<b>180,500,501</b>	<b>175,077,399</b>
X.	<b>Tax expense:</b>			
	(1) Current tax		53,036,152	53,037,000
	(2) Deferred tax		(996,877)	(856,051)
			<b>52,039,275</b>	<b>52,180,949</b>
XI.	<b>Profit/(Loss) for the period from continuing operations (IX - X)</b>		<b>128,461,226</b>	<b>122,896,450</b>
XII.	Profit/(Loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	<b>Profit/(Loss) from Discontinuing operations (after tax) (XII - XIII)</b>		<b>-</b>	<b>-</b>
XV.	<b>Profit/(Loss) for the period (XI + XIV)</b>		<b>128,461,226</b>	<b>122,896,450</b>
XVI.	Earnings per equity share of ₹ 5 each			
	(1) Basic		15.38	14.71
	(2) Diluted		15.38	14.71
	<b>NOTES FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS</b>	1-37		
	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	38		

As per our report of even date  
For S. I. MOGUL & CO.  
Chartered Accountants  
Firm Registration No. 106512W  
**SAMIR S. MOGUL**  
Partner  
Membership No. 100731  
Mumbai: May 30, 2012

For ANUH PHARMA LIMITED

**BIPIN SHAH**                      **BHARAT SHAH**                      **J. G. SHAH**  
Managing Director              Director                              Director

Mumbai: May 30, 2012

# Notes on Financial Statement

Accounting year ended on March 31, 2012

		As at March 31, 2012		As at March 31, 2011	
		Number	₹	Number	₹
<b>1</b>	<b>SHARE CAPITAL</b>				
	<b>Authorised</b>				
	Equity Shares of ₹ 5 each	20,000,000	100,000,000	20,000,000	100,000,000
	<b>Issued</b>				
	Equity Shares of ₹ 5 each	8,352,000	41,760,000	8,352,000	41,760,000
	<b>Subscribed &amp; Paid up</b>				
	Equity Shares of ₹ 5 each fully paid-up	8,352,000	41,760,000	8,352,000	41,760,000
	<b>Total</b>	<b>8,352,000</b>	<b>41,760,000</b>	<b>8,352,000</b>	<b>41,760,000</b>

	2011-2012		2010-2011	
	Number	₹	Number	₹
<b>a. Equity Shares :</b>				
Shares outstanding at the beginning of the year	8,352,000	41,760,000	8,352,000	41,760,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	8,352,000	41,760,000	8,352,000	41,760,000

**b. Shareholders holding more than 5% of the Share Capital**

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares :				
Bharti Bipin Shah	1,640,400	19.64	1,640,400	19.64
Bipin Nemchand Shah (HUF)	707,850	8.48	707,850	8.48
Lalitkumar Papatlal Shah	639,960	7.66	639,960	7.66
Bipin Nemchand Shah	526,350	6.30	526,350	6.30
Prafulla Lalitkumar Shah	456,000	5.46	456,000	5.46

Particulars	Year (Aggregate No. of Shares)				
	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007
<b>c. Equity Shares :</b>					
Fully paid-up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid-up by way of bonus shares	5,568,000	-	-	-	1,392,000
Shares bought back	-	-	-	-	-

- d. The company has only one class of Equity Shares having a par value of ₹ 5 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.
- e. The shareholders of the Company had approved the sub-division of Equity Shares of the Company having nominal/face value of ₹ 10 each into Equity Shares having nominal/face value of ₹ 5 each at the Extraordinary General Meeting ('EGM') held on June 9, 2006.

Consequently, the Authorised, Issued and Paid-up Share Capital were divided from ₹ 10 per Equity share to ₹ 5 per Equity Share.

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

		As at March 31, 2012	As at March 31, 2011
<b>2</b>	<b>RESERVES AND SURPLUS</b>		
	(a) <b>Special Capital Incentive Reserve</b>		
	Opening Balance	750,000	750,000
	Add: Current Year Transfer	-	-
	Less: Written Back in Current Year	-	-
	<b>Closing Balance</b>	<b>750,000</b>	<b>750,000</b>
	(b) <b>General Reserve</b>		
	Opening Balance	457,828,280	435,668,280
	Add: Transfer from Statement of Profit and Loss in current year	50,000,000	50,000,000
	Less: Utilised for issue of fully paid-up bonus shares	-	27,840,000
	<b>Closing Balance</b>	<b>507,828,280</b>	<b>457,828,280</b>
	(c) <b>Surplus/(deficit) in the Statement of Profit and Loss</b>		
	Opening balance	113,020,836	87,720,425
	Add: Net Profit/(Net Loss) for the current year	128,461,226	122,896,450
	Add: Income tax adjustments of earlier years	3,625,507	938,477
	Less: Appropriations		
	Proposed Final Dividend	(45,936,000)	(41,760,000)
	Tax on Proposed Final Dividend	(7,451,968)	(6,774,516)
	Transfer to General Reserve	(50,000,000)	(50,000,000)
	<b>Closing Balance</b>	<b>141,719,601</b>	<b>113,020,836</b>
	<b>Total</b>	<b>650,297,881</b>	<b>571,599,116</b>
<b>3</b>	<b>LONG TERM PROVISIONS</b>		
	(a) <b>Provision for employee benefits</b>		
	Gratuity	236,813	514,340
	Leave Encashment	916,086	932,625
	<b>Total</b>	<b>1,152,899</b>	<b>1,446,965</b>
<b>4</b>	<b>SHORT-TERM BORROWINGS</b>		
	Others Loans and Advances:		
	Secured		
	From Bank		
	(a) <b>Cash Credit from Bank of India, Mumbai (In Rupees)</b>	-	14,022,668
	(Secured by hypothecation of stock-in-trade, book debts and first charge-cum-equitable mortgage on factory land and building at Tarapur, Boisar, plant and machinery, lien on fixed deposit with bank and mutual fund units and personal guarantee of some of the directors of the company)		
	(b) <b>Buyer's credit against Imports from Bank of India, Tokyo, Japan (In USD)</b>	-	55,564,452
	(Secured by Bank of India, Tokyo, Japan guarantee from Bank of India under Import Letter of Credit limit)		
	(c) <b>Overdraft from Bank of India (In Rupees)</b>	13,024,164	639,111
	(Secured by lien on fixed deposit with bank)		
	<b>Total</b>	<b>13,024,164</b>	<b>70,226,231</b>

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

		As at March 31, 2012	As at March 31, 2011
5	<b>TRADE PAYABLES</b>		
	Micro, Small and Medium Enterprises (see sub-note a below)	-	-
	Others	294,351,842	224,943,900
	<b>Total</b>	<b>294,351,842</b>	<b>224,943,900</b>

- a. The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amount unpaid as at the year end together with interest paid/payable as required under the said Act have not been made.

6	<b>OTHER CURRENT LIABILITIES</b>		
	(a) Interest accrued but not due on borrowings	-	172,260
	(b) Unpaid dividends*	1,645,281	1,696,656
	(c) Other payables		
	(i) Duties & Taxes	6,085,134	4,084,856
	(ii) Advances received from customers	1,461,440	792,731
	(iii) Other Payables	17,681,913	96,706,207
		<b>25,228,487</b>	<b>101,583,794</b>
	<b>Total</b>	<b>26,873,768</b>	<b>103,452,710</b>

\* There is no amount due and outstanding to be credited to the Investor Education & Protection Fund.

