



Growth is never by mere chance; It is a result of forces working together.

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*Celebrating 25 Years of Production.*

# FINANCIAL SUMMARY

## 10-Year Performance

₹ in Lakhs

### CAPITAL ACCOUNT

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Share Capital	69.6	69.6	139.2	139.2	139.2	139.2	417.6	417.6	417.6	<b>417.6</b>
Reserves	2368	2842	3237	3755	4282	5241	5716	6503	7145	<b>8171</b>
Borrowings	20	147	147	221	43	301	696	702	52	-
Gross Block	554	1033	1112	1295	1465	1559	1786	1936	2294	<b>2387</b>
Net Block	367	810	766	858	917	902	1028	1095	1308	<b>1233</b>

### REVENUE ACCOUNT

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Profit before Depreciation & Tax	751	1054	1173	1249	1438	1870	1861	1937	1935	<b>2722</b>
Profit before Tax	718	1013	1050	1142	1325	1754	1751	1805	1768	<b>2548</b>
Profit After Tax	469	664	689	778	872	1255	1229	1285	1253	<b>1759</b>
Sales & Other Income	5392	7981	8390	11410	12227	17323	17903	22908	24490	<b>27055</b>
Earnings per Share (R)	66.98	95.43	24.74	27.96	31.31	45.07	14.71	15.38	15.01	<b>21.06</b>
Dividend per Share (R)	20.00	24.00	7.00	8.00	11.50	10.00	5.00	5.50	6.00	<b>7.75#</b>

#### Note :

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

# Including Special interim dividend of ₹ 1.25 per share declared on February 14, 2014 on the occasion of completion of 25 years of commencements of production activities.

# ANUH PHARMA LTD.

CIN: L24230MH1960PLC011586

**Fifty-Fourth Annual Report of the Board of Directors  
with the Audited Statement of Accounts for the year ended 31st March, 2014**

<b>Board of Directors</b>	: Mr. Jasvantlal G. Shah, Chairman (DIN: 00372600) Mr. Bipin N. Shah, Managing Director (DIN: 00083244) Mr. Jayantilal P. Shah (DIN: 00083146) Mr. Lalitkumar P. Shah (DIN: 00396345) Mr. Bharat N. Shah (DIN: 00083354) Mr. Dilip G. Shah (DIN: 01989812) Mr. Arun L. Todarwal (DIN: 00020916) Mr. Sandeep M. Joshi (DIN: 00516409) Mr. G. C. Sharda (DIN: 06583340) Ms. Rajeshree T Gor (DIN: 06873519)
<b>Auditors</b>	: M/s. S.I. MOGUL & CO. Chartered Accountants (Firm Registration No. 106512W) Mumbai
<b>Bankers</b>	: BANK OF INDIA
<b>Registrars and Transfer Agents</b>	: BIGSHARE SERVICES PVT.LTD. E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072 Tel.: (022) 2847 0652 / 53
<b>Registered Office</b>	: 3-A Shivasgar Estate, North Wing, Dr. Annie Besant Road, Worli, Mumbai 400 018 Tel : (022) 6622 7575
<b>Factory</b>	: E-17/3 & 17/4 M.I.D.C., Tarapur, Boisar, Dist. Thane - 401 506
<b>R &amp; D Division</b>	: A-514, TTC Industrial Area, MIDC, Mahape, NAVI MUMBAI - 400 701

## NOTICE

FIFTY FOURTH ANNUAL GENERAL MEETING of the Members of ANUH PHARMA LIMITED will be held at 3.00 p.m. on Friday, 12th September 2014 at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 to transact the following business:

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### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 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. Jayantilal P. Shah (DIN: 00083146) who retires by rotation and, being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. G. C. Sharda (DIN: 06583340) who retires by rotation and, being eligible offers himself for re-appointment.
4. To appoint the auditors of the company and to fix their remuneration.
5. To declare dividend for the Financial Year 2013-14.

### SPECIAL BUSINESS :

6. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :  
“RESOLVED THAT Ms. Rajeshree T. Gor (DIN: 06873519), who was appointed as an Additional Director of the company by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 and who holds office upto the date of the ensuing Annual General Meeting and being eligible for reappointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160 of the Companies Act, 2013, proposing her candidature as a Director of the Company, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation.”
7. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :  
“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act, 2013 (corresponding to Sections 198, 269 and 309, Part I of Schedule XIII to the Companies Act, 1956) Mr. Bipin N. Shah be and is hereby reappointed as Managing Director of the Company for a period of five years with effect from 1st April, 2014 on the following terms and conditions:
  - i) Salary ₹ 1,75,000/- per month with such increments as may be decided by the Board subject to a ceiling of ₹ 5,00,000/- per month.
  - ii) Commission on net profit before Tax - at such rate as may be decided by the Board of Directors from time to time subject to a minimum of one percent (1%)

#### Part A

1. Medical Reimbursement - Expenses incurred for self and family, including dependent parents subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
2. Leave Travel Concession - For Self and family once a year incurred in accordance with the rules of the Company.
3. Personal Accident Insurance - Premium not exceeding ₹ 15,000/- p.a.
4. Entertainment Expenses - Reimbursement of entertainment expenses actually incurred in the course of business of the Company.

#### Part B

- (a) Provident Fund:  
Company's contribution subject to a ceiling as laid down by the Government from time to time.
- (b) Gratuity:  
Gratuity payable shall not exceed half a month's salary for each completed year of service and which shall be subject to the maximum amount as may be permitted under the company's rules in relation to Gratuity prevailing from time to time.

#### Part C

The Company shall provide a car with a driver and a telephone at his residence.

The Managing Director shall be entitled to earned privilege leave on full pay and allowances as per rules of the company but not more than one month's leave for every eleven months of service.

The accumulated leaves can be encashed at the end of the service.

RESOLVED FURTHER THAT anyone of the present Directors of the Company be and is hereby authorized to file the necessary documents, forms, returns with the Registrar of the Companies, Mumbai. “

8. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :  
 “RESOLVED THAT subject to the approval of Central Government, Mr. Girikrishna Maniar, Cost Auditor who has confirmed his eligibility u/s 139 of The Companies Act, 2013 be and is hereby appointed as Cost Auditor to audit the Cost Accounting records related to Bulk Drugs of the Company for the Financial Year 2014-2015 on a remuneration of ₹ 1,10,000/- p.a. plus out of pocket expenses”  
 RESOLVED FURTHER THAT Mr. Bipin Shah, Managing Director (DIN: 00083244) or Mr. Lalit Shah, Director (DIN: 00396345) of the Company be and is hereby authorized to take all such necessary steps and actions and authorized to do all the necessary formalities and to sign and submit the necessary papers and forms with required authorities including E-Form with Registrar of Companies to give the effect of the appointment of the Cost Auditor.”
9. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :  
 “RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Arun Todarwal, Director (DIN: 00020916) of the Company whose office is liable to retire by rotation at the Annual General Meeting as per Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31st March, 2019 and shall not be liable to retire by rotation under the prevailing Act.”
10. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :  
 “RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Jasvantlal G. Shah, Director (DIN: 00372600) of the Company whose office is liable to retire by rotation at the Annual General Meeting as per Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019 and shall not be liable to retire by rotation under the prevailing Act.”
11. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :  
 “RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Dilip G Shah, Director (DIN: 01989812) of the Company whose office is liable to retire by rotation at the Annual General Meeting as per Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019 and shall not be liable to retire by rotation under the prevailing Act.”
12. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :  
 “RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sandeep Joshi, Director (DIN: 00516409) of the Company whose office is liable to retire by rotation at the Annual General Meeting as per Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019 and shall not be liable to retire by rotation under the prevailing Act.”

For and on behalf of the Board of Directors

Sd/-

**J. G. Shah**  
*Chairman*

**Registered Office:**

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

Place: Mumbai  
 Date: May 23, 2014

**NOTES:**

1. The Register of Members and Share Transfer Book of the Company shall remain closed from Monday, 8th September 2014 to Friday, 12th September 2014 (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 123 of the Companies Act, 2013.
5. Members are requested to notify change in address, if any, immediately to the Company at its Registered Office, quoting their Folio Numbers.
6. **The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in Corporate Governance” by allowing companies to send documents to their shareholders in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, members who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the Share Transfer Agents of the Company and register their email-id. Members holding shares in dematerialized form are requested to contact their Depository Participant. Members may please note that notices, annual reports, etc. will be available on the Company’s website-[www.anuhpharma.com](http://www.anuhpharma.com) and the same shall also be available for inspection, during the office hours, at the Registered Office of the Company. Members will be entitled to receive the said documents in physical form free of cost at any time upon request.**
7. **Voting through electronic means: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 54th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The instructions for e voting services will be sent separately.**
8. The relative Explanatory Statement, pursuant to Section 102 in respect of the special business set out in the accompanying Notice is annexed hereto.

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 6**

Ms. Rajeshree T. Gor was appointed as an Additional Director of the company with effect from May 23, 2014 under Article 137 of the Articles of Association of the Company. As per the provisions of Section 161 of the Companies Act, 2013, Ms. Rajeshree T. Gor holds office as a Director upto the date of the ensuing Annual General Meeting of the Company.

A notice in writing has been received from a member of the Company under Section 160 of the Companies Act, 2013 signifying her intention to propose Ms. Rajeshree T. Gor as a candidate for the office of Director of the Company. The requisite sum of ₹ 100,000/- as a deposit has been duly received from the member.

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

Ms. Rajeshree T. Gor, aged 43 years, is a commerce graduate, currently the CEO of S. K. Logistics. She has more than 15 years of experience in Business Management. She has also served as the CEO of S. K. Brothers & S. K. Distributors for a term of 5 years.

She has served as a manager of SK Brothers for almost 6 years.

She is socially active and has served various socio-cultural organizations. She has also received “Mahila Sanman Puraskar” from Community & Others Groups.

She was appointed as Spoken person to give speech on various subjects at Balkanji Bari 500+ children.

Ms. Rajeshree Gor holds 300 Shares in the Company either in her name or for other persons on a beneficial basis.

**Item No. 7**

The Board of Directors of the Company at its meeting held on February 14, 2014 reappointed Mr. Bipin N. Shah as Managing Director of the Company for a period of five years with effect from April 1, 2014 subject to the approval of the Members of the Company.

The Board is of the opinion that it is in the interest of the Company that Mr. Bipin N. Shah be reappointed as the Managing Director of the Company. Hence, the Board recommends to the Members his reappointment as a Managing Director of the Company.

The terms and conditions of the appointment are:

- i) Salary ₹ 1,75,000/- per month with such increments as may be decided by the Board subject to a ceiling of ₹ 5,00,000/- per month.
- ii) Commission on net profit before Tax - at such rate as may be decided by the Board of Directors from time to time subject to a minimum of one percent (1%).

**Part A**

1. Medical Reimbursement - Expenses incurred for self and family, including dependent parents subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
2. Leave Travel Concession - For Self and family once a year incurred in accordance with the rules of the Company.
3. Personal Accident Insurance - Premium not exceeding ₹ 15,000/- p.a.
4. Entertainment Expenses - Reimbursement of entertainment expenses actually incurred in the course of business of the Company.

**Part B**

(a) Provident Fund:

Company's contribution subject to a ceiling as laid down by the Government from time to time.

(b) Gratuity:

Gratuity payable shall not exceed half a month's salary for each completed year of service and which shall be subject to the maximum amount as may be permitted under the company's rules in relation to Gratuity prevailing from time to time.

**Part C**

The Company shall provide a car with a driver and a telephone at his residence.

The Managing Director shall be entitled to earned privilege leave on full pay and allowances as per rules of the company but not more than one month's leave for every eleven months of service.

The accumulated leaves can be encashed at the end of the service.

**Item No. 8**

A proposal for appointment of Cost Auditor for 2014-15 was recommended by the Audit Committee to the Board. It was proposed to re-appoint Mr. Girikrishna Maniar, Cost Accountants, as Cost Auditors.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment and remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial personnel or relatives of them are interested in the above resolution.

The Board of Directors recommends the resolution for your approval.

**Item No. 9**

Mr. Arun Todarwal is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October, 2008.

As per Section 149, 150, 152 of Companies Act, 2013 & Chapter XI of Companies (Appointment and Qualification of Directors) Rules 2014, the appointment of the Independent Director is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Mr. Arun Todarwal 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.

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

**Item No. 10**

Mr. Jasvantlal G. Shah is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in August, 1995.