7	<b>SHORT-TERM PROVISIONS</b>		
	(a) Provision for employee benefits	3,418,646	4,960,882
	(b) Others		
	(i) Provision for Income Tax	106,000,000	172,000,000
	(ii) Provision for Fringe Benefit Tax	-	750,000
	(iii) Provision for Wealth Tax	73,202	60,050
	(iv) Proposed Final Dividend	45,936,000	41,760,000
	(v) Tax on Proposed Final Dividend	7,451,968	6,774,516
		<b>159,461,170</b>	<b>221,344,566</b>
	<b>Total</b>	<b>162,879,816</b>	<b>226,305,448</b>



# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

Sr. No.	8 FIXED ASSETS	GROSS BLOCK						ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
		Balance as at March 31, 2011	Additions	(Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at March 31, 2012	Balance as at April 1, 2011	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at March 31, 2012	Balance as at March 31, 2011
	(i) Tangible Assets												
	(a) Land:												
	Leasehold Land	3,563,940	-	-	-	-	3,563,940	254,338	46,257	-	300,595	3,263,345	3,309,602
	(b) Buildings:												
	Building on Leasehold Land	39,880,992	-	-	-	-	39,880,992	16,549,800	2,333,119	-	18,882,919	20,988,073	23,331,192
	Office Premises	14,760,354	-	-	-	-	14,760,354	4,121,336	531,951	-	4,653,287	10,107,067	10,639,018
	Guest House	3,438,690	197,684	-	-	-	3,636,374	43,337	176,666	-	220,023	3,416,351	3,395,353
		58,080,036	197,684	-	-	-	58,277,720	20,714,473	3,041,756	-	23,756,229	34,521,491	37,365,563
	(c) Plant and Equipment:												
	Plant and Machinery	45,657,311	1,109,614	1,547,929	-	-	45,218,986	26,928,841	5,371,986	-	1,423,510	14,341,679	18,728,470
	Laboratory Equipments	6,998,850	1,342,410	-	-	-	8,341,260	3,241,769	678,218	-	3,919,987	4,421,273	3,757,081
	Material Storage & Handling Equipments	5,750,970	-	637,474	-	-	5,113,496	4,652,052	276,854	-	624,634	809,224	1,098,918
	Plumbing Installations	258,422	-	1,009	-	-	257,413	257,250	163	-	257,413	-	1,172
	Electric Installations	9,119,039	402,667	1,133,704	-	-	8,388,002	4,436,658	671,367	-	1,058,474	4,338,451	4,682,381
	Airconditioning Equipments & Refrigerators	11,900,758	337,206	402,035	-	-	11,835,929	5,938,538	888,026	-	361,145	5,400,510	5,962,220
	Computer Hardware	2,603,305	296,009	-	-	-	2,899,314	2,224,379	240,989	-	-	2,465,368	378,926
		82,288,655	3,487,906	3,722,151	-	-	82,054,410	47,679,487	8,097,603	-	3,467,763	29,745,083	34,609,168
	(d) Furniture and Fixtures	5,101,076	1,880,024	-	-	-	6,981,100	3,381,661	550,190	-	3,931,851	3,049,249	1,719,415
	(e) Vehicles [see sub-note (b) below]	5,828,768	1,608,986	2,184,209	-	-	5,253,545	2,458,840	1,202,713	-	1,505,810	3,097,802	3,369,928
	(f) Office equipment	1,714,085	720,353	-	-	-	2,434,438	1,041,992	175,344	-	1,217,336	1,217,102	672,093
		156,576,560	7,894,953	5,906,360	-	-	158,565,153	75,530,791	13,113,863	-	4,973,573	74,894,072	81,045,769
	(ii) Intangible Assets												
	(a) Computer software	543,487	202,714	-	-	-	746,201	340,601	101,416	-	442,017	304,184	202,886
		543,487	202,714	-	-	-	746,201	340,601	101,416	-	442,017	304,184	202,886
	(iii) Capital Work-In-Progress	21,528,231	12,751,691	-	-	-	34,279,922	-	-	-	-	34,279,922	21,528,231
		21,528,231	12,751,691	-	-	-	34,279,922	-	-	-	-	34,279,922	21,528,231
	Total	178,648,278	20,849,358	5,906,360	-	-	193,591,276	75,871,392	13,215,279	-	4,973,573	84,113,098	102,776,886
	Previous Year	155,903,286	24,110,488	1,365,496	-	-	178,648,278	65,668,774	11,067,467	-	864,848	75,871,393	90,234,512

Notes:

- Office Premises includes value of shares of a co-operative society.
- Some of the Motor Vehicles are held in the name of the Director of the Company.

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

9	NON-CURRENT INVESTMENTS	As at March 31, 2012	As at March 31, 2011
	Long Term Investments (Non-Trade)		
	Other Investments		
	(a) Investments in bonds	12,518,000	-
	(b) Investments in Mutual Funds	238,100,000	136,200,000
	<b>Total</b>	<b>250,618,000</b>	<b>136,200,000</b>
	Less : Provision for diminution in the value of Investments	-	-
	<b>Total</b>	<b>250,618,000</b>	<b>136,200,000</b>
	<b>a. Aggregate amount of quoted investments (Market value ₹ 12,779,113 (Previous Year ₹ Nil))</b>	<b>12,518,000</b>	<b>-</b>
	<b>Aggregate amount of unquoted investments</b>	<b>238,100,000</b>	<b>136,200,000</b>

**b. Details of Other Investments**

Sr. No.	Name of the Body Corporate/Mutual Fund	Subsidiary / Associate / Joint Venture / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid-up / Fully paid-up	Amount (₹)		Basis of Valuation
			As at March 31, 2012	As at March 31, 2011			As at March 31, 2012	As at March 31, 2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(11)	(12)
(i)	Investments in Bonds								
	Indian Railway Finance Corporation Ltd. 8.10% Tax Free 15 Years Bonds of ₹ 1000 each	Others	4,350	-	Quoted	Fully paid-up	4,350,000	-	At Cost
	National Highway Authority of India 8.30% Tax Free 15 Years Bonds of ₹ 1000 each	Others	2,472	-	Quoted	Fully paid-up	2,472,000	-	At Cost
	Power Finance Corporation Ltd. 8.30% Tax Free 15 Years Bonds of ₹ 1000 each	Others	5,696	-	Quoted	Fully paid-up	5,696,000	-	At Cost
	Total						12,518,000	-	
(ii)	Investments in Mutual Funds								
	HDFC FMP 370 Days March-2011(4) -Growth option Series XVI of HDFC Mutual Fund	Others	-	4,000,000.0000	Unquoted	Fully paid-up	-	40,000,000	At Cost
	ICICI Prudential Long Term Plan Premium Cumulative of ICICI Prudential Mutual Fund	Others	-	496,007.1430	Unquoted	Fully paid-up	-	5,000,000	At Cost
	HDFC MIP Long Term Quarterly Dividend Payout of HDFC Mutual Fund *	Others	10,893,945.5240	3,033,193.1380	Unquoted	Fully paid-up	145,000,000	40,000,000	At Cost
	HDFC FMP 36M April-10 Growth option Series XII of HDFC Mutual Fund	Others	1,000,000.0000	1,000,000.0000	Unquoted	Fully paid-up	10,000,000	10,000,000	At Cost
	HDFC FMP 390D March 2012(1) Growth option Series XXI of HDFC Mutual Fund	Others	1,000,000.0000	-	Unquoted	Fully paid-up	10,000,000	-	At Cost
	HDFC FMP 400D March 2012(1) Growth option Series XXI of HDFC Mutual Fund	Others	2,000,000.0000	-	Unquoted	Fully paid-up	20,000,000	-	At Cost
	HDFC FMP 36M October 2011(1) Growth option Series XIX of HDFC Mutual Fund	Others	2,300,000.0000	-	Unquoted	Fully paid-up	23,000,000	-	At Cost
	HDFC Prudence Fund Growth option of HDFC Mutual Fund	Others	49,074.0010	5,841.2600	Unquoted	Fully paid-up	10,100,000	1,200,000	At Cost
	TATA Fixed Maturity Plan Series 39 Scheme G-Growth	Others	2,000,000.0000	-	Unquoted	Fully paid-up	20,000,000	-	At Cost
	Tata FMP Series 25 Scheme A Super High Invest Plan - Growth of Tata Mutual Fund	Others	-	4,000,000.0000	Unquoted	Fully paid-up	-	40,000,000	At Cost
	Total						238,100,000	136,200,000	

\* 78,00,000 (previous year nil) units are under lien with Bank.

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

10	<b>DEFERRED TAX ASSETS (NET)</b>	<b>As at March 31, 2012</b>	<b>As at March 31, 2011</b>
	<b>Deferred Tax Asset</b>		
	Expenses allowed only on payment basis	913,759	819,428
	Depreciation on Fixed Assets	256,228	-
		<b>1,169,987</b>	<b>819,428</b>
	<b>Less: Deferred Tax Liability</b>		
	Depreciation on Fixed Assets	-	(646,318)
	<b>Total</b>	<b>1,169,987</b>	<b>173,110</b>
<b>11</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	(a) Capital Advances		
	Unsecured, considered good	1,763,679	135,000
	(b) Security Deposits		
	Unsecured, considered good	2,172,830	2,180,334
	(c) Other loans and advances		
	Unsecured, considered good		
	(i) Loans & Advances to Employees	2,749,000	3,650,200
	<b>Total</b>	<b>6,685,509</b>	<b>5,965,534</b>
<b>12</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	(a) Long term trade receivables		
	(Unsecured, considered good)	-	-
	(b) Others		
	(Unsecured, considered good)	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

<b>13</b>	<b>CURRENT INVESTMENTS</b>		
	(a) Investments in Mutual Funds	<b>75,125,006</b>	176,824,281
	Less : Provision for diminution in the value of Investments	-	-
	<b>Total</b>	<b>75,125,006</b>	176,824,281
a.	Aggregate amount of quoted investments (Market value ₹ Nil (Previous Year ₹ Nil))	-	-
	Aggregate amount of unquoted investments	<b>75,125,006</b>	176,824,281

**b. Details of Current Investments**

Sr. No.	Name of the Body Corporate/Mutual Fund	Subsidiary / Associate / Joint Venture/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Fully paid-up / Partly paid-up	Amount (₹)		Basis of Valuation
			As at March 31, 2012	As at March 31, 2011			As at March 31, 2012	As at March 31, 2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(11)	(12)
(a)	Investments in Mutual Funds								
	HDFC FMP-35 Days March-2011(2) Dividend option-Series XVII of HDFC Mutual Fund	Others	-	5,000,000.000	Unquoted	Fully Paid-up	-	50,000,000	Lower of cost or fair value
	HDFC Cash Management Fund - Treasury Advantage (erstwhile Savings Plus) - Wholesale Plan - Weekly Dividend Payout of HDFC Mutual Fund	Others	7,487,798.363	2,024,767.628	Unquoted	Fully Paid-up	75,125,006	20,306,192	Lower of cost or fair value
	HDFC Liquid Fund Premium Plan - Dividend Daily Reinvest option of HDFC Mutual Fund	Others	-	8,688,403.495	Unquoted	Fully Paid-up	-	106,518,089	Lower of cost or fair value
	Total						75,125,006	176,824,281	

		As at March 31, 2012	As at March 31, 2011
<b>14</b>	<b>INVENTORIES</b>		
	(As taken, valued and certified by the Managing Director)		
	(At lower of cost and net realisable value)		
	(a) Raw Materials		
	Antibiotic Chemicals	14,203,238	84,153,194
	Other Chemicals	15,403,240	23,925,952
		<b>29,606,478</b>	<b>108,079,146</b>
	(b) Work-in-progress	17,273,627	23,733,568
	(c) Finished goods		
	Antibiotic Chemicals	74,828,903	26,096,303
	Other Chemicals	3,291,955	10,466,955
		<b>78,120,858</b>	<b>36,563,258</b>
	(d) Stock-in-trade (Trading)	-	-
	(e) Light Diesel Oil	446,966	155,573
(f) Packing Materials	473,282	469,720	
<b>Total</b>	<b>125,921,211</b>	<b>169,001,265</b>	

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

		As at March 31, 2012	As at March 31, 2011
<b>15</b>	<b>TRADE RECEIVABLES</b>		
	Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	390,669,644	253,085,522
		390,669,644	253,085,522
	Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	214,925	509,914
		214,925	509,914
	<b>Total</b>	<b>390,884,569</b>	<b>253,595,436</b>
	a. Trade Receivables stated above include debts due by:		
	Directors	-	-
	Other officers of the Company	-	-
	Firm in which director is a partner	1,577,500	970,000
	Private Company in which director is a director or member	213,132	-
		1,790,632	970,000
<b>16</b>	<b>CASH AND BANK BALANCES</b>		
	(a) Cash and cash equivalents:		
	(i) Balances with banks		
	(1) In Cash Credit Account	-	-
	(2) In Current Accounts	2,273,875	581,590
		2,273,875	581,590
	(ii) Cash on hand	286,221	252,969
		2,560,096	834,559
	(b) Other bank balances:		
	(i) In Fixed Deposits (under lien)		
	With more than 3 months but upto 12 months maturity	-	-
	With more than 12 months maturity	62,225,000	85,225,000
		62,225,000	85,225,000
	(ii) In Unclaimed Dividend Accounts	1,644,982	1,696,301
		63,869,982	86,921,301
	<b>Total</b>	<b>66,430,078</b>	<b>87,755,860</b>
<b>17</b>	<b>SHORT-TERM LOANS AND ADVANCES</b>		
	(a) Others		
	(Unsecured, considered good)		
	Loans and Advances to Employees	1,462,708	1,322,717
	Balances with Customs and Excise Authorities	26,631,702	24,029,844
	Income-tax and wealth-tax	106,297,588	165,820,618
	Export Incentives Receivables	9,000,149	2,794,249
	VAT Refund receivable	741,283	504,746
	Advances recoverable in cash or in kind or for value to be received	19,102,835	111,988,484
	<b>Total</b>	<b>163,236,265</b>	<b>306,460,658</b>

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

		As at March 31, 2012	As at March 31, 2011
	a. Short-term loans and advance due by:		
	Directors	-	-
	Other officers of the Company	-	-
	Firm in which director is a partner	-	-
	Private Company in which director is a director or member	-	-
	Total	-	-
<b>18</b>	<b>OTHER CURRENT ASSETS</b>		
	Interest Accrued but not due:		
	(i) On Non-Current Investments (Tax Free)	151,646	-
	(ii) On Fixed Deposits with Bank	639,921	981,340
	Total	791,567	981,340

<b>19</b>	<b>CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)</b>		
	(i) Contingent Liabilities		
	(a) Claims against the company not acknowledged as debt	-	-
	(b) Guarantees issued by banks on behalf of the Company	1,750	1,750
	(c) Other money for which the company is contingently liable:		
	(1) Letter of Credit outstanding	392,858,975	176,246,578
	(2) Sales Tax *	2,703,368	2,703,368
		395,562,343	178,949,946
		395,564,093	178,951,696
	(ii) Commitments		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
	(b) Uncalled liability on shares and other investments partly paid	-	-
	(c) Other commitments #	-	-
		-	-
		395,564,093	178,951,696

\* The figure of ₹ 2,703,368 is as per the orders dated April 10, 2003 of the Assistant Commissioner of Sales Tax (Appeals), Thane. Thereafter, the Company had preferred an appeal before the Maharashtra Sales Tax Tribunal, which has passed its orders on August 27, 2009. However, the Company has not yet received the revised assessment orders giving effect to the above referred Tribunal orders. The Company has filed a Writ Petition before the Honourable High Court of Bombay contesting the Tribunal order.