As per Section 149, 150, 152 of Companies Act, 2013 & Chapter XI of Companies (Appointment and Qualification of Directors) Rules 2014, the appointment of the Independent Director is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Mr. Jasvantlal G. Shah, is a graduate in Economics, Law and postgraduate in Business Management and fellow of Institute of Company Secretaries.

He has discharged responsibilities in senior positions in two reputed indigenous business groups as well as number of international pharmaceutical companies. He was also a Director and Vice President of Bombay Stock Exchange and presently Chairman of his family company engaged in rendering financial services. He is a trustee of few Charitable Trusts.

He is also a Director in M/s. J.G.A. Shah Sharebrokers Pvt. Ltd.

**Item No. 11**

Mr. Dilip.G Shah is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October, 2007.

As per Section 149, 150, 152 of Companies Act, 2013 & Chapter XI of Companies (Appointment and Qualification of Directors) Rules 2014, the appointment of the Independent Director is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Mr. Dilip.G. Shah, is graduated from premiere business School, IIM, Ahmedabad. He has 43 years of varied experience in the pharmaceutical industry. He is holding position in International Generic Pharmaceuticals Alliance (IGPA), The World Bank Generics Consultative Group as a Member, Co-chairman of the FICCI's Committee on Pharmaceuticals, Editor of Asia and India, Journal of Generic Medicines, U.K. and CEO of Vision Consulting Group, a firm specialized in Strategic planning. He is Author of "Drug Pricing in India". He was a Member of the Board of Directors of Pfizer-India for whom he worked for 30 years. He has represented Indian Pharmaceuticals industry at several international meetings & conferences.

**Item No. 12**

Mr. Sandeep Joshi is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in November, 2012.

As per Section 149, 150, 152 of Companies Act, 2013 & Chapter XI of Companies (Appointment and Qualification of Directors) Rules 2014, the appointment of the Independent Director is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

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

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

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

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

For and on behalf of the Boad of Director

Sd/-

**J. G. Shah**  
Chairman

Place: Mumbai

Date: May 23, 2014



## DIRECTORS' REPORT

The Members,

Your directors have pleasure in placing before you the 54th Annual Report of the Company along with the Accounts for the year ended 31st March, 2014:

### FINANCIAL HIGHLIGHTS

Accounting Year	₹ in Lakhs	
	2013-14	2012-13
Sales	26493	24160
Other Income	562	329
Profit before interest, depreciation and taxation	2728	1939
Interest	5	4
Depreciation	175	166
Provision for taxation (net)	789	515
Profit after tax	1759	1254
Profit and Loss Account balance B/f	1560	1417
Income Tax adjustment of earlier years	24	(25)
Profit available for Appropriation	3343	2646
Transfer to General Reserve	500	500
Interim Dividend	104	Nil
Tax on Interim Dividend	18	Nil
Proposed final Dividend	544	501
Tax on proposed final Dividend	92	85
Balance carried to the Balance Sheet	2085	1560

### DIVIDEND

On the occasion of completion of 25 years of commencement of production activities, the Company had declared on 14/02/2014 and paid an Interim Dividend of ₹ 1.25 per Share i.e. 25% on the Equity shares of face value of ₹ 5/- each.

Further, for the year under review, the Directors have recommended a final Dividend of ₹ 6.50 per share i.e. @ 130% (₹ 6.00 per share i.e. @ 120% for the previous year) on Equity Shares of face value of ₹ 5/- each of the company. The total dividend outgo shall be ₹ 647.28 lakhs as compared to ₹ 501.12 lakhs during the previous year.

### OPERATIONS

The sales and operating income for the year ended 31st March 2014 amounted to ₹ 26492.79 as against ₹ 24160.49 lakhs for the previous year. Thus the turnover of the company has increased by about 9.65% as compared to last year's turnover.

During the year 2013-14 profit before tax as compared to last year has increased by 41.14% from ₹ 1805.00 lakhs to ₹ 2547.65 lakhs and profit after tax has increased by 40.33% from ₹ 1253.50 lakhs to ₹ 1758.99 lakhs

### EXPORTS

Exports for the year ended 31st March 2014 have increased by about 4.04% from ₹ 10033.86 lakhs to ₹ 10439.17 lakhs.

### CURRENT OUTLOOK

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

### DIRECTORS

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

The Board of Directors at their meeting held on May 23, 2014 appointed Ms. Rajeshree Gor as Additional Director pursuant to section 161 of the Companies Act, 2013 who will hold office till the date of the ensuing Annual General Meeting. The Company has received her candidature as a Director from a member pursuant to Section 160 of the said Act. Ms. Rajeshree Gor's appointment is being placed before the shareholders for their approval at the ensuing Annual General Meeting. The information required to be furnished under Clause 49 IV(G) of the Listing Agreement is given in the Notice of the 54th Annual General Meeting.

#### **LISTING ON THE STOCK EXCHANGES**

The Company's shares are listed with Bombay Stock Exchange Ltd. and the Company has paid the necessary listing fees for the Financial Year 2014-15.

#### **FIXED DEPOSITS**

The Company has not accepted or renewed any Fixed Deposits within the meaning of Section 73 of the Companies Act, 2013.

#### **PARTICULARS OF EMPLOYEES**

Particulars of employees as required u/s 134 of the Companies Act, 2013 are not annexed since there are no employees drawing remuneration of more than ₹ 60,00,000/- per annum during the year under review, if employed for full year or more than ₹ 5,00,000/- per month, if employed for part of the year.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT**

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March 2014 -

- i) The applicable accounting standards have been followed along with proper explanations relating to material departures, if any.
- ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year viz. 31st March 2014 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, 2013 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 134}**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure 'A' and forming part of this report.

#### **SECRETARIAL COMPLIANCE REPORT**

Your company has appointed M/s. Sanjay Doshi & Associates, Company Secretaries, to certify the compliance of the Companies Act requirements observed by us. A copy of their Certificate is attached.

#### **COST AUDITORS**

Pursuant to the provisions of section 233B of the Companies Act, 1956 and with the prior approval of Central Government, Mr. Girikrishna S. Maniar (Fellow Membership No. 8202), practicing Cost Accountant, had been appointed to conduct audit of cost records of bulk drugs for the financial year ended 31st March, 2014. The Cost Audit Reports would be submitted to the Central Government within prescribed time.

The Cost Audit Reports for bulk drugs for the year ended 31st March, 2013 was filed with the Central Government on 26th September, 2013.

#### **AUDITORS' QUALIFICATIONS AND MANAGEMENT'S REPLY**

##### **Emphasis of Matter**

The Company has earned testing charges of ₹ 253,200 from Eskay Speciality Chemicals during financial year 2013-2014. However, the company has not obtained Central Government approval under section 297 of the Act for this transaction. Our opinion is not qualified in respect of this matter.

Management's Reply: In future Company will take due care while entering into such kind of the transactions.

**AUDITORS**

M/s. S. I. Mogul & Co., Chartered Accountants (Firm Registration No. 106512W), the Statutory Auditors of the Company retire at this Annual General Meeting and are eligible for the reappointment as Auditors of the company to hold the office from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Directors recommend reappointing M/s. S. I. Mogul & Co., as auditors of the company. A certificate has been received from the Auditors to the effect that their reappointment, if made, would be within the prescribed limits u/s. 139 of the Companies Act, 2013.

**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. G. SHAH**  
*Chairman*

**Registered Office:**

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

Place: Mumbai

Date: May 23, 2014



## ANNEXURE 'A' TO THE DIRECTORS REPORT

(Under Section 134 of the Companies Act 2013)

### 1. CONSERVATION OF ENERGY:

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

	<b>Current Year 2013-14</b>	Previous Year 2012-13
<b>A. Power and fuel consumption:</b>		
1. Electricity		
(a) Purchased		
Units	<b>2634770</b>	2647385
Total amount (₹ In lacs)	<b>183.86</b>	191.49
Rate/unit (₹)	<b>6.98</b>	7.23
(b) Own generation		
Rate/Unit (₹)	<b>Nil</b>	Nil
2. Coal	<b>Nil</b>	Nil
3. Light Diesel Oil		
Quantity (KL)	<b>229.84</b>	206.89
Total cost (₹ In lacs)	<b>91.79</b>	94.97
Average rate per ltr. (₹)	<b>39.94</b>	45.90
4. Other/Internal generation	<b>N.A.</b>	N.A.
<b>B. Consumption per unit of production</b>		
Electricity KWH	<b>3.56</b>	3.54
Light Diesel Oil Ltrs.	<b>0.31</b>	0.28
Coal	<b>N.A.</b>	N.A.
Other	<b>N.A.</b>	N.A.
<b>2. TECHNOLOGY ABSORPTION</b>		
<b>A. Research &amp; Development (R&amp;D)</b>	<b>Nil</b>	Nil
<b>B. Technology absorption, adoption and innovation</b>	<b>Nil</b>	Nil
<b>3. FOREIGN EXCHANGE EARNINGS AND OUTGO</b>		
A. <b>Earnings</b> : The FOB value of export of the company during the year aggregated to ₹ 10080.41 lakhs as against ₹ 9834.94 lakhs in the previous year.		
B. <b>Outgo</b> : The CIF value of outgo in foreign exchange of the company by way of imports, payment of commission, exhibition and traveling expenses aggregated to ₹ 17841.58 lakhs during the year as against ₹ 18410.64 lakhs in the previous year.		

## COMPLIANCE CERTIFICATE

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

To,

The Members,  
**ANUH PHARMA LIMITED**  
A-3, Shivsagar 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 **31st March, 2014**. 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 there under 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 **May 24, 2013, August 9, 2013, November 14, 2013** and **February 14, 2014** 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 **29th July, 2013 to 2nd August, 2013 (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 **31st March, 2013** was held on **2nd August, 2013** 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 not complied with the provisions of the Section 297 of the Act in respect of contracts specified in that section.**
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 of Directors, Members and previous approval of the Central Government pursuant to Section 314 of the Act wherever applicable.
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 lodgment thereof for transfer/transmission or any other purpose during the F.Y. 2013-2014 in accordance with the provisions of the Act.
  - (ii) has deposited the amount of final dividend declared and an interim dividend in a separate Bank Account 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 **2005-2006** during the Financial Year **2013-14**.
  - (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 the appointment of directors, additional directors and directors to fill casual vacancies has been duly made 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 other authorities as may be prescribed under the various provisions of the Act during the year under review
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 **31st March, 2014** 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 contribution has been generally deposited regularly during the year with the prescribed authorities.

For Sanjay Doshi & Associates  
*Company Secretaries*

Sd/-

**SANJAY DOSHI**  
*Proprietor*

C.P. No.: 7595

Place: Mumbai  
Date : 23rd May, 2014

## 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 Director's Attendance	–
10. Register of Shareholder's 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 31st March, 2014.

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 66	Sec. 383(A)	Compliance Certificate for the year 2012-13	08/08/2013	Yes	No
2.	Form 20B	Sec. 159	Annual Return for the year end 31.03.2013	02/09/2013	Yes	No
3.	Form 5INV	Rule 3 of Investor Education & Protection fund	Unclaimed and unpaid amounts lying with the Company	09/01/2014	Yes	No
4.	Form 5INV	Rule 3 of Investor Education & Protection fund	Unclaimed and unpaid amounts lying with the Company	30/12/2013	No	Yes
5.	Form 32	Sec. 303(2), 264(2) or 266(1) (a) & 266(1)(b)(iii)	Regularization of Directors	05/08/2013	Yes	No
6.	Form 32	Sec. 260	Appointment of Directors	14/06/2013	Yes	No
7.	Form 1 INV	Rule 3 of Investor Education & Protection fund	Amounts credited to Investor Education and Protection fund	22/10/2013	Yes	No
8.	Form 23AC & ACA XBRL	Sec. 210 & 220	Balance Sheet as on 31.03.2013	30/08/2013	Yes	No
9.	Form 23C	Sec. 233B(2)	Application to the Central Government for appointment of cost auditor	29/06/2013	Yes	No
10.	Form 23	Sec. 192	Registration of resolution and agreement	05/08/2013	Yes	No

## MANAGEMENT DISCUSSION AND ANALYSIS

### Global Pharmaceutical Market

The global pharmaceutical market grew up by 2.4% in 2012 to 962 billion US Dollars and forecast to grow by 3.3%. The size of the global market for pharmaceuticals is expected to grow nearly by US Dollars 1.3 trillion in 2020 and Indian Pharma to touch US Dollars 45 billion in 2020 almost double from the current level.