# The Company has imported certain raw materials and chemicals under the Advance Authorisation/License scheme without payment of duty subject to fulfilment of specified export obligations. However, the Company has yet to fulfil certain portion of these export obligations within the stipulated validity period. On a forward basis, the Company's management is confident of fulfilling these export obligations within the stipulated validity period and hence, no provision for the duty payable, in case the export obligation is not fulfilled, has been made in the accounts.

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

Particulars		Year ended March 31, 2012	Year ended March 31, 2011
<b>20</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of products (Gross)		
	Antibiotics	1,977,141,120	1,524,652,614
	Other Chemicals	381,214,844	284,767,809
	(Tax Collected at Source ₹ 3,910; Previous Year Nil)		
		<b>2,358,355,964</b>	<b>1,809,420,423</b>
	Procurement & Service charges (Gross)		
	(TDS ₹ 4,67,839; Previous year ₹ 8,97,500)		
	Antibiotics	25,869,209	72,726,682
	Other Chemicals	-	-
		<b>25,869,209</b>	<b>72,726,682</b>
	Sale of services	-	-
	Other operating revenues (Gross)		
	(TDS ₹ 92,507; Previous Year ₹ 52,982)		
		<b>19,296,647</b>	<b>11,684,563</b>
	Revenue from operations (Gross)	<b>2,403,521,820</b>	<b>1,893,831,668</b>
	Less:		
	Excise duty	(142,578,363)	(129,525,096)
	Revenue from operations (Net)		
	<b>Total</b>	<b>2,260,943,457</b>	<b>1,764,306,572</b>
<b>21</b>	<b>OTHER INCOME</b>		
	Interest Income (Gross):		
	(i) On Fixed deposits with Bank		
	(TDS ₹ 7,44,440; Previous Year ₹ 6,61,150)	7,383,835	6,349,591
	(ii) On Long Term Investments (tax-free)	151,646	-
	(iii) On Others	263,905	-
	(TDS ₹ 26,229; Previous Year Nil)		
		<b>7,799,386</b>	<b>6,349,591</b>
	Dividend Income (tax-free):		
	On Current Investments	4,338,713	2,056,851
	On Long-Term Investments	6,723,743	8,287,851
		<b>11,062,456</b>	<b>10,344,702</b>
	Net gain/(loss) on sale of investments:		
	(i) From Current Investments	(11,381)	113,870
	(ii) From Long-Term Investments	9,390,308	6,492,899
	(iii) Adjustment to the carrying amount of investments	-	(2,958)
		<b>9,378,927</b>	<b>6,603,811</b>
	Foreign Exchange Gain	-	1,101,046
	Prior Period Items (TDS ₹ Nil; Previous Year ₹ 17,856)	409,167	-
	Other non-operating income:		
	Net gain/loss on sale of Fixed Assets	(247,788)	152,681
	Miscellaneous Income (TDS ₹ 1,280; Previous Year Nil)	935,170	2,002,968
	Sundry balances written back	514,419	57,327
		<b>1,201,801</b>	<b>2,212,976</b>
	<b>Total</b>	<b>29,851,737</b>	<b>26,612,126</b>

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

Particulars	Year ended March 31, 2012	Year ended March 31, 2011	Percentage	Percentage
			March 31, 2012	March 31, 2011
<b>22 COST OF MATERIAL CONSUMED</b>				
Imported	1,661,012,361	1,228,423,697	91.21%	91.02%
Indigenous	159,991,645	121,211,306	8.79%	8.98%
<b>Total</b>	<b>1,821,004,006</b>	<b>1,349,635,003</b>	<b>100.00%</b>	<b>100.00%</b>
<b>a. Particulars of Raw Material Consumed</b>				
Antibiotic Chemicals	1,456,485,310	1,072,300,095	80.41%	79.90%
Other Chemicals	354,880,235	269,811,208	19.59%	20.10%
<b>Total</b>	<b>1,811,365,545</b>	<b>1,342,111,303</b>	<b>100.00%</b>	<b>100.00%</b>
<b>b. Particulars Packing Material Consumed</b>				
Imported	-	-	0.00%	0.00%
Indigenous	8,824,074	7,045,496	100.00%	100.00%
<b>Total</b>	<b>8,824,074</b>	<b>7,045,496</b>	<b>100.00%</b>	<b>100.00%</b>
<b>c. Particulars of Stores Consumed</b>				
Imported	-	-	0.00%	0.00%
Indigenous	814,387	478,204	100.00%	100.00%
<b>Total</b>	<b>814,387</b>	<b>478,204</b>	<b>100.00%</b>	<b>100.00%</b>

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
<b>23 PURCHASES OF STOCK-IN-TRADE</b>		
Purchases		
Antibiotics	97,462,370	115,067,761
Other Chemicals	3,662,655	14,389,243
<b>Total</b>	<b>101,125,025</b>	<b>129,457,004</b>
<b>24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
Opening Stock		
Finished goods	36,563,258	51,542,727
Work-in-progress	23,733,568	5,568,177
	<b>60,296,826</b>	<b>57,110,904</b>
Less: Closing Stock		
Finished goods	73,963,220	36,563,258
Work-in-progress	17,273,627	23,733,568
	<b>(91,236,846)</b>	<b>(60,296,826)</b>
<b>Total</b>	<b>(30,940,020)</b>	<b>(3,185,922)</b>



# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

Particulars		Year ended March 31, 2012	Year ended March 31, 2011
<b>25</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	(a) Salaries and Wages	29,161,031	25,083,499
	(b) Contributions to:		
	(i) Provident fund & Other funds	1,246,420	1,636,740
	(c) Staff welfare expenses	1,601,488	1,325,485
	<b>Total</b>	<b>32,008,939</b>	<b>28,045,724</b>
<b>26</b>	<b>FINANCE COSTS</b>		
	Interest expense	544,793	1,312,507
	Other borrowing costs	1,446,213	322,197
	Net gain/loss on foreign currency transactions and translation	2,994,708	589,527
	<b>Total</b>	<b>4,985,714</b>	<b>2,224,231</b>

Particulars		Year ended March 31, 2012		Year ended March 31, 2011	
<b>27</b>	<b>OTHER EXPENSES</b>				
	Processing & Micronising Charges		24,084,697		17,412,643
	Power and Fuel		25,991,102		16,948,153
	Foreign Exchange Loss		41,355,600		-
	Testing Charges		376,016		324,078
	Laboratory Expenses		1,523,035		1,290,258
	Effluent Treatment Charges		147,203		202,921
	Repairs and Maintenance to:				
	Machineries	6,713,724		4,291,511	
	Building	1,433,239		1,259,080	
	Others	3,096,443	11,243,406	4,001,437	9,552,028
	Travelling & Conveyance Expenses		1,632,006		1,617,577
	Shipment and Export Expenses		17,480,216		12,295,029
	Freight and Forwarding		2,644,561		1,799,580
	Insurance Charges		1,286,247		1,350,273
	Rates and Taxes:				
	Sales Tax	201,402		137,711	
	Profession Tax	2,000		2,000	
	Service Tax	113,502	316,904	142,490	282,201
	Motor Vehicle Expenses		2,327,485		1,874,020
	Bank Charges		7,089,490		7,689,894
	Postage, Telegram and Telephone Expenses		1,175,247		1,055,242
	Brokerage and Commission		14,449,119		10,276,120
	Membership Fees and Subscription		37,061		55,171
	Sales Promotion Expenses		1,032,250		2,039,813
	Professional Charges		2,682,412		1,571,934

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

Particulars		Year ended March 31, 2012		Year ended March 31, 2011	
	Donation		1,025,000		2,000,000
	Miscellaneous Expenses		10,391,546		8,377,798
	Prior Period Expenditure		-		83,426
	Auditor's Remuneration		605,148		499,635
	<b>Total</b>		<b>168,895,750</b>		<b>98,597,792</b>

		Year ended March 31, 2012	Year ended March 31, 2011
<b>28</b>	<b>PAYMENTS TO THE STATUTORY AUDITOR AS</b>		
	(a) auditor	365,170	300,000
	(b) for taxation matters	103,315	88,605
	(c) for company law matters	-	-
	(d) for management services	-	-
	(e) for other services		
	(i) Tax Audit	70,225	50,000
	(ii) Limited review	55,408	50,000
	(iii) Financial matters	11,030	11,030
		<b>136,663</b>	<b>111,030</b>
	(f) for reimbursement of expenses	-	-
	<b>Total</b>	<b>605,148</b>	<b>499,635</b>
<b>29</b>	<b>EARNINGS IN FOREIGN EXCHANGE</b>		
	F.O.B. Value of Exports	1,012,749,899	694,090,576
	<b>Total</b>	<b>1,012,749,899</b>	<b>694,090,576</b>
<b>30</b>	<b>EXPENDITURE IN FOREIGN CURRENCY</b>		
	Purchase of Raw Materials and Traded Goods (CIF Value of Imports)	1,615,024,132	1,372,873,217
	Travelling, Telephone & General Expenses	606,352	609,644
	Reimbursement of Expenses	132,950	-
	Commission	6,434,100	4,784,200
	Exhibition Expenses (Gross)	-	436,946
	Laboratory Equipment	1,325,100	1,195,251
	<b>Total</b>	<b>1,623,522,634</b>	<b>1,379,899,258</b>

## 31 SEGMENT REPORTING

In the opinion of the management, the Company's operations fall within a single segment, namely 'Bulk drugs and Chemicals', and hence, there are no separate reportable segments as per Accounting Standard 17 'Segment Reporting'.

# Notes on Financial Statement

Accounting year ended on March 31, 2012

## 32 RELATED PARTY DISCLOSURES

### a. Related Party Disclosures as per Accounting Standard 18 'Related Party Disclosures' (figures in brackets relate to previous year):

In ₹

(i)	Particulars	Entities under direct or indirect control or substantial influence		Key Management Personnel		Relatives of Key Management Personnel		Total	
	Transactions during the year:								
	Sales								
	a) S. Kant Healthcare Ltd.	5,617,129	(26,797,631)	-	(-)	-	(-)		
	b) S. K. Age Exports	3,380,000	(1,069,910)	-	(-)	-	(-)		
	c) S. K. Distributors	-	(-)	-	(-)	-	(-)		
	<b>Total</b>	<b>8,997,129</b>	<b>(27,867,541)</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>8,997,129</b>	<b>(27,867,541)</b>
	Processing Charges Received								
	a) S. Kant Healthcare Ltd.	4,169,550	(2,526,025)	-	(-)	-	(-)	4,169,550	(2,526,025)
	Processing Charges Paid								
	a) S. Kant Healthcare Ltd.	369,516	(-)	-	(-)	-	(-)	369,516	(-)
	Purchases of Raw Material								
	a) S. Kant Healthcare Ltd.	-	(9,113)	-	(-)	-	(-)	-	(9,113)
	Purchase of Duty Free Scrips								
	a) S. Kant Healthcare Ltd.	2,349,546	(-)	-	(-)	-	(-)	2,349,546	(-)
	Reimbursement (receipt) of Exhibition Expenses								
	a) S. Kant Pharma Pvt. Ltd.	-	(186,869)	-	(-)	-	(-)		
	b) S. Kant Healthcare Ltd.	102,320	(272,274)	-	(-)	-	(-)		
	<b>Total</b>	<b>102,320</b>	<b>(459,143)</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>102,320</b>	<b>(459,143)</b>
	Managing Director's Remuneration								
	a) Bipin N. Shah	-	(-)	3,428,684	(3,152,142)	-	(-)	3,428,684	(3,152,142)
	Director's Sitting Fees								
	a) Bharat N. Shah	-	(-)	-	(-)	19,500	(32,500)	19,500	(32,500)
	Salary Paid								
	a) Vivek B. Shah	-	(-)	-	(-)	696,000	(360,000)		
	b) Ritesh B. Shah	-	(-)	-	(-)	919,698	(499,296)		
	c) G. C. Sharda	-	(-)	4,707,000	(2,362,000)	-	-		
	d) Ketan N. Shah	-	(-)	-	(-)	265,446	(272,709)		
	<b>Total</b>	<b>-</b>	<b>(-)</b>	<b>4,707,000</b>	<b>(2,362,000)</b>	<b>1,881,144</b>	<b>(1,132,005)</b>	<b>6,588,144</b>	<b>(3,494,005)</b>
	Donation								
	Sevantiil Kantilal Trust	1,000,000	(1,000,000)	-	(-)	-	(-)	1,000,000	(1,000,000)
(ii)	Year-end balances:								
	Current Assets – Sundry Debtors								
	a) S. Kant Healthcare Ltd.	1,641,706	(3,642,857)	-	(-)	-	(-)		
	b) S. Kant Pharma Pvt. Ltd.	213,132	(-)	-	(-)	-	(-)		
	c) S. K. Age Exports	1,577,500	(970,000)	-	(-)	-	(-)		
	<b>Total</b>	<b>3,432,338</b>	<b>(4,612,857)</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>3,432,338</b>	<b>(4,612,857)</b>
	Current Liabilities – Sundry Creditors								
	a) Bipin N. Shah	-	(-)	1,749,800	(1,714,650)	-	(-)		
	b) G.C. Sharda	-	(-)	-	(2,242,000)	-	(-)		
	c) S. Kant Healthcare Ltd.	-	(9,113)	-	-	-	(-)		
	<b>Total</b>	<b>-</b>	<b>(9,113)</b>	<b>1,749,800</b>	<b>(3,956,650)</b>	<b>-</b>	<b>(-)</b>	<b>1,749,800</b>	<b>(3,956,763)</b>

# Notes on Financial Statement

Accounting year ended on March 31, 2012

Name of related parties and description of relationship (as certified by the management of the Company and relied upon by the auditor):

1. Entities under direct or indirect control or substantial influence:	S. Kant Pharma Pvt. Ltd. (proprietor of Eskay Fine Chemicals), S Kant Healthcare Ltd, S.K. Age Exports, Bharti & Co., Sevantilal Kantilal & Co., Sevantilal Kantilal Pvt. Ltd., Sevak Pharma Pvt. Ltd., S.K. Pharma (Jogeshwari), S.K. Brothers, S.K. Distributors, Eskay Speciality Chemicals, Sevantilal Kantilal Trust, S.K. Logistics and Eskay Iodine Pvt. Ltd.
2. Key Management Personnel:	Bipin N. Shah (Managing Director) and G.C. Sharda (Chief Executive Officer)
3. Relatives of Key Management Personnel	Bharat N. Shah, Bipin N. Shah (HUF), Ritesh B. Shah, Ketan N. Shah and Vivek B. Shah

b. Additional disclosure as required by the amended clause 32 of the listing agreements with relevant stock exchanges (figures of the previous year have been given in brackets):

In ₹

Name	Nature of Transaction	Balance as at year-end	Maximum amount Outstanding during the year	No. of shares of the company held by the loanees as at year-end
		₹	₹	
Loans and advances in the nature of loans to associates	- (-)	- (-)	- (-)	- (-)
Loans and Advances in the nature of loans to firms or companies in which directors are interested	- (-)	- (-)	- (-)	- (-)
Loans and advances in the nature of loans where there is:				
i) No repayment schedule		- (-)	- (-)	- (-)
ii) Repayment beyond 7 years		- (-)	- (-)	- (-)
iii) No Interest	Loans to Employees	4,211,708 (4,972,917)	5,004,917 (6,630,850)	- (-)
iv) Interest below section 372A of the Companies Act, 1956		- (-)	- (-)	- (-)

33 a. Details of the outstanding foreign exchanges derivative contracts entered into by the Company:

Derivative Contract	March 31, 2012			March 31, 2011		
	No of Contract	Foreign Currency	₹	No. of Contracts	Foreign Currency	₹
Forward Contract	19	US \$ 314,460	16,318,491	4	US \$ 2,081,720	95,074,247

# Notes on Financial Statement

Accounting year ended on March 31, 2012

- b. As of the Balance Sheet date, the Company's net foreign currency exposure that is not hedged by a derivative instrument or otherwise is:

In ₹

Particulars	March 31, 2012		March 31, 2011	
	Foreign Currency	₹	Foreign Currency	₹
<b>LIABILITIES</b>				
Short-term Borrowings	-	-	-	-
Trade Payables	4,350,195	221,859,947	3,020,330	135,220,169
Advance received from customers	28,382	1,447,487	16,426	735,368
(i)	4,378,577	223,307,434	3,036,756	135,955,537
<b>ASSETS</b>				
Trade Receivables	3,893,532	198,180,755	2,809,390	125,495,435
(ii)	3,893,532	198,180,755	2,809,390	125,495,435
Net (i)-(ii)	485,045	25,126,679	227,366	10,460,102

- 34 Employee Benefits as per Accounting Standard 15 'Employee Benefits', the disclosures of employee benefits are as under:

- a. Defined Contribution Plan:

Contribution to Defined Contribution Plan recognised as expenses in the Profit and Loss Account

Particulars	March 31, 2012	March 31, 2011
Employer's Contribution to Provident Fund under the Employees Provident Funds and Miscellaneous Provisions Act, 1952	1,057,784	863,706
	1,057,784	863,706

- b. Defined Benefits Plan:

The present value of obligation is determined based on actuarial valuation using the projected unit credit method. Valuations in respect of gratuity and leave encashment have been carried out and certified by an Independent Actuary.

Sr. No.	Particulars	March 31, 2012			March 31, 2011		
		Gratuity		Leave Encashment	Gratuity		Leave Encashment
		Unfunded	Funded	Unfunded	Unfunded	Funded	Unfunded
(a)	<b>Assumptions:</b>						
	Interest/Discount Rate	8.00%	8.00%	8.00%	8.17%	8.17%	8.17%
	Rate of increase in compensation	4%	4%	10%	4%	4%	10%
	Employee Attrition Rate [Past Service (PS)]:						
	0 to 5	10%	10%	10%	15%	15%	15%
	5 to 10	5%	5%	5%	10%	10%	10%
	10 to 15	0%	0%	0%	5%	5%	5%
	15 to 42	0%	0%	0%	1%	1%	1%
	Expected average remaining service	21.40	15.70	17.84	14.11	11.58	12.40

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

Sr. No.	Particulars	March 31, 2012			March 31, 2011		
		Gratuity		Leave Encashment	Gratuity		Leave Encashment
		Unfunded	Funded	Unfunded	Unfunded	Funded	Unfunded
(b)	Changes in Present Value of Obligation ₹						
	Present value of obligation at beginning of period	358,854	2,118,575	932,625	213,696	1,297,781	792,995
	Interest cost	29,318	168,633	71,255	17,096	101,195	58,098
	Current service cost	41,242	148,333	596,693	50,999	231,699	442,930
	Benefit paid	-	(109,055)	(120,940)	-	(65,677)	(133,532)
	Actuarial (gain)/loss on obligation	(81,570)	(129,409)	(176,076)	77,063	(104,540)	(227,866)
	Present value of obligation at end of period	347,844	2,197,077	1,303,557	358,854	2,118,575	932,625
(c)	Change in Fair Value of Plan Assets ₹						
	Fair value of plan assets at beginning of period	-	1,963,089	-	-	1,679,370	-
	Expected return on plan assets	-	182,584	-	-	156,904	-
	Contribution	-	240,299	120,940	-	193,687	133,532
	Benefit paid	-	(109,055)	(120,940)	-	(65,677)	(133,532)
	Actuarial (gain)/loss on plan assets	-	5,311	-	-	(1,195)	-
	Fair value of plan assets at end of period	-	2,282,228	-	-	1,963,089	-
(d)	Fair Value of Plan Assets ₹						
	Fair value of plan assets at beginning of period	-	1,963,089	-	-	1,679,370	-
	Actual return on plan assets	-	187,895	-	-	155,709	-
	Contributions	-	240,299	120,940	-	193,687	133,532
	Benefit paid	-	(109,055)	(120,940)	-	(65,677)	(133,532)
	Fair value of plan assets at end of period	-	2,282,228	-	-	1,963,089	-
	Funded Status	(347,844)	85,151	(1,303,557)	(358,854)	(155,486)	(932,625)
	Excess of actual over estimated return on plan assets	-	5,311	-	-	(1,195)	-
(e)	Experience History ₹						
	(Gain)/Loss on obligation due to change in assumption	(78,167)	(99,908)	99,048	(6,793)	(19,294)	(13,278)
	Experience (Gain)/Loss on obligation	(3,403)	(29,501)	(275,124)	83,856	(85,246)	(214,588)
	Experience (Gain)/Loss on plan assets	-	5,311	-	-	(1,195)	-
(f)	Actuarial Gain/(Loss) recognised ₹						
	Actuarial Gain/(Loss) for the period (Obligation)	81,570	129,409	176,076	(77,063)	104,540	227,866
	Actuarial Gain/(Loss) for the period (Plan Assets)	-	5,311	-	-	(1,195)	-
	Total Gain/(Loss) for the period	81,570	134,720	176,076	(77,063)	103,345	227,866
	Actuarial Gain/(Loss) recognised for the period	81,570	134,720	176,076	(77,063)	103,345	227,866
	Unrecognised Actuarial Gain/(Loss) at end of period	-	-	-	-	-	-

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

Sr. No.	Particulars	March 31, 2012			March 31, 2011		
		Gratuity		Leave Encashment	Gratuity		Leave Encashment
		Unfunded	Funded	Unfunded	Unfunded	Funded	Unfunded
(g)	Amount recognised in the Balance Sheet ₹						
	Present value of obligation at end of period	347,844	2,197,077	1,303,557	358,854	2,118,575	932,625
	Fair value of plan assets at end of period	-	2,282,228	-	-	1,963,089	-
	Funded Status	(347,844)	85,151	(1,303,557)	(358,854)	(155,486)	(932,625)
	Unrecognised Actuarial Gain/(Loss)	-	-	-	-	-	-
	Net Assets/(Liability) recognised in the balance sheet	(347,844)	85,151	(1,303,557)	(358,854)	(155,486)	(932,625)
(h)	Expenses recognised in the statement of Profit and Loss Account ₹						
	Current service cost	41,242	148,333	596,693	50,999	231,699	442,930
	Interest cost	29,318	168,633	71,255	17,096	101,195	58,098
	Expected return on plan assets	-	(182,584)	-	-	(156,904)	-
	Net Actuarial (Gain)/Loss recognised for the period	(81,570)	(134,720)	(176,076)	77,063	(103,345)	(227,866)
	Expenses recognised in the statement of Profit and Loss Account	(11,010)	(338)	491,872	145,158	730,762	273,162
(i)	Balance Sheet Reconciliation ₹						
	Opening Net Liability	358,854	155,486	932,625	213,696	(381,589)	792,995
	Expenses as above	(11,010)	(338)	491,872	145,158	730,762	273,162
	Contribution paid	-	(240,299)	(120,940)	-	(193,687)	(133,532)
	Closing Net Liability	347,844	(85,151)	1,303,557	358,854	155,486	932,625
(j)	Revised Schedule VI						
	Current Liability	25,880	-	387,471	*	*	*
	Non-Current Liability	321,964	(85,151)	916,086	*	*	*
	* The Revised Schedule VI is applicable from April 1, 2011.						