India will be a top 3 pharma market by incremental growth by 2020 and in absolute size the country will become the 6th largest market globally by 2020. Only USA, China, Japan, Germany and Russia will be ahead of India in the global pharma.

India is home to 10,500 manufacturing units and over 3000 pharma companies. India exports all forms of pharmaceuticals from API to formulation.

Globally India ranks amongst the top exporters of formulation by volumes. India's generic exports have been growing at a rate of nearly 24% annually over the last four years. India's pharma exports stood at US Dollars 14.7 billion in 2012-13 registering growth rate of 11%. India plans to increase its total exports to US Dollars 25 billion by 2016.

India ranked 12th largest exporters of formulations in value terms and amongst top two in volume terms.

India ranked 10th largest exporters of APIs and 2nd in terms of export volume.

- a) Total Indian Companies filed DMF with USFDA - 225.
- b) No. of sites (Bulk Drugs + Formulation) approved by USFDA as on 30/09/2012 - 320.
- c) No. of DMFs (Type II Active) filed from India as on 30/12/2013 - 3411 filed by Indian Companies which is almost 35-40% of total DMF filed with USA.
- d) India filed total ANDAS, as on 31/12/2013 - 2661.
- e) Indian formulation companies with USFDA approval - 35.
- f) Total No. of CEP received as on 31/01/2014 - 1105.
- g) No. of Companies with CEPs - 155.
- h) No. of molecules for which CEPs have been filed with EDQM - 344.
- i) No. of sites approved by EDQM in India as on 30/04/2013 - 353.
- j) WHO-GMP certified plants as per DCGI - 1270 approx.

### 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 value of production (including exports) of formulations for 2013-14 is estimated at ₹ 1,47,000 crores, showing a growth of 14% over previous year.

The Indian domestic pharmaceutical market size was 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 was 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.

### 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 cGMP approval 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 is also having WHO-GMP approval from Geneva for prequalification of PYRAZINAMIDE. The Company is also approved by COFEPRIS, Mexico for Erythromycin Stearate, Erythromycin Estolate, Erythromycin Ethyl Succinate.

The Company has also received plant approval from several MNCs.

### **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 department.

### **Research & Development**

During the month of April 2012 the Company had 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. Our R & D Laboratory has developed 3 APIs and we have commercialized all of them.

### **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

### **Financial Performance**

In the bygone fiscal, the sales of Anuh Pharma Ltd. increased by 9.65% to ₹ 26,492.79 lakhs from ₹ 24160.49 lakhs. The company generated ₹ 2547.65 lakhs in PBT as compared to ₹ 1805.00 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 towards 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 2013-14.

### 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 10 Directors, of which 1 is Executive Director, 5 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.

##### Changes since last AGM:

- Ms. Rajeshree Gor was appointed as an Professional Non-Executive Director on May 23, 2014

##### (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 24, 2013 (2) August 9, 2013 (3) November 14, 2013 and (4) February 14, 2014. 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 2nd August, 2013
Mr. Jayantilal P. Shah	Director	Promoter Non-Executive Director	4	1	No
Mr. Bipin N. Shah	Managing Director	Promoter Executive Director	4	4	Yes
Mr. Lalitkumar P. Shah	Director	Promoter Non-Executive Director	4	4	Yes
Mr. Bharat N. Shah	Director	Promoter Non-Executive Director	4	3	Yes
Mr. Jasvantlal G. Shah	Chairman	Independent Non-Executive Director	4	4	Yes
Mr. Dilip.G Shah	Director	Independent Non-Executive Director	4	2	Yes
Mr. Arun Todarwal	Director	Independent Non-Executive Director	4	3	Yes
Mr. Sandeep Joshi	Director	Independent Non-Executive Director	4	2	Yes
Mr. G. C. Sharda	Director	Professional Non-Executive Director	4	4	Yes
*Ms. Rajeshree Gor	Additional Director	Professional Non-Executive Director	4	0	No

\*Ms Rajeshree Gor was appointed as a Professional Non-executive Director.

**(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. Jayantilal P. Shah**

Mr. J. P. Shah aged 85 years is a B.A. LL.B and is a Non-Executive Director was Chairman of the Company since October 1980 till August 2013. 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. Sevantilal Kantilal Private Limited
2. Japoshia Investments 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.

**Mr. G. C. Sharda**

Mr. G. C. Sharda aged 70 years, graduated in Commerce having passed intermediate examination from Institute of Cost and Works Accountant.

He worked as accountant for 10 years and also as Materials Manager in M/s. Jayshree Chemicals Limited, Ganjam, Orissa, a company engaged in the manufacture of Chlor-Alkali Chemicals.

He has also worked as General Manager in M/s. G Amphray Laboratories.

He was also an Executive Director for 10 years in M/s. Triochem Products Limited.

He was also Director- Commercial for more than 10 years in M/s. Chemox Laboratories Limited.

Mr. G. C. Sharda was also Chief Executive Officer for more than 10 years in M/s. Anuh Pharma Limited and Eskay Fine Chemicals.

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

**Ms Rajeshree Gor:**

Ms. Rajeshree Gor, aged 43 years, is a commerce graduate, currently the CEO of S.K. Logistics. She has more than 15 years of experience in Business Management. She has also served as the CEO of S.K. Brothers & S.K. Distributors for a term of 5 years.

She has served as a manager of SK Brothers for almost 6 years.

She is socially active and has served various socio-cultural organizations. She has also received "Mahila Sanman Puraskar" from Community & Others Groups.

She was appointed as Spoken person to give speech on various subjects at Balkanji Bari 500+children.

Ms. Rajeshree Gor holds 300 Shares in the Company either in her name or for other persons on a beneficial basis.

**Mr. Arun Tadarwal**

Mr. Arun Tadarwal is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October, 2008.

As per Section 149, 150, 152 of Companies Act, 2013 & Chapter XI of Companies (Appointment and Qualification of Directors) Rules 2014, the appointment of the Independent Director is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Mr. Arun Todarwal 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.

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

#### **Mr. Jasvantlal G. Shah**

Mr. Jasvantlal G. Shah is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in August, 1995.

As per Section 149, 150, 152 of Companies Act, 2013 & Chapter XI of Companies (Appointment and Qualification of Directors) Rules 2014, the appointment of the Independent Director is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Mr. Jasvantlal G. Shah, is a graduate in Economics, Law and postgraduate in Business Management and fellow of Institute of Company Secretaries.

He has discharged responsibilities in senior positions in two reputed indigenous business groups as well as number of international pharmaceutical companies. He was also a Director and Vice President of Bombay Stock Exchange and presently Chairman of his family company engaged in rendering financial services. He is a trustee of few Charitable Trusts.

He is also a Director in M/s. J.G.A. Shah Sharebrokers Pvt. Ltd.

#### **Mr. Dilip.G Shah**

Mr. Dilip.G Shah is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October, 2007.

As per Section 149, 150, 152 of Companies Act, 2013 & Chapter XI of Companies (Appointment and Qualification of Directors) Rules 2014, the appointment of the Independent Director is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Mr. Dilip.G. Shah, is graduated from premiere business School, IIM, Ahmedabad. He has 43 years of varied experience in the pharmaceutical industry. He is holding position in International Generic Pharmaceuticals Alliance(IGPA), The World Bank Generics Consultative Group as a Member, Co-chairman of the FICCI's Committee on Pharmaceuticals, Editor of Asia and India , Journal of Generic Medicines, U.K and CEO of Vision Consulting Group, a firm specialized in Strategic planning. He is Author of "Drug Pricing in India". He was a Member of the Board of Directors of Pfizer-India for whom he worked for 30 years. He has represented Indian Pharmaceuticals industry at several international meetings & conferences.

#### **Mr. Sandeep Joshi**

Mr. Sandeep Joshi is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in November, 2012.

As per Section 149, 150, 152 of Companies Act, 2013 & Chapter XI of Companies (Appointment and Qualification of Directors) Rules 2014, the appointment of the Independent Director is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

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

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

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

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

## 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, 2014 are as follows:

Name of Director	Sitting Fees (₹)	Salary & Perquisites (₹)	
Mr. Bipin N. Shah		Salary & Perquisites	18,30,000/-
		Commission	18,12,807/-
		Total	36,42,807/-
Mr. Jayantilal P. Shah	6,500/-		
Mr. Bharat N. Shah	19,500/-		
Mr. Lalitkumar P. Shah	26,000/-		
Mr. Jasvantlal G. Shah	52,000/-		
Mr. Dilip G. Shah	26,000/-		
Mr. Arun Tadarwal	39,000/-		
Mr. Sandeep Joshi	13,000/-		
Mr. G. C. Sharda	26,000/-		
Ms. Rajeshree Gor	NIL		

## II. AUDIT COMMITTEE

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

The Audit Committee of the Company comprises of Mr Jasvantlal G. Shah, Chairman of the Committee, Mr. Arun Tadarwal 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 177 of the Companies Act, 2013 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 24, 2013 (2) August 9, 2013 (3) November 14, 2013 and (4) February 14, 2014

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

Name of the Director	No. of Meeting Held	No. of Meeting attended
Mr. Jasvantlal. G. Shah	4	4
Mr. Arun Tadarwal	4	3
Mr. Bipin N. Shah	4	4
Mr. Dilip G. Shah	4	2

## VIGIL MECHANISM

As required by the provisions of Companies Act 2013, the Company is in the process of constituting a vigil mechanism to provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee or the director nominated to play the role of Audit Committee.

### **NOMINATION AND REMUNERATION COMMITTEE:**

As required by the provisions of Companies Act 2013, the Nomination and Remuneration Committee was formed in the Board Meeting held on 23rd May 2014.

This Committee consists of 3 Directors i.e.

Mr. Jasvantlal G Shah – Chairman of the Committee

Mr. Arun L. Todarwal

Mr. Bharat N. Shah

### **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, 2014. 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, 2014.

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

<b>Year</b>	<b>Venue</b>	<b>Date</b>	<b>Time</b>
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.
2011-2012	M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Road, 18/20 K. Dubash Marg, Mumbai - 400 001.	24.08.2012	11.30 a.m.
2012-2013	6th Floor, Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry and Agriculture, Oricon House, 12 K. Dubash Marg, Mumbai- 400001.	02.08.2013	3.00 p.m.

### **CODE OF BUSINESS CONDUCT & ETHICS FOR DIRECTORS/MANAGEMENT PERSONNEL**

The Company is committed to conducting its business in conformity with ethical standards and applicable laws and regulations. The Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

### **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 in terms of Clause 49(1) (D) (ii) of the Listing Agreement entered into with the Stock Exchange for the year ended March 31, 2014.

### **MD/ CEO CERTIFICATION**

The Managing Director have certified to the Board, interalia 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, 2014.

### **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 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. As per new Act company will comply with Whistle Blower Policy.

## 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 : 12th September 2014  
Time : 3.00 p.m.  
Venue : Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018

### B. Financial Calendar

Quarter	Period	Publications of Results
First	Apr-Jun	August 10, 2013
Second	Jul-Sep.	November 15, 2013
Third	Oct-Dec	February 15, 2014
Fourth	Apr 13-Mar 14 (Full Audited Accounts)	May 24, 2014

C. Dates of Book Closure : Monday, September 8, 2014 to Friday, September 12, 2014

D. Dividend Payment Date : 1) Dividend of ₹ 6.50 per share i.e. @ 130% on Equity Shares of face value of ₹ 5/- each of the company has paid during the financial year.  
2) Interim Dividend (One time on completion of 25 years of commencement of production activities) of ₹ 1.25 per share i.e @ 25% on Equity Shares of face value of ₹ 5/- each of the company was 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 2013	128.65	115.10
May 2013	123.35	113.05
June 2013	125.70	114.15
July 2013	127.00	112.10
August 2013	125.00	105.00
September 2013	119.90	108.00
October 2013	120.00	110.00
November 2013	125.00	111.10
December' 2013	131.45	113.00
January 2014	137.00	118.00
February 2014	168.80	125.50
March 2014	165.00	136.50

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, 2014 was as under:

Category	No. of Shareholders	% of total Shareholders	No. of Shares held	% of Shareholding
Upto 5000	4501	91.3167	7,60,121	9.1011
5001 - 10000	201	4.0779	2,85,575	3.4192
10001 - 20000	104	2.1100	3,01,731	3.6127
20001 - 30000	40	0.8115	1,98,526	2.3770
30001 - 40000	21	0.4260	1,50,707	1.8044
40001 - 50000	14	0.2840	1,27,520	1.5268
50001 - 100000	17	0.3449	2,69,195	3.2231
100001 and above	31	0.6289	62,58,625	74.9356
<b>Total</b>	<b>4929</b>	<b>100.00</b>	<b>83,52,000</b>	<b>100.00</b>

Shareholding Pattern as on March 31, 2014

Category	No. of shareholders	No. of shares	% holding
Indian Promoters	25	54,33,938	65.0615
Clearing Members	28	13,563	0.1624
FII's and NRIs	66	25,453	0.3048
Domestic Companies	123	1,70,430	2.0406
Resident Individuals	4687	27,08,616	32.4307
<b>TOTAL</b>	<b>4929</b>	<b>83,52,000</b>	<b>100</b>

Dematerialization of Shares: 82,23,392 Equity Shares equivalent to 98.46% of the total paid-up Equity Capital have been in dematerialized form as on March 31, 2014.