## 35 EARNING PER SHARE ('EPS') AS PER ACCOUNTING STANDARD 20 'EARNING PER SHARE':

Particulars		Year ended March 31, 2012	Year ended March 31, 2011
Profit attributable to the equity shareholders	(i)	128,461,226	122,896,450
Weighted average number of equity shares outstanding during the year	(ii)	8,352,000	8,352,000
Nominal value of equity shares		5	5
Basic/diluted Earnings per share	(i)/(ii)	15.38	14.71

# Notes on Financial Statement

Accounting year ended on March 31, 2012

In ₹

Particulars		Year ended March 31, 2012 (Final Dividend)	Year ended March 31, 2011 (Final Dividend)
<b>36</b>	<b>FOREIGN REMITTANCE OF DIVIDEND:</b>		
	The Company had paid dividend in respect of shares held by Non-Residents. The exact amount of dividends remitted in foreign currency cannot be ascertained. The total amount remittable in this respect is as under:		
	(a) Numbers of Non Resident Shareholders	57	-
	(b) Number of Equity Shares held by them	49,233	-
	(c) Amount of Dividend Paid (Gross)	246,165	-
	(d) Tax Deducted at Source	-	-
	(e) Year to which dividend relates	2010-2011	-

37 The financial statements for the year ended March 31, 2011 were prepared as per the then applicable, erstwhile Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

As per our report of even date  
**For S. I. MOGUL & CO.**  
*Chartered Accountants*  
 Firm Registration No. 106512W  
**SAMIR S. MOGUL**  
*Partner*  
 Membership No. 100731  
 Mumbai: May 30, 2012

**For ANUH PHARMA LIMITED**

**BIPIN SHAH**  
*Managing Director*

**BHARAT SHAH**  
*Director*

**J. G. SHAH**  
*Director*

Mumbai: May 30, 2012



# Notes on Financial Statement

Accounting year ended on March 31, 2012

## 38 STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES:

### 1. Method of Accounting:

The Financial Statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards and the relevant provisions of the Companies Act, 1956. Further, the Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis except in the case of significant uncertainties.

### 2. Use of Estimates:

The preparation of financial statements require estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

### 3. Inflation:

Assets and Liabilities are recorded at historical cost to the Company. These costs are not adjusted to reflect the changing value of the purchasing power of money.

### 4. Fixed Assets:

Fixed assets are stated at cost of acquisition which includes taxes, duties and other identifiable direct expenses net of modvat credit availed less accumulated depreciation and amortisation.

### 5. Depreciation:

Depreciation is provided on a *pro-rata* basis at the written down value method as per the rates prescribed in Schedule XIV of the Companies Act, 1956. However, in the case of Leasehold Land, depreciation has been provided on *pro-rata* basis using the straight line method over the period of the lease.

### 6. Investments:

Long Term investments are stated at the cost of acquisition, except where there is diminution in value other than temporary in which case the carrying value is reduced to recognize the decline. Current Investments are stated at the cost of acquisition or fair value, whichever is lower.

### 7. Inventories:

Inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other cost including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, work-in-progress, packing materials, trading and other products are determined on first-in-first-out basis.

### 8. Foreign Currency Transactions:

- (i) All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- (ii) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.
- (iii) In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on the underlying assets/liabilities.

### 9. Revenue Recognition:

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, sales tax, excise duty, adjustment for discounts (net), taxes and foreign exchange gain/loss on corresponding hedge contract. Dividend income is recognized when the right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

# Notes on Financial Statement

Accounting year ended on March 31, 2012

## 10. Retirement Benefits:

Contribution to provident fund is charged to the Statement of Profit and Loss as incurred. The liability for payment of gratuity is covered through the Group Gratuity Scheme. Gratuity and Leave encashment benefits are accounted for based on actuarial valuations.

## 11. Taxation:

Provision for income tax is made for both current and deferred taxes. Provision for current income tax is made on the current tax rates based on the assessable income. The Company provides for deferred tax based on the tax effect of timing differences resulting from the recognition of items in the financial statements and in estimating its current tax provision. Deferred tax assets are recognized where there is certainty that there will be sufficient future taxable income available against which such deferred tax assets can be realized.

Provision for wealth tax is made based on the taxable assets.

## 12. Impairment of Assets:

At each Balance Sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to its present value using a discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

Reversal of impairment loss is recognised immediately as income in the Statement of Profit and Loss.

## 13. Sundry Debtors and Loans and Advances:

Sundry debtors and loans and advances are stated after making adequate provisions for doubtful balances.

## 14. Borrowing Costs:

Borrowing costs attributable to the acquisition/construction of qualifying assets are capitalized and form part of the cost of the qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue as an expense.

## 15. Provisions and Contingencies:

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets and liabilities are not recognised.

## 16. Material Events:

Material events occurring after the Balance Sheet date are taken into cognizance.

## 17. Other Accounting Policies:

These are consistent with the generally accepted accounting principles.

Mumbai: May 30, 2012

**BHARAT SHAH**  
Director

**J. G. SHAH**  
Director

# Cash Flow Statement

Accounting year ended on March 31, 2012

In ₹

		Year ended on March 31, 2012	Year ended on March 31, 2011
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>			
<b>NET PROFIT BEFORE TAX</b>		<b>180,500,501</b>	<b>175,077,399</b>
Adjustment for:			
Depreciation	13,215,279		11,067,467
Finance Costs	4,985,714		2,224,231
Provision for Loss on Current Investments	-		2,958
Interest Income	(7,799,386)		(6,349,591)
Dividend Income	(11,062,456)		(10,344,702)
Profit on Sale of Investment	(9,378,927)		(6,606,769)
Loss/(Profit) on Sale of Fixed Asset	247,788		(152,681)
		<b>(9,791,988)</b>	<b>(10,159,087)</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>170,708,514</b>	<b>164,918,312</b>
Adjustment for:			
Trade and Other Receivables	(137,289,133)		81,146,514
Inventories	43,080,054		(63,767,197)
Loans and Advances	83,171,161		(91,996,948)
Trade Payables, Other Liabilities and Provisions	(8,955,927)		(39,964,702)
		<b>(19,993,845)</b>	<b>(114,582,333)</b>
<b>CASH GENERATED FROM OPERATIONS</b>		<b>150,714,669</b>	<b>50,335,979</b>
Direct Taxes (paid)/refund received		<b>(56,624,464)</b>	<b>(57,621,383)</b>
<b>NET CASH FROM OPERATIONS</b>		<b>94,090,205</b>	<b>(7,285,404)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>			
(Purchase)/Sale of Investments (net)	(3,339,798)		(49,171,238)
(Purchase)/Sale of Fixed Assets (net)	(20,164,359)		(23,457,156)
Interest Income	7,799,386		6,349,591
Dividend Income	11,062,456		10,344,702
Movement in Bank Deposits (Placed)/Refunded (net)	23,051,319		(60,204)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>18,409,005</b>	<b>(55,994,305)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>			
Total proceeds from Borrowings (net of repayments):			
Secured Loans/Short Term Borrowings	(57,202,068)		39,525,926
Finance Costs	(4,985,714)		(2,224,231)
Dividend unclaimed/(paid) (including tax thereon)	(48,585,891)		21,470
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(110,773,673)</b>	<b>37,323,165</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)</b>		<b>1,725,537</b>	<b>(25,956,544)</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Opening Balance		<b>834,559</b>	<b>26,791,103</b>
Closing Balance		<b>2,560,096</b>	<b>834,559</b>

## Notes :

- Cash and Cash Equivalents: as per Note 16
- The Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 'Cash Flow Statements'.
- Previous year's figures have been regrouped and/or reclassified, wherever deemed necessary.