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, 2014 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: May 23, 2014

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ANUH PHARMA LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **ANUH PHARMA LIMITED** ("Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, subject to the above the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Emphasis of Matter

*The Company has earned testing charges of ₹ 253,200 from Eskay Speciality Chemicals during financial year 2013-2014. However, the company has not obtained Central Government approval under section 297 of the Act for this transaction. Our opinion is not qualified in respect of this matter.*

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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 comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act;
- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
- f. since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

**S. I. MOGUL**  
*Partner*  
Membership No. 5572

Mumbai: May 23, 2014



## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

As referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date on the accounts for the year ended on March 31, 2014,

- 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 Act and hence, the provisions of clause 4(iii)(b) to 4(iii)(g) of the Order 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 Act 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 Act 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 Act 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, no undisputed amounts payable in respect of above were in arrears as at March 31, 2014 for a period of more than six months from the date on which they became payable.
- b. According to the information and explanations given to us, the dues as on March 31, 2014 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 including Interest and Penalty	12,65,784	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, which was accepted on January 27, 2011.
2.	Central Sales Tax Act, 1956	Sales Tax including Interest	648,290	1991-1992	
3.	Bombay Sales Tax Act, 1959	Sales Tax including Interest and Penalty	397,152	1992-1993	
4.	Central Sales Tax Act, 1956	Sales Tax including Interest and Penalty	392,142	1992-1993	
5.	Income-tax Act, 1961	Short deduction of Income-tax deducted at source ("TDS") and interest thereon	189,440	2007-2008	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
6.	Income-tax Act, 1961	Short deduction of TDS and interest thereon	32,610	2008-2009	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
7.	Income-tax Act, 1961	Short deduction of TDS and interest thereon	819,780	2009-2010	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
8.	Income-tax Act, 1961	Short deduction of TDS and interest thereon	403,250	2010-2011	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
9.	Income-tax Act, 1961	Short deduction of TDS and interest thereon	17,380	2011-2012	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
10.	Income-tax Act, 1961	Short deduction of TDS and interest thereon	4,780	2012-2013	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
11.	Income-tax Act, 1961	Short deduction of TDS and interest thereon	6,280	2013-2014	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
12.	Income-tax Act, 1961	Income-tax	147,240	2010-2011	Commissioner of Income Tax (Appeals)
13.	Income-tax Act, 1961	Short deduction of TDS and interest thereon	179	2010-11	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
14.	Income-tax Act, 1961	Short deduction of TDS and interest thereon	1,190	2012-13	The Company is disputing this due and is in the process of taking necessary steps to resolve the matter.
		<b>Total</b>	<b>4,325,497</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 Order 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 Order 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 Order 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 Act.
- xix. During the year, the Company has not issued any secured debentures. Therefore, the provisions of clause 4(xix) of the Order 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

**S. I. MOGUL**  
*Partner*  
Membership No. 5572

Mumbai: May 23, 2014

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## AUDITOR'S CERTIFICATE

The Board of Directors  
**ANUH PHARMA LTD. ("Company")**  
3-A 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, 2014. 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, 2014 covered by our report of even date to the members of the Company.

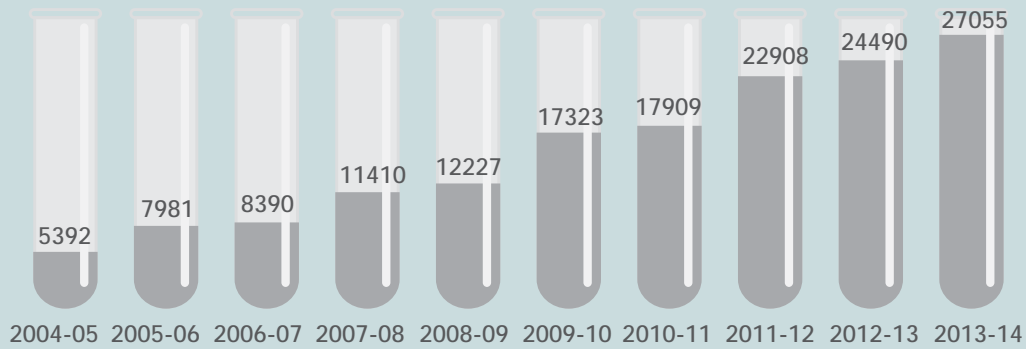
For **S. I. MOGUL & CO.**  
*Chartered Accountants*  
Firm Registration No. 106512W

**S. I. MOGUL**  
*Partner*  
Membership No. 5572

Mumbai: May 23, 2014

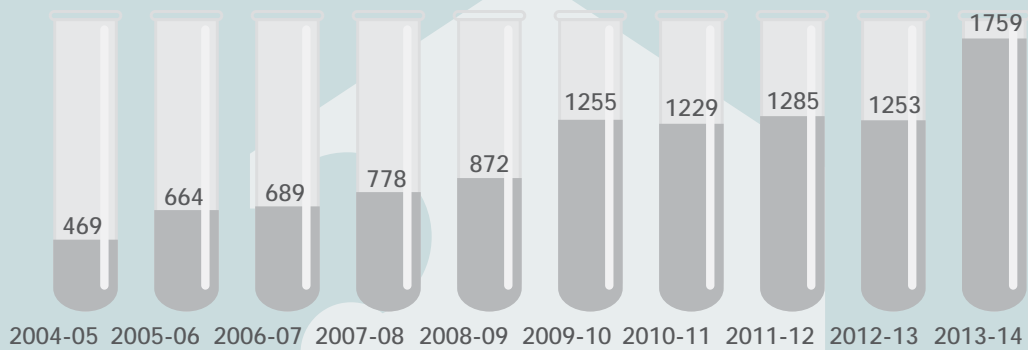
Sales & Other Income

₹ in Lakhs



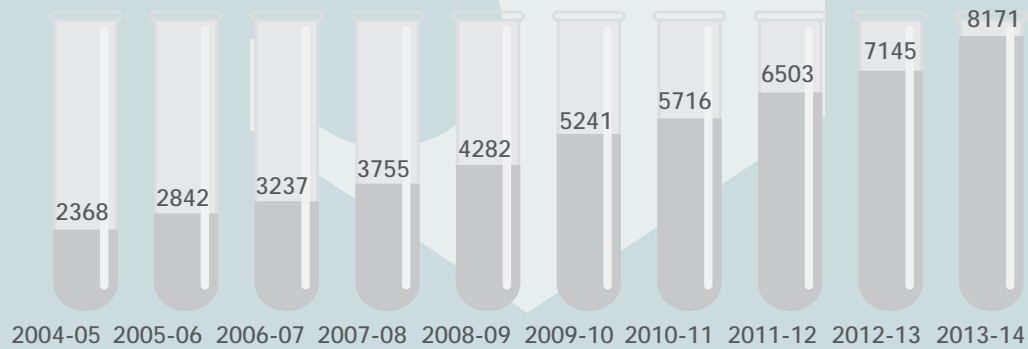
Profit After Tax

₹ in Lakhs



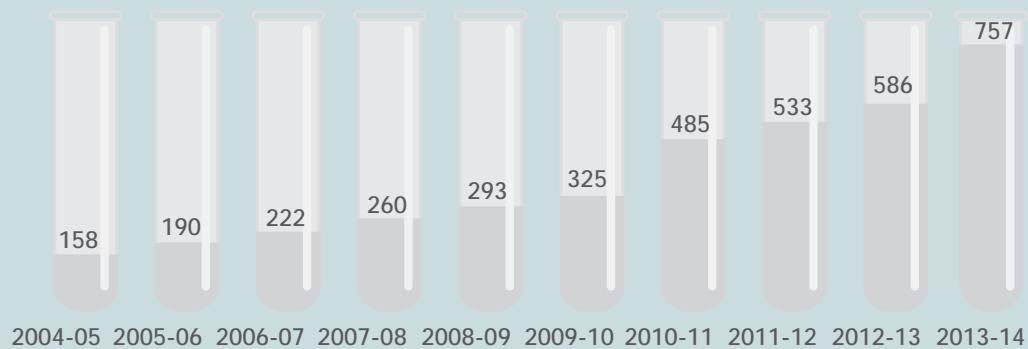
Reserves

₹ in Lakhs



Outflow of Dividend

₹ in Lakhs



## BALANCE SHEET AS ON MARCH 31, 2014

Particulars	Note No.	As at March 31, 2014 ₹	As at March 31, 2014 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	41,760,000	41,760,000
(b) Reserves and surplus	2	817,053,340	714,475,117
(c) Money received against share warrants		-	-
		<u>858,813,340</u>	<u>756,235,117</u>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (net)	3	2,445,716	2,580,295
(c) Other long term liabilities		-	-
(d) Long-term provisions	4	2,558,781	2,134,509
		<u>5,004,497</u>	<u>4,714,804</u>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	5	-	5,237,271
(b) Trade payables	6	600,183,898	469,542,394
(c) Other current liabilities	7	17,660,253	13,143,181
(d) Short-term provisions	8	150,928,283	112,407,595
		<u>768,772,434</u>	<u>600,330,441</u>
<b>TOTAL</b>		<u>1,632,590,271</u>	<u>1,361,280,362</u>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	9		
(i) Tangible assets		120,549,537	104,025,414
(ii) Intangible assets		985,045	773,061
(iii) Capital work-in-progress		1,779,979	25,979,617
(iv) Intangible assets under development		-	-
		<u>123,314,561</u>	<u>130,778,092</u>
(b) Non-current investments	10	80,285,917	55,790,161
(c) Deferred tax assets (net)	3	-	-
(d) Long-term loans and advances	11	13,285,020	9,269,690
(e) Other non-current assets		-	-
		<u>216,885,498</u>	<u>195,837,943</u>
<b>2 Current assets</b>			
(a) Current investments	12	188,000,000	138,021,540
(b) Inventories	13	193,244,676	236,843,241
(c) Trade receivables	14	747,471,776	544,360,617
(d) Cash and bank balances	15	154,712,683	133,766,907
(e) Short-term loans and advances	16	129,918,718	110,033,507
(f) Other current assets	17	2,356,920	2,416,607
		<u>1,415,704,773</u>	<u>1,165,442,418</u>
<b>TOTAL</b>		<u>1,632,590,271</u>	<u>1,361,280,362</u>

THE NOTES FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS 1-36  
Significant Accounting Policies 37

As per our report of even date  
For **S. I. MOGUL & CO.**  
Chartered Accountants  
Firm Registration No. 106512W

**S. I. MOGUL**  
Partner  
Membership No. 5572  
Mumbai: May 23, 2014

For **ANUH PHARMA LIMITED**

**BIPIN SHAH**                      **LALIT KUMAR SHAH**  
Managing Director                      Director

Mumbai : May 23, 2014



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2014

Particulars	Note No.	Year ended on	Year ended on
		March 31, 2014	March 31, 2013
		₹	₹
I Revenue from operations (gross)	19	2,850,147,545	2,607,216,403
Less: Excise duty	19	(186,170,751)	(180,508,857)
Revenue from operations (net)	19	2,663,976,794	2,426,707,546
II. Other income	20	41,486,822	22,274,770
III. <b>Total Revenue (I + II)</b>		<b>2,705,463,616</b>	<b>2,448,982,316</b>
IV. Expenses:			
Cost of materials consumed	21	2,099,305,507	1,968,955,850
Purchases of Stock-in-Trade	22	8,288,933	59,410,022
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	35,146,966	(27,523,345)
Employee benefits expense	24	46,657,938	38,931,265
Finance costs	25	1,039,410	453,440
Depreciation and amortization expense	9	17,461,245	16,636,386
Other expenses	26	242,798,652	215,270,933
Total expenses		2,450,698,651	2,272,134,551
V. <b>Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>254,764,965</b>	<b>176,847,766</b>
VI. Exceptional items		-	-
VII. <b>Profit before extraordinary items and tax (V - VI)</b>		<b>254,764,965</b>	<b>176,847,766</b>
VIII. Extraordinary Items		-	-
IX. <b>Profit before tax (VII - VIII)</b>		<b>254,764,965</b>	<b>176,847,766</b>
X. <b>Tax expense:</b>			
(1) Current tax		79,000,000	47,747,170
(2) Deferred tax		(134,579)	3,750,282
		78,865,421	51,497,452
XI. <b>Profit/(Loss) for the period from continuing operations (IX - X)</b>		<b>175,899,544</b>	<b>125,350,313</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>175,899,544</b>	<b>125,350,313</b>
XVI. <b>Earnings per equity share of ₹ 5 each</b>	34		
(1) Basic	34	21.06	15.01
(2) Diluted	34	21.06	15.01
THE NOTES FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS	1-36		
SIGNIFICANT ACCOUNTING POLICIES	37		

As per our report of even date  
**For S. I. MOGUL & CO.**  
*Chartered Accountants*  
 Firm Registration No. 106512W

**S. I. MOGUL**  
*Partner*  
 Membership No. 5572  
 Mumbai: May 23, 2014

**For ANUH PHARMA LIMITED**

**BIPIN SHAH**      **LALIT KUMAR SHAH**  
*Managing Director*      *Director*

Mumbai : May 23, 2014

## CASH FLOW STATEMENT

Particulars	Year ended on	
	March 31, 2014	March 31, 2013
	₹	₹
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
NET PROFIT BEFORE TAX		254,764,965
Adjustment for:		176,847,765
Depreciation and Amortization	17,461,245	16,636,386
Finance Costs	1,039,410	453,440
Provision for Loss on Current Investments	-	-
Interest Income	(15,953,615)	(13,369,885)
Dividend Income	(7,330,123)	(6,306,516)
Loss/(Profit) on Sale of Investment	(13,447,372)	503,886
Loss/(Profit) on Sale of Fixed Asset	29,225	58,560
		<u>(18,201,230)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		236,563,735
Adjustment for:		174,823,636
Trade and Other Receivables	(203,111,159)	(153,476,048)
Inventories	43,598,565	(110,922,030)
Loans and Advances	(7,068,698)	(10,164,167)
Trade Payables, Other Liabilities and Provisions	138,069,528	165,037,507
		<u>(28,511,764)</u>
CASH GENERATED FROM OPERATIONS		208,051,971
Direct Taxes (paid)/refund received		<u>(62,112,116)</u>
NET CASH FROM OPERATIONS		145,939,855
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
(Purchase)/Sale of Investments (net)	(61,026,844)	131,427,420
(Purchase)/Sale of Fixed Assets (net)	(10,026,944)	(37,994,860)
Interest Income	15,953,615	13,369,885
Dividend Income	7,330,123	6,306,516
Movement in Bank Deposits (Placed)/Refunded (net)	99,619	(69,259,612)
NET CASH USED IN INVESTING ACTIVITIES		<u>(47,670,431)</u>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Total proceeds from Borrowings (net of repayments):		
Secured Loans/Short Term Borrowings	(5,237,271)	(7,786,893)
Finance Costs	(1,039,410)	(453,440)
Dividend paid (including tax thereon)	(70,947,348)	(53,370,656)
NET CASH USED IN FINANCING ACTIVITIES		<u>(77,224,029)</u>
		<u>21,045,395</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)		<u>21,045,395</u>
CASH AND CASH EQUIVALENTS:		
Opening Balance		637,313
Closing Balance		2,560,096
		<u>21,682,708</u>

Notes : 1 Cash and Cash Equivalents: as per Note 15.

2 The Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 'Cash Flow Statements'.

3 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

**S. I. MOGUL**

Partner

Membership No. 5572

Mumbai: May 23, 2014

**For ANUH PHARMA LIMITED**

**BIPIN SHAH**

Managing Director

**LALIT KUMAR SHAH**

Director

Mumbai : May 23, 2014

## Notes on Financial Statement for the Accounting year ended on March 31, 2014

	As at March 31, 2014		As at March 31, 2013	
	Number	₹	Number	₹
<b>NOTE 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>

### 1.1 Equity Shares :

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

### 1.2 Shareholders holding more than 5% of the Share Capital

Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares :</b>				
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 Popatlal Shah	639,960	7.66	639,960	7.66
Bipin Nemchand Shah	525,350	6.29	526,350	6.30
Prafulla Lalitkumar Shah	456,000	5.46	456,000	5.46

### Particulars

### Year (Aggregate No. of Shares)

	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
<b>1.3 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	-	-
Shares bought back	-	-	-	-	-

1.4 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.

1.5 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 for the Accounting year ended on March 31, 2014 (Contd..)**

	As at March 31, 2014	As at March 31, 2013
	₹	₹
<b>NOTE 2 :</b>		
<b>RESERVES AND SURPLUS</b>		
<b>(a) Special Capital Incentive Reserve</b>		
Opening Balance	750,000	750,000
Add: Current Year Transfer	-	-
Less: Written Back in Current Year	-	-
Closing Balance	<u>750,000</u>	<u>750,000</u>
<b>(b) General Reserve</b>		
Opening Balance	557,828,280	507,828,280
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	-	-
Closing Balance	<u>607,828,280</u>	<u>557,828,280</u>
<b>(c) Surplus/(deficit) in the Statement of Profit and Loss</b>		
Opening balance	155,896,837	141,719,601
Add: Net Profit/(Net Loss) for the current year	175,899,544	125,350,313
Add: Income tax adjustments of earlier years	2,407,204	(2,544,543)
Less: Appropriations		
Proposed Final Dividend	(54,288,000)	(50,112,000)
Tax on Proposed Final Dividend	(9,226,246)	(8,516,534)
Special Interim Dividend	(10,440,000)	-
Tax on Special Interim Dividend	(1,774,280)	-
Transfer to General Reserve	(50,000,000)	(50,000,000)
Closing Balance	<u>208,475,060</u>	<u>155,896,837</u>
<b>TOTAL</b>	<u><u>817,053,340</u></u>	<u><u>714,475,117</u></u>
<b>NOTE 3 :</b>		
<b>DEFERRED TAX ASSETS (LIABILITY) [NET]</b>		
<b>Deferred Tax Asset</b>		
Expenses allowed only on payment basis	1,357,628	1,668,380
Depreciation on Fixed Assets	-	-
	<u>1,357,628</u>	<u>1,668,380</u>
<b>Less: Deferred Tax Liability</b>		
Depreciation on Fixed Assets	(3,803,344)	(4,248,675)
<b>TOTAL</b>	<u><u>(2,445,716)</u></u>	<u><u>(2,580,295)</u></u>
<b>NOTE 4 :</b>		
<b>LONG TERM PROVISIONS</b>		
<b>(a) Provision for employee benefits</b>		
Gratuity	1,274,417	1,016,173
Leave Encashment	1,284,364	1,118,336
<b>TOTAL</b>	<u><u>2,558,781</u></u>	<u><u>2,134,509</u></u>

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

	As at March 31, 2014	As at March 31, 2013
	₹	₹
<b>NOTE 5 :</b>		
<b>SHORT-TERM BORROWINGS</b>		
<b>Loans repayable on demand:</b>		
Secured		
From Bank		
Overdraft from Bank of India (In Rupees) (Secured by lien on fixed deposit with bank)	-	5,237,271
<b>TOTAL</b>	<u>-</u>	<u>5,237,271</u>

<b>NOTE 6 :</b>		
<b>TRADE PAYABLES</b>		
Micro, Small and Medium Enterprises (see sub-note a below)	-	-
Others	600,183,898	469,542,394
<b>TOTAL</b>	<u>600,183,898</u>	<u>469,542,394</u>

**6.1** 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.

<b>NOTE 7 :</b>		
<b>OTHER CURRENT LIABILITIES</b>		
(a) Interest accrued but not due on borrowings	-	-
(b) Unpaid dividends*	1,558,059	1,662,593
(c) Other payables		
(i) Duties & Taxes	11,110,361	7,681,034
(ii) Advance received from customers	1,104,461	1,160,522
(iii) Other Payables	3,887,372	2,639,032
<b>TOTAL</b>	<u>16,102,194</u>	<u>11,480,588</u>
<b>TOTAL</b>	<u>17,660,253</u>	<u>13,143,181</u>

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

<b>NOTE 8 :</b>		
<b>SHORT-TERM PROVISIONS</b>		
(a) Provision for employee benefits	8,414,037	6,031,891
(b) Others		
(i) Provision for Income Tax	78,693,452	47,700,000
(ii) Provision for Wealth Tax	306,548	47,170
(iii) Proposed Final Dividend	54,288,000	50,112,000
(iv) Tax on Proposed Final Dividend	9,226,246	8,516,534
<b>TOTAL</b>	<u>142,514,246</u>	<u>106,375,704</u>
<b>TOTAL</b>	<u>150,928,283</u>	<u>112,407,595</u>

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**
**NOTE 9:  
FIXED ASSETS**

Sr. No.	Fixed Assets	Gross Block				Accumulated Depreciation / Amortisation				Net Block		
		Balance as at April 1, 2013	Additions	(Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at March 31, 2014	Depreciation/ Amortisation charge for the year	Adjustment due to revaluations	On disposals	Balance as at March 31, 2014	Balance as at March 31, 2013
(i)	<b>Tangible Assets</b>											
(a)	<b>Land:</b>											
	Leasehold Land (Factory)	3,563,940	-	-	-	-	3,563,940	46,257	-	-	393,109	3,170,830
	Leasehold Land (Guest House; Perpetual Lease)	-	15,587,500	-	-	-	15,587,500	-	-	-	-	15,587,500
(b)	<b>Buildings:</b>											
	- Building on Leasehold Land	3,563,940	15,587,500	-	-	-	19,151,440	46,257	-	-	393,109	18,758,330
	Office Premises	46,954,834	-	-	-	-	46,954,834	2,556,706	-	-	23,944,482	23,010,351
	Guest House	14,760,354	-	-	-	-	14,760,354	480,086	-	-	5,638,726	9,121,627
		3,636,374	9,550,646	-	-	-	13,187,020	625,418	-	-	1,016,259	12,170,760
(c)	<b>Plant and Equipment:</b>											
	Plant and Machinery	65,351,562	9,550,646	-	-	-	74,902,208	3,662,210	-	-	30,599,467	44,302,738
	Laboratory Equipments	58,675,682	1,350,452	-	-	-	60,026,134	6,455,924	-	-	42,347,956	17,678,178
	Material Storage & Handling Equipments	21,018,914	4,151,800	991,100	-	-	24,179,614	2,324,547	709,887	-	7,687,709	16,491,905
	Electric Installations	5,285,144	-	-	-	-	5,285,144	188,514	-	-	4,719,141	566,003
	Airconditioning Equipments & Refrigerators	11,164,186	213,347	-	-	-	11,377,533	903,302	-	-	5,622,097	6,445,391
	Computer Hardware	15,043,725	135,666	-	-	-	15,179,391	1,073,187	-	-	8,514,088	6,665,303
		3,111,651	81,167	-	-	-	3,192,818	177,884	-	-	2,872,196	320,622
(d)	<b>Furniture and Fixtures</b>	<b>114,299,302</b>	<b>5,932,432</b>	<b>991,100</b>	<b>-</b>	<b>-</b>	<b>119,240,634</b>	<b>61,349,716</b>	<b>11,123,358</b>	<b>-</b>	<b>709,887</b>	<b>47,477,447</b>
(e)	<b>Vehicles [see sub-note 9.2 below]</b>	7,635,800	1,186,778	-	-	-	8,822,578	4,586,929	742,583	-	5,329,512	3,493,066
(f)	<b>Office equipment</b>	6,902,137	1,554,989	-	-	-	8,457,126	2,997,314	1,152,539	-	4,149,853	4,307,273
(ii)	<b>Intangible Assets</b>											
(a)	Computer software	4,040,233	78,507	7,500	-	-	4,111,240	352,152	-	-	1,088	2,210,683
(iii)	<b>Capital Work-In-Progress</b>	201,792,974	33,890,852	998,600	-	-	234,685,226	97,767,560	17,079,099	-	710,975	120,549,537
		1,590,943	594,130	-	-	-	2,185,073	382,146	-	-	1,200,028	985,045
		1,590,943	594,130	-	-	-	2,185,073	382,146	-	-	1,200,028	985,045
		25,979,617	1,779,979	25,979,617	-	-	1,779,979	-	-	-	-	1,779,979
		25,979,617	1,779,979	25,979,617	-	-	1,779,979	-	-	-	-	1,779,979
<b>Total</b>		<b>229,363,534</b>	<b>36,264,961</b>	<b>26,978,217</b>	<b>-</b>	<b>-</b>	<b>288,650,278</b>	<b>98,585,442</b>	<b>17,461,245</b>	<b>-</b>	<b>710,975</b>	<b>115,335,712</b>
<i>Previous Year</i>		193,333,863	51,754,004	15,724,333	-	-	229,363,534	83,855,685	16,636,386	-	1,906,629	98,585,442

9.1 Office Premises includes value of shares of a co-operative society.

9.2 Some of the Motor Vehicles are held in the name of the Director of the Company.

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
₹	₹
_____	_____

**NOTE 10:**
**NON-CURRENT INVESTMENTS**
**Long Term Investments (Non-Trade)**

## Other Investments

(a) Investments in bonds	12,518,000	12,518,000
(b) Investments in Mutual Funds	67,767,917	43,272,161
<b>Total</b>	<b>80,285,917</b>	<b>55,790,161</b>
Less : Provision for diminution in the value of Investments	-	-
<b>TOTAL</b>	<b>80,285,917</b>	<b>55,790,161</b>

a Aggregate amount of quoted investments (Market value ₹ 12,770,479 (Previous Year ₹ 13,919,038))	12,518,000	12,518,000
Aggregate amount of unquoted investments	67,767,917	43,272,161

**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, 2014	As at March 31, 2013			As at March 31, 2014	As at March 31, 2013	
(i)	<b>Investments in Bonds</b>								
	Indian Railway Finance Corporation Ltd. 8.10% Tax Free 15 Years Bonds of ₹ 1000 each	Others	4,350	4,350	Quoted	Fully paid-up	4,350,000	4,350,000	At Cost
	National Highway Authority of India 8.30% Tax Free 15 Years Bonds of ₹ 1000 each	Others	2,472	2,472	Quoted	Fully paid-up	2,472,000	2,472,000	At Cost
	Power Finance Corporation Ltd. 8.30% Tax Free 15 Years Bonds of ₹ 1000 each	Others	5,696	5,696	Quoted	Fully paid-up	5,696,000	5,696,000	At Cost
	<b>Total</b>						<b>12,518,000</b>	<b>12,518,000</b>	
(ii)	<b>Investments in Mutual Funds</b> (see Note 10.1)								
	HDFC FMP 378D March 2014(1) Growth option Series-29-Direct of HDFC Mutual Fund	Others	1,000,000.0000	-	Unquoted	Fully paid-up	10,000,000	-	At Cost
	TATA Fixed Maturity Plan Series 46 Scheme M-Growth of Tata Mutual Fund	Others	1,000,000.0000	-	Unquoted	Fully paid-up	10,000,000	-	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 FMP 441D February 2014(1) Series 29- Growth option - Direct of HDFC Mutual fund	Others	1,000,000.0000	-	Unquoted	Fully paid-up	10,000,000	-	
	HDFC FMP 453D February 2014(1) Series 29- Growth option - Direct of HDFC Mutual fund	Others	1,000,000.0000	-	Unquoted	Fully paid-up	10,000,000	-	
	HDFC Prudence Fund Growth option of HDFC Mutual Fund	Others	-	7,459.4720	Unquoted	Fully paid-up	-	1,600,000	At Cost
	HDFC Prudence Fund Dividend option of HDFC Mutual Fund	Others	1,083,780.6490	701,036.0400	Unquoted	Fully paid-up	27,767,917	18,672,161	At Cost
	<b>Total</b>						<b>67,767,917</b>	<b>43,272,161</b>	
10.1 The current portion of Long Term Investments is reflected under Current Investments (see Note 12).									

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
<b>NOTE 11:</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>(a) Capital Advances</b>		
(Unsecured, considered good)	-	-
<b>(b) Security Deposits</b>		
(Unsecured, considered good)	4,527,020	4,470,690
<b>(c) Other loans and advances</b>		
(Unsecured, considered good)		
(i) Loans & Advances to Employees	1,354,000	1,799,000
(ii) Loans & Advances to Others	7,404,000	3,000,000
	<u>8,758,000</u>	<u>4,799,000</u>
<b>TOTAL</b>	<u><b>13,285,020</b></u>	<u><b>9,269,690</b></u>

**NOTE 12:  
CURRENT INVESTMENTS  
Non-Trade**
**Investments in Mutual Funds**

(i) Current Investments	-	78,021,540
Less : Provision for diminution in the value of Investments	-	-
(ii) Current portion/maturity of Long-term Investments	188,000,000	60,000,000
<b>TOTAL</b>	<u><b>188,000,000</b></u>	<u><b>138,021,540</b></u>
<b>a. Aggregate amount of quoted investments (Market value ₹ Nil (Previous Year ₹ Nil))</b>	-	-
Aggregate amount of unquoted investments	188,000,000	138,021,540

**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, 2014	As at March 31, 2013			As at March 31, 2014	As at March 31, 2013	
<b>Investments in Mutual Funds</b>									
(i)	<b>Current Investments</b>								
	HDFC Liquid Fund - Weekly Dividend payout of HDFC Mutual Fund-	Others		2,715,537.105	Unquoted	Fully Paid-up	-	28,021,540	Lower of cost or fair value
	HDFC FMP 370D April 2012 (1) Growth option Series XXI of HDFC Mutual Fund	Others		2,000,000.0000	Unquoted	Fully paid-up	-	20,000,000	Lower of cost or fair value
	HDFC Short Term Opportunities Fund - Growth option of HDFC Mutual Fund-	Others		1,238,185.645	Unquoted	Fully paid-up	-	15,000,000	Lower of cost or fair value
	TATA Short Term Bond Fund Plan A - Growth option of TATA Mutual Fund	Others		727,975.113	Unquoted	Fully paid-up	-	15,000,000	Lower of cost or fair value
							-	<b>78,021,540</b>	
(ii)	<b>Current portion/maturity of Long-term Investments</b>								
	HDFC FMP 366D April 2013(1) Series 26 - Growth option - Direct of HDFC Mutual fund	Others	2,000,000.000	-	Unquoted	Fully paid-up	20,000,000	-	At cost
	HDFC FMP 370D April 2013 (2) Series 26 -Growth option- Direct of HDFC Mutual fund	Others	2,000,000.000	-	Unquoted	Fully paid-up	20,000,000	-	At cost
	HDFC FMP 366D April 2013(2)- Series 26 - Growth option- Direct of HDFC Mutual fund	Others	1,000,000.000	-	Unquoted	Fully paid-up	10,000,000	-	At cost



Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)

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, 2014	As at March 31, 2013			As at March 31, 2014	As at March 31, 2013	
	HDFC FMP 370D May 2013(1) Series 26 - Growth option - Direct of HDFC Mutual fund	Others	3,000,000.000	-	Unquoted	Fully paid-up	30,000,000	-	At cost
	HDFC FMP 405D April 2013 (1) Series 25 - Growth option - Direct of HDFC Mutual fund	Others	2,000,000.000	-	Unquoted	Fully paid-up	20,000,000	-	At cost
	HDFC FMP 370D July 2013(3) - Series 26- Growth option- Direct of HDFC Mutual fund	Others	2,000,000.000	-	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 FMP 372D December 2013(1) Series 29 Growth option Direct of HDFC Mutual fund	Others	2,000,000.000	-	Unquoted	Fully paid-up	20,000,000	-	At cost
	TATA Fixed Maturity Plan Series 46 Scheme L-Growth of Tata Mutual Fund	Others	1,500,000.000	-	Unquoted	Fully paid-up	15,000,000	-	At cost
	HDFC FMP 366D March 2014 (2) Series 31 Growth option Direct of HDFC Mutual fund	Others	1,000,000.000	-	Unquoted	Fully paid-up	10,000,000	-	At cost
	HDFC FMP 36M April-10 Growth option Series XII of HDFC Mutual Fund	Others	-	1,000,000.0000	Unquoted	Fully paid-up	-	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
	TATA Fixed Maturity Plan Series 39 Scheme G-Growth of Tata Mutual Fund	Others	-	2,000,000.0000	Unquoted	Fully paid-up	-	20,000,000	At cost
							188,000,000	60,000,000	
	<b>Total</b>						<b>188,000,000</b>	<b>138,021,540</b>	

As at  
**March 31, 2014**  
₹

As at  
**March 31, 2013**  
₹

**NOTE 13:**

**INVENTORIES**

**(As taken, valued and certified by the Managing Director)**

**(At lower of cost and net realisable value)**

(a) Raw Materials		
Antibiotic Chemicals	<b>52,703,827</b>	65,841,842
Other Chemicals	<b>51,449,462</b>	47,365,782
	<b>104,153,289</b>	113,207,624
(b) Work-in-progress	<b>11,556,141</b>	3,741,868
(c) Finished goods		
Antibiotic Chemicals	<b>72,363,216</b>	106,499,263
Other Chemicals	<b>3,851,506</b>	12,676,699
	<b>76,214,722</b>	119,175,962
(d) Stock-in-trade (Trading)	-	-
(e) Light Diesel Oil	<b>581,807</b>	365,820
(f) Packing Materials	<b>738,717</b>	351,967
<b>TOTAL</b>	<b>193,244,676</b>	<b>236,843,241</b>

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
<b>NOTE 14:</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)	747,378,874	544,200,010
	<u>747,378,874</u>	<u>544,200,010</u>
Trade receivables outstanding for a period exceeding six months from the date they are due for payment (Unsecured, considered good)	92,902	160,607
	<u>92,902</u>	<u>160,607</u>
<b>TOTAL</b>	<u><u>747,471,776</u></u>	<u><u>544,360,617</u></u>
<b>1 Trade Receivables stated above include debts due by:</b>		
<b>Directors</b>	-	-
Other officers of the Company	-	-
Firm in which director is a partner	3,950,000	2,080,000
Private Company in which director is a director or member	-	-
<b>TOTAL</b>	<u><u>3,950,000</u></u>	<u><u>2,080,000</u></u>
<b>NOTE 15:</b>		
<b>Cash and bank balances</b>		
<b>(a) Cash and cash equivalents:</b>		
(i) Balances with banks		
(1) In Cash Credit Account	-	-
(2) In Current Accounts	1,301,486	386,762
(3) In Fixed Deposits		
Within 3 months maturity	20,000,000	-
	<u>21,301,486</u>	<u>386,762</u>
(ii) Cash on hand	381,222	250,551
	<u>21,682,708</u>	<u>637,313</u>
<b>(b) Other bank balances:</b>		
(i) In Fixed Deposits (under lien)		
Within 3 months maturity	29,975,000	-
With more than 3 months but upto 12 months maturity	79,995,000	-
With more than 12 months maturity	21,498,000	131,467,000
	<u>131,468,000</u>	<u>131,467,000</u>
(ii) In Unclaimed Dividend Accounts	1,561,975	1,662,594
	<u>133,029,975</u>	<u>133,129,594</u>
<b>TOTAL</b>	<u><u>154,712,683</u></u>	<u><u>133,766,907</u></u>

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
<b>NOTE 16:</b>		
<b>Short-term loans and advances</b>		
<b>(a) Others</b>		
(Unsecured, considered good)		
Loans and Advances to Employees	1,230,494	1,742,821
Loans and Advances to others	2,651,400	–
Balances with Customs and Excise Authorities	48,215,693	32,045,967
Income-tax and wealth-tax	63,912,041	47,139,885
Export Incentives Receivables	8,650,089	6,420,368
VAT Refund receivable	151,849	778,706
Advances recoverable in cash or in kind or for value to be received	5,107,152	21,905,760
<b>TOTAL</b>	<b>129,918,718</b>	<b>110,033,507</b>
<b>1. Short-term loans and advance due by:</b>		
Directors	–	–
Other officers of the Company	–	–
Firm in which director is a partner	–	–
Private Company in which director is a director or member	–	–
<b>TOTAL</b>	<b>–</b>	<b>–</b>
<b>NOTE 17:</b>		
<b>Other current assets</b>		
Interest Accrued but not due:		
(i) On Non-Current Investments (Tax Free)	483,599	483,586
(ii) On Fixed Deposits with Bank	1,873,321	1,933,021
<b>TOTAL</b>	<b>2,356,920</b>	<b>2,416,607</b>
<b>NOTE 18:</b>		
<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt	–	–
(b) Guarantees issued by the banks on behalf of the Company	–	1,750
(c) Other money for which the company is contingently liable:		
(1) Letter of Credit outstanding	525,181,417	410,562,519
(2) Sales Tax *	2,703,368	2,703,368
(3) Income Tax	1,622,129	311,356
	<b>529,506,914</b>	<b>413,577,243</b>
	<b>529,506,914</b>	<b>413,578,993</b>
<b>(ii) Commitments</b>		
(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 #	–	–
<b>TOTAL</b>	<b>529,506,914</b>	<b>413,578,993</b>

\* 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.

## Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)

# 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.

	Year ended on March 31, 2014 ₹	Year ended on March 31, 2013 ₹
<b>NOTE 19:</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale of products (Gross)		
Antibiotics	1,887,885,629	1,917,982,085
Other Chemicals	939,802,247	670,731,406
	<u>2,827,687,876</u>	<u>2,588,713,491</u>
Procurement & Service charges (Gross) (TDS ₹ Nil; Previous year ₹ 6,079)		
Antibiotics	693,380	601,360
Other Chemicals	-	-
	<u>693,380</u>	<u>601,360</u>
Sale of services	-	-
Other operating revenues (Gross) (TDS ₹ 102,066; Previous Year ₹ 1,48,341)	21,766,289	17,901,552
Revenue from operations (Gross)	<u>2,850,147,545</u>	<u>2,607,216,403</u>
Less: Excise duty	<u>(186,170,751)</u>	<u>(180,508,857)</u>
<b>REVENUE FROM OPERATIONS (NET) TOTAL</b>	<u><u>2,663,976,794</u></u>	<u><u>2,426,707,546</u></u>
<b>NOTE 20:</b>		
<b>OTHER INCOME</b>		
Interest Income (Gross):		
(i) On Fixed deposits with Bank (TDS ₹ 1,235,678; Previous Year ₹ 12,23,009)	12,279,505	12,204,235
(ii) On Long Term Investments (tax-free)	1,030,294	1,030,294
(iii) On Others <sup>u</sup> (TDS ₹ 264,367; Previous Year ₹ 13,536)	2,643,816	135,356
	<u>15,953,615</u>	<u>13,369,885</u>
Dividend Income (tax-free):		
On Current Investments	4,078,781	3,165,144
On Long-Term Investments	3,251,342	3,141,372
	<u>7,330,123</u>	<u>6,306,516</u>
Net gain/(loss) on sale of investments:		
(i) From Current Investments	44,271	254,908
(ii) From Long-Term Investments	13,403,101	(758,794)
(iii) Adjustment to the carrying amount of investments	-	-
	<u>13,447,372</u>	<u>(503,886)</u>
Prior Period Items	29,605	-
Other non-operating income:		
Miscellaneous Income (TDS ₹ 459,880; Previous Year ₹ 80,910)	4,726,107	1,703,912
Sundry balances written back		1,398,343
	<u>4,726,107</u>	<u>3,102,255</u>
<b>TOTAL</b>	<u><u>41,486,822</u></u>	<u><u>22,274,770</u></u>

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

	Year ended on March 31, 2014	Year ended on March 31, 2013	Percentage March 31, 2014	Percentage March 31, 2013
	₹	₹		
<b>NOTE 21:</b>				
<b>COST OF MATERIAL CONSUMED</b>				
Imported	1,842,301,886	1,747,623,268	87.76%	88.76%
Indigenous	257,003,621	221,332,582	12.24%	11.24%
<b>TOTAL</b>	<b>2,099,305,507</b>	<b>1,968,955,850</b>	<b>100.00%</b>	<b>100.00%</b>
<b>1 Particulars of Raw Material Consumed</b>				
Antibiotic Chemicals	1,345,233,507	1,406,787,331	64.46%	71.94%
Other Chemicals	741,619,071	548,635,547	35.54%	28.06%
<b>TOTAL</b>	<b>2,086,852,578</b>	<b>1,955,422,878</b>	<b>100.00%</b>	<b>100.00%</b>
<b>2 Particulars of Packing Material Consumed</b>				
Imported	-	-	0.00%	0.00%
Indigenous	11,671,224	12,787,887	100.00%	100.00%
<b>TOTAL</b>	<b>11,671,224</b>	<b>12,787,887</b>	<b>100.00%</b>	<b>100.00%</b>
<b>3 Particulars of Stores Consumed</b>				
Imported	-	-	0.00%	0.00%
Indigenous	781,705	745,085	100.00%	100.00%
<b>TOTAL</b>	<b>781,705</b>	<b>745,085</b>	<b>100.00%</b>	<b>100.00%</b>
<b>NOTE 22:</b>				
<b>PURCHASES OF STOCK-IN-TRADE</b>				
Purchases				
Antibiotics			6,039,498	32,445,965
Other Chemicals			2,249,435	26,964,057
<b>TOTAL</b>			<b>8,288,933</b>	<b>59,410,022</b>
<b>NOTE 23:</b>				
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>				
Opening Stock				
Finished goods			119,175,962	78,120,858
Work-in-progress			3,741,868	17,273,627
			<b>122,917,829</b>	<b>95,394,484</b>
Less: Closing Stock				
Finished goods			76,214,722	119,175,962
Work-in-progress			11,556,141	3,741,868
			<b>(87,770,863)</b>	<b>(122,917,829)</b>
<b>TOTAL</b>			<b>35,146,966</b>	<b>(27,523,345)</b>

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

	Year ended on March 31, 2014 ₹	Year ended on March 31, 2013 ₹
<b>NOTE 24:</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
(a) Salaries and Wages	42,091,031	35,051,098
(b) Contributions to:		
(i) Provident fund & Other funds	1,918,583	1,721,246
(c) Employee welfare expenses	2,648,324	2,158,921
<b>TOTAL</b>	<b>46,657,938</b>	<b>38,931,265</b>
<b>NOTE 25:</b>		
<b>FINANCE COSTS</b>		
Interest expense	562,462	453,440
Other borrowing costs	476,948	-
<b>TOTAL</b>	<b>1,039,410</b>	<b>453,440</b>

## Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)

	Year ended on March 31, 2014		Year ended on March 31, 2013	
	₹	₹	₹	₹
<b>NOTE 26:</b>				
<b>OTHER EXPENSES</b>				
Laboratory Expenses		3,079,381		2,297,831
Power and Fuel		28,540,466		29,429,182
Rent & Society Maintenance charges		3,838,809		2,817,642
Repairs and Maintenance to:				
Machineries	6,853,794		18,383,148	
Building	1,276,309		7,216,280	
Others	5,060,774	13,190,877	6,299,417	31,898,845
Insurance Charges		2,980,968		2,199,420
Rates and Taxes:				
Sales Tax	818,247		–	
Profession Tax	2,000		2,000	
Service Tax	201,580		174,685	
Securities Transaction Tax	4,225		25,443	
Others	–	1,026,052	6	202,134
Processing & Micronising Charges		55,052,739		35,764,857
Foreign Exchange Loss		35,881,288		21,042,052
Testing Charges		508,516		465,323
Effluent Treatment Charges		107,705		162,448
Travelling & Conveyance Expenses		3,424,424		2,917,124
Shipment and Export Expenses		18,566,345		19,672,603
Freight and Forwarding		2,398,082		3,181,736
Motor Vehicle Expenses		3,592,573		2,806,206
Bank Charges		11,079,725		9,686,488
Postage, Telegram and Telephone Expenses		1,373,369		1,271,692
Brokerage and Commission		33,739,363		26,195,486
Membership Fees and Subscription		42,826		47,944
Sales Promotion Expenses (TDS ₹ Nil; Previous Year ₹ 4,480)		1,880,948		1,973,481
Professional Charges		3,055,028		2,478,234
Donation		1,561,000		1,535,000
Miscellaneous Expenses		17,016,356		16,034,291
Net (gain)/loss on sale of Fixed Assets		29,225		58,560
Prior Period Expenditure		19,661		368,868
Auditor's Remuneration (see Note 27)		812,926		763,486
<b>TOTAL</b>		<b>242,798,652</b>		<b>215,270,933</b>

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

	Year ended on March 31, 2014	Year ended on March 31, 2013
	₹	₹
<b>NOTE 27:</b>		
<b>PAYMENTS TO THE STATUTORY AUDITOR</b>		
(a) auditor	477,530	449,440
(b) for taxation matters	197,755	146,068
(c) for company law matters	-	-
(d) for management services	-	-
(e) for other services		
(i) Tax Audit	84,270	84,270
(ii) Limited review	42,135	56,180
(iii) Certification	-	8,427
(iv) Financial matters	11,236	16,854
	<u>137,641</u>	<u>165,731</u>
(f) for reimbursement of expenses	-	2,247
<b>TOTAL</b>	<b><u>812,926</u></b>	<b><u>763,486</u></b>

<b>NOTE 28:</b>		
<b>EARNINGS IN FOREIGN EXCHANGE</b>		
F.O.B. Value of Exports	1,008,041,173	983,494,042
<b>TOTAL</b>	<b><u>1,008,041,173</u></b>	<b><u>983,494,042</u></b>

<b>NOTE 29:</b>		
<b>EXPENDITURE IN FOREIGN CURRENCY:</b>		
Purchase of Raw Materials and Traded Goods (CIF Value of Imports)	1,765,646,187	1,827,547,779
Travelling, Telephone & General Expenses	797,201	607,207
Commission	12,891,051	11,773,911
Regulatory Expenses	1,021,948	-
Exhibition Expenses	1,792,763	1,135,452
Laboratory Equipment (Fixed Asset)	1,620,330	-
Computer Hardware (Fixed Asset)	16,328	-
Database Access Fee	372,044	88,241
<b>TOTAL</b>	<b><u>1,784,157,852</u></b>	<b><u>1,841,152,590</u></b>

**NOTE 30:**  
**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 for the Accounting year ended on March 31, 2014 (Contd..)

### NOTE 31:

#### RELATED PARTY DISCLOSURES

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

Particulars	Entities under direct or indirect control or substantial influence		Key Management Personnel		Relatives of Key Management Personnel		Total	
(i) Transactions during the year:								
Income								
Sales								
a) S. Kant Healthcare Ltd.	20,348,097	(41,436,208)	-	(-)	-	(-)	20,348,097	(41,436,208)
b) S. K. Age Exports	12,877,500	(3,155,000)	-	(-)	-	(-)	12,877,500	(3,155,000)
<b>TOTAL</b>	<b>33,225,597</b>	<b>(44,591,208)</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>33,225,597</b>	<b>(44,591,208)</b>
Processing Charges Received								
a) S. Kant Healthcare Ltd.	4,793,525	(7,048,282)	-	(-)	-	(-)	4,793,525	(7,048,282)
Testing Charges Received								
a) S. Kant Pharma Pvt. Ltd.	4,800	(-)					4,800	(-)
b) Eskay Iodine Pvt. Ltd.	2,400	(-)					2,400	(-)
c) S. Kant Healthcare Ltd.	45,000	(-)					45,000	(-)
d) Eskay Speciality Chemicals	253,200	(-)					253,200	(-)
<b>TOTAL</b>	<b>305,400</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>305,400</b>	<b>(-)</b>
Service charges received								
a) S. Kant Pharma Pvt. Ltd.	-	(532,866)	-	(-)	-	(-)	-	(532,866)
Sundry Income								
a) S. Kant Healthcare Ltd.	2,929	(-)	-	(-)	-	(-)	2,929	(-)
Expenses								
Processing Charges Paid								
a) S. Kant Healthcare Ltd.	-	(154,350)	-	(-)	-	(-)	-	(154,350)
Commission Paid								
a) S. Kant Chemicals Pvt. Ltd.	2,569,740	(2,852,164)	-	(-)	-	(-)	2,569,740	(2,852,164)
Rent Paid								
a) Sevantilal Kantilal & Co.	552,142	(-)	-	-	-	-	552,142	(-)
Purchases of Raw Material								
a) S. Kant Pharma Pvt. Ltd.	-	(580,978)	-	-	-	-	-	(580,978)
b) S. Kant Healthcare Ltd.	157,304	(110,113)	-	(-)	-	(-)	157,304	(110,113)
<b>TOTAL</b>	<b>157,304</b>	<b>(691,091)</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>157,304</b>	<b>(691,091)</b>
Reimbursement (receipt) of Exhibition Expenses								
a) S. Kant Pharma Pvt. Ltd.	319,302	(751,919)	-	(-)	-	(-)	319,302	(751,919)
b) S. Kant Healthcare Ltd.	445,879	(751,919)	-	(-)	-	(-)	445,879	(751,919)
c) Eskay Iodine Pvt. Ltd.	126,577	-	-	(-)	-	(-)	126,577	-
<b>TOTAL</b>	<b>891,758</b>	<b>(1,503,838)</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>891,758</b>	<b>(1,503,838)</b>
Managing Director's Remuneration								
a) Bipin N. Shah	-	(-)	4,496,488	(3,623,451)	-	(-)	4,496,488	(3,623,451)
Director's Sitting Fees								
a) Bharat N. Shah	-	(-)	-	(-)	19,500	(32,500)	19,500	(32,500)
Salary Paid								
a) Vivek B. Shah	-	(-)	-	(-)	600,000	(480,000)	600,000	(480,000)
b) Ritesh B. Shah	-	(-)	-	(-)	960,000	(828,000)	960,000	(828,000)
c) G. C. Sharda	-	(-)	-	(822,000)	-	-	-	(822,000)
<b>TOTAL</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(822,000)</b>	<b>1,560,000</b>	<b>(1,308,000)</b>	<b>1,560,000</b>	<b>(2,130,000)</b>

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

Particulars	Entities under direct or indirect control or substantial influence		Key Management Personnel		Relatives of Key Management Personnel		Total	
Donation								
a) Sevantilal Kantilal Trust	1,200,000	(1,500,000)	-	(-)	-	(-)	1,200,000	(1,500,000)
(ii) Year-end balances:								
Assets								
Trade Receivables								
a) S. Kant Healthcare Ltd.	9,060,678	(3,644,501)	-	(-)	-	(-)	9,060,678	(3,644,501)
b) S. Kant Pharma Pvt. Ltd.	-	(-)	-	(-)	-	(-)	-	-
c) S. K. Age Exports	3,950,000	(2,080,000)	-	(-)	-	(-)	3,950,000	(2,080,000)
<b>TOTAL</b>	<b>13,010,678</b>	<b>(5,724,501)</b>	<b>-</b>	<b>(-)</b>	<b>-</b>	<b>(-)</b>	<b>13,010,678</b>	<b>(5,724,501)</b>
Liabilities								
Trade Payables								
a) Bipin N. Shah	-	(-)	2,460,513	(1,812,807)	-	(-)	2,460,513	(1,812,807)
b) S. Kant Healthcare Ltd.	-	(213,728)	-	(-)	-	(-)	-	(213,728)
c) S. Kant Chemicals Pvt Ltd.	1,190,110	(458,475)	-	(-)	-	(-)	1,190,110	(458,475)
<b>TOTAL</b>	<b>1,190,110</b>	<b>(672,203)</b>	<b>2,460,513</b>	<b>(1,812,807)</b>	<b>-</b>	<b>(-)</b>	<b>3,650,623</b>	<b>(2,485,010)</b>

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

- 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, Eskay Iodine Pvt. Ltd. and S.Kant Chemicals Pvt. Ltd.
- Key Management Personnel: Bipin N. Shah (Managing Director)
- Relatives of Key Management Personnel: Bharat N. Shah, Bipin N. Shah (HUF), Ritesh B. Shah and Vivek B. Shah

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

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	2,584,494 (3,541,821)	2,869,000 (4,212,525)	- (-)
iv) Interest below section 372A of the Companies Act, 1956		-	-	-
		(-)	(-)	(-)

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

**NOTE 32:**

- 1 Details of the outstanding foreign exchanges derivative contracts entered into by the Company at year-end:**

Derivative Contract	March 31, 2014			March 31, 2013		
	No. of Contracts	Foreign Currency	₹	No. of Contracts	Foreign Currency	₹
Forward Contract	-	-	-	-	-	-

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

Particulars	March 31, 2014		March 31, 2013	
	Foreign Currency (USD)	₹	Foreign Currency (USD)	₹
<b>Liabilities</b>				
Trade Payables	8,498,178	510,959,578	7,440,462	403,710,880
Advance received from customers	14,047	843,807	7,983	432,459
(i)	8,512,225	511,803,385	7,448,445	404,143,339
<b>Assets</b>				
Trade Receivables	5,299,567	318,327,119	4,235,790	229,634,305
Shor-term loans and advances	5,333	321,974	4,874	264,720
(ii)	5,304,900	318,649,093	4,240,664	229,899,025
<b>Net (i)-(ii)</b>	<b>3,207,325</b>	<b>193,154,292</b>	<b>3,207,781</b>	<b>174,244,314</b>

**NOTE 33:**

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

- 1 Defined Contribution Plan:**

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

Particulars	March 31, 2014	March 31, 2013
Employer's Contribution to Provident Fund under the Employees Provident Funds and Miscellaneous Provisions Act, 1952	1,556,292	1,210,796
	<u>1,556,292</u>	<u>1,210,796</u>

- 2 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, 2014			March 31, 2013		
		Gratuity		Leave Encashment	Gratuity		Leave Encashment
		Unfunded	Funded	Unfunded	Unfunded	Funded	Unfunded
(a) <b>Assumptions:</b>							
Interest/Discount Rate	-	9.19%	9.19%	8.00%	8.00%	8.00%	
Rate of increase in compensation	-	10%	10%	10%	10%	10%	
Employee Attrition Rate [Past Service (PS)]:							
0 to 5	-	15%	15%	15%	15%	15%	
5 to 10	-	10%	10%	10%	10%	10%	
10 to 42	-	2%	2%	2%	2%	2%	
Expected average remaining service	-	11.83	11.83	15.84	10.17	11.96	

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

Sr. No.	Particulars	March 31, 2014			March 31, 2013		
		Gratuity		Leave	Gratuity		Leave
		Unfunded	Funded	Encashment	Unfunded	Funded	Encashment
<b>(b) Changes in Present Value of Obligation ₹</b>							
Present value of obligation at beginning of period	– 3,893,014	1,296,741		347,844	2,197,077	1,303,557	
Interest cost	– 306,694	87,731		27,828	172,300	93,760	
Current service cost	– 864,326	839,473		226,637	562,260	683,304	
Benefit paid	– (118,670)	(400,206)			(86,648)	(263,112)	
Actuarial (gain)/loss on obligation	– 440,169	169,915		619,523	(173,807)	(520,768)	
Present value of obligation at end of period	– 5,385,533	1,993,654		1,221,832	2,671,182	1,296,741	
<b>(c) Change in Fair Value of Plan Assets ₹</b>							
Fair value of plan assets at beginning of period	– 2,805,249			– 2,282,228			
Expected return on plan assets	– 256,547			– 218,967			
Contribution	– 372,093	400,206		– 388,122	263,112		
Benefit paid	– (118,670)	(400,206)		– (86,648)	(263,112)		
Actuarial (gain)/loss on plan assets	– 106			– 2,580			
Fair value of plan assets at end of period	– 3,315,325			– 2,805,249			
<b>(d) Fair Value of Plan Assets ₹</b>							
Fair value of plan assets at beginning of period	– 2,805,249			– 2,282,228			
Actual return on plan assets	– 256,653			– 221,547			
Contributions	– 372,093	400,206		– 388,122	263,112		
Benefit paid	– (118,670)	(400,206)		– (86,648)	(263,112)		
Fair value of plan assets at end of period	– 3,315,325			– 2,805,249			
Funded Status	– (2,070,208)	(1,993,654)		(1,221,832)	134,067	(1,296,741)	
Excess of actual over estimated return on plan assets	– 106			– 2,580			
<b>(e) Experience History ₹</b>							
(Gain)/Loss on obligation due to change in assumption	– (722,341)	(235,672)		795,309	1,299,898	(133,367)	
Experience (Gain)/Loss on obligation	– 1,162,510	405,587		(175,786)	(1,473,705)	(387,401)	
Experience (Gain)/Loss on plan assets	– 106			– 2,580			
<b>(f) Actuarial Gain/(Loss) recognised ₹</b>							
Actuarial Gain/(Loss) for the period (Obligation)	– (440,169)	(169,915)		(619,523)	173,807	520,768	
Actuarial Gain/(Loss) for the period (Plan Assets)	– 106			– 2,580			
Total Gain/(Loss) for the period	– (440,063)	(169,915)		(619,523)	176,387	520,768	
Actuarial Gain/(Loss) recognised for the period	– (440,063)	(169,915)		(619,523)	176,387	520,768	
Unrecognised Actuarial Gain/(Loss) at end of period	–			–			
<b>(g) Amount recognised in the Balance Sheet ₹</b>							
Present value of obligation at end of period	– 5,385,533	1,993,654		1,221,832	2,671,182	1,296,741	
Fair value of plan assets at end of period	– 3,315,325			– 2,805,249			
Funded Status	– (2,070,208)	(1,993,654)		(1,221,832)	134,067	(1,296,741)	
Unrecognised Actuarial Gain/(Loss)	–			–			
Net Assets/(Liability) recognised in the balance sheet	– (2,070,208)	(1,993,654)		(1,221,832)	134,067	(1,296,741)	

**Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)**

Sr. No.	Particulars	March 31, 2014			March 31, 2013		
		Gratuity		Leave	Gratuity		Leave
		Unfunded	Funded	Encashment	Unfunded	Funded	Encashment
<b>(h) Expenses recognised in the statement of Profit and Loss Account ₹</b>							
Current service cost	–	864,326	839,473	226,637	562,260	683,304	
Interest cost	–	306,694	87,731	27,828	172,300	93,760	
Expected return on plan assets	–	(256,547)	–	–	(218,967)	–	
Net Actuarial (Gain)/Loss recognised for the period	–	440,063	169,915	619,523	(176,387)	(520,768)	
Expenses recognised in the Statement of Profit and Loss Account	–	1,354,536	1,097,119	873,988	339,206	256,296	
<b>(i) Balance Sheet Reconciliation ₹</b>							
Opening Net Liability	–	1,087,765	1,296,741	347,844	(85,151)	1,303,557	
Expenses as above	–	1,354,536	1,097,119	873,988	339,206	256,296	
Contribution paid	–	(372,093)	(400,206)	–	(388,122)	(263,112)	
Closing Net Liability	–	2,070,208	1,993,654	1,221,832	(134,067)	1,296,741	
<b>(j) Revised Schedule VI</b>							
Current Liability	–	795,791	709,290	71,592	–	178,405	
Non-Current Liability	–	1,274,417	1,284,364	1,150,240	2,671,182	1,118,336	

**NOTE 34:**

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

Particulars		Year ended on March 31, 2014	Year ended on March 31, 2013
Profit attributable to the equity shareholders	(i)	175,899,544	125,350,313
Weighted average number of equity shares outstanding during the year	(ii)	8,352,000	8,352,000
Nominal value of equity shares		5	5
<b>Basic/diluted Earnings per share</b>	<b>(i)/(ii)</b>	<b>21.06</b>	<b>15.01</b>

**NOTE 35:**

**FOREIGN REMITTANCE OF DIVIDEND:**

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:

Particulars	Year ended on March 31, 2014 (Final Dividend)	Year ended on March 31, 2013 (Final Dividend)
(a) Numbers of Non Resident Shareholders	66	59
(b) Number of Equity Shares held by them	25,453	21,258
(c) Amount of Dividend Paid (Gross in ₹)	152,718	116,919
(d) Tax Deducted at Source	–	–
(e) Year to which dividend relates	2012-2013	2011-2012
	<b>(Interim Dividend)</b>	<b>(Interim Dividend)</b>
(a) Numbers of Non Resident Shareholders	65	–
(b) Number of Equity Shares held by them	28,670	–
(c) Amount of Dividend Paid (Gross in ₹)	35,838	–
(d) Tax Deducted at Source	–	–
(e) Year to which dividend relates	2013-2014	–

## Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)

### NOTE 36:

#### IN-HOUSE RESEARCH AND DEVELOPMENT FACILITY

- 1 During the financial year 2012-2013, the Company has set up an in-house Research and Development facility at A-514, TTC Industrial Area, Mahape, Navi Mumbai 400701. This facility has commenced research and development work on May 1, 2012. The facility has been recognised by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India vide its letter dated December 31, 2012 upto December 31, 2015.
- 2 The details of Capital & Revenue expenditure incurred on the in-house research and development facility is as under:

#### 2.1 Details of Capital expenditure incurred

Description/Gross Block of Fixed Asset (at Cost)	Year ended on	Year ended on
	March 31, 2014	March 31, 2013
	₹	₹
Laboratory Equipments & Instruments	867,821	11,225,500
D.G. Power