As per our report of even date  
For **S. I. MOGUL & CO.**  
Chartered Accountants  
Firm Registration No. 106512W  
**SAMIR S. MOGUL**  
Partner  
Membership No. 100731  
Mumbai: May 30, 2012

For ANUH PHARMA LIMITED

**BIPIN SHAH**                      **BHARAT SHAH**                      **J. G. SHAH**  
Managing Director                  Director                                  Director

Mumbai: May 30, 2012



**ATTENDANCE SLIP**

**ANUH PHARMA LTD.**

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

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip on request.

NAME AND ADDRESS OF THE SHARE HOLDER

Folio No.

No. of Shares

I hereby record my presence at the FIFTY SECOND ANNUAL GENERAL MEETING of the company held at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Road, 17/20, K. Dubash Marg, Mumbai - 400 001 on Friday, 24th August, 2012.

Signature of the Share Holder or the proxy

\* Strike out whichever is not applicable.

Tear Here



**PROXY FORM**

**ANUH PHARMA LTD.**

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

Folio No.

I/We \_\_\_\_\_

of \_\_\_\_\_ being member/

members of Anuh Pharma Ltd. hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_

or failing him \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me/us and my/our behalf at the 52nd Annual General Meeting to be held on Friday, 24th August, 2012, and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Affix a  
Re. 1/-  
Revenue  
Stamp

Note : The proxy in order to be effective be duly stamped completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid Meeting. The proxy need not be a Member of the Company.



**Certificate of suitability**  
**No. R0-CEP 2005-205-Rev 00**

- 1 Name of the substance:
- 2 **ERYTHROMYCIN**
- 3 Name of holder:
- 4 **ANUH PHARMA LTD**
- 5 Dr Arnis Besant Road
- 6 A-3 Shiveagar Estate (North Wing), Worli
- 7 India-400 018 Mumbai
- 8 Site(s) of production:
- 9 **ANUH PHARMA LTD (final substance)**
- 10 E-17/3 & E-17/4 M.I.D.C. Tarapur
- 11 Tarapur
- 12 India-401 505 Bhiisar
- 13 **NINGXIA QIYUAN PHARMACEUTICAL CO. LTD (last intermediate)**
- 14 #1 Qiyuan Street
- 15 Wangyuan Industrial Area
- 16 China-750101 Yinchuan, Ningxia
- 17 After examination of the information provided on the manufacturing method and subsequent processes (including purification) for this substance on the site(s) of production mentioned above, we certify that the quality of the substance is suitably controlled by the current version of the monograph **ERYTHROMYCIN** no. 179 of the European Pharmacopoeia, current edition including supplements, only if it is supplemented by the test(s) mentioned below, based on the analytical procedure(s) given in annex.
- 18
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- 24 - Test for residual solvents by gas chromatography (Annex 1)
- 25 Methylene chloride not more than 600 ppm
- 26 in the last steps of the synthesis water is used as solvent.
- 27 The re-test period of the substance is 3 years if stored in double polyethylene bags.
- 28 The holder of the certificate has declared the absence of use of material of human or animal origin in the manufacture of the substance.

Address: 1, rue Kerner, CS 30024 - F-1000 Brussels (France)  
Telephone: 33 (0) 3 88 41 30 30 - Fax: 33 (0) 3 88 41 27 71 - e-mail: cert@edqm.eu  
Internet: <http://www.edqm.eu>

**Certificate of suitability**  
**No. R0-CEP 2007-235-Rev 00**

- 1 Name of the substance:
- 2 **ERYTHROMYCIN ETHYLSUCCINATE**
- 3 Name of holder:
- 4 **ANUH PHARMA LTD**
- 5 J-A. Shiveagar Estate, North Wing
- 6 Dr Arnis Besant Road, Worli
- 7 India-400 018 Mumbai, Maharashtra
- 8 Site(s) of production:
- 9 **ANUH PHARMA LTD**
- 10 E-17/3 & E-17/4 M.I.D.C.
- 11 Tarapur, Thane District
- 12 India-401 505 Bhiisar, Maharashtra
- 13 After examination of the information provided on the manufacturing method and subsequent processes (including purification) for this substance on the site(s) of production mentioned above, we certify that the quality of the substance is suitably controlled by the current version of the monograph **ERYTHROMYCIN ETHYLSUCCINATE** no. 274 of the European Pharmacopoeia, current edition including supplements, only if it is supplemented by the test(s) mentioned below, based on the analytical procedure(s) given in annex.
- 14
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- 20 Any other impurity than those mentioned in the monograph and detected by the test for related substances of the monograph is individually limited to not more than 0.2%.
- 21
- 22 - Test for residual solvents by gas chromatography (Annex 1)
- 23 Acetone not more than 5000 ppm
- 24 in the last steps of the synthesis water is used as solvent.
- 25 The holder of the certificate has declared the absence of use of material of human or animal origin in the manufacture of the substance.
- 26 The submitted dossier must be updated after any significant change that may alter the quality, safety or efficacy of the substance.
- 27
- 28

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Telephone: 33 (0) 3 88 41 30 30 - Fax: 33 (0) 3 88 41 27 71 - e-mail: cert@edqm.eu  
Internet: <http://www.edqm.eu>



**Certificate of suitability**  
**No. R0-CEP 2005-059-Rev 00**

- 1 Name of the substance:
- 2 **PYRAZINAMIDE**
- 3 Name of holder:
- 4 **ANUH PHARMA LTD**
- 5 Mehra Mahal
- 6 15, Mathew Road, Opera House
- 7 India-400 004 Mumbai, Maharashtra
- 8 Site(s) of production:
- 9 **ANUH PHARMA LTD**
- 10 E-17/3 & E-17/4 M.I.D.C.
- 11 Tarapur, Thane District
- 12 India-401 505 Bhiisar, Maharashtra
- 13 After examination of the information provided on the manufacturing method and subsequent processes (including purification) for this substance on the site(s) of production mentioned above, we certify that the quality of the substance is suitably controlled by the current version of the monograph **PYRAZINAMIDE** no. 859 of the European Pharmacopoeia, current edition including supplements, only if it is supplemented by the test(s) mentioned below, based on the analytical procedure(s) given in annex.
- 14
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- 20 - Test for related substances by liquid chromatography (Annex 1)
- 21 Any other detectable impurity\* not more than 0.05%
- 22 \*See this Annex mentioned in the monograph
- 23 in the last steps of the synthesis water is used as solvent.
- 24 The holder of the certificate has declared the absence of use of material of human or animal origin in the manufacture of the substance.
- 25
- 26 The submitted dossier must be updated after any significant change that may alter the quality, safety or efficacy of the substance.
- 27

Address: 1, rue Kerner, CS 30024 - F-1000 Brussels (France)  
Telephone: 33 (0) 3 88 41 30 30 - Fax: 33 (0) 3 88 41 27 71 - e-mail: cert@edqm.eu  
Internet: <http://www.edqm.eu>



  
**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**

पिसर्स \_\_\_\_\_  
 (आई ई सी सॉ. \_\_\_\_\_ और आयकर पेन सॉ. \_\_\_\_\_)  
 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**  
 (फाइल नं. / File No.) **03/81/105/00038/AM12/**

  
  
**DR. KAVITA GUPTA**  
 उपर  
 मंडलीय संयुक्त महानिदेशक, विदेश व्यापार  
**ADDL. XXXXXXXX**  
 Zonal Joint Director General  
 of Foreign Trade



### Registered Head Office

3-A, Shivsagar Estate, North Wing,  
 Dr. Annie Besant Road, Worli,  
 Mumbai - 400018.  
 Tel: 022 66227575  
 Web: www.anuhpharma.com  
 email: anuh@sk1932.com

### Manufacturing Unit

E-17/3 & 17/4, MIDC, Tarapur, Boisar,  
 District Thane - 401506.  
 Tel: 02525 605361

### R&D Lab

A-514, TTC Industrial Area, MIDC, Mahape,  
 Navi Mumbai - 400701.  
 Tel: 022 27781881  
 email: research@anuhpharma.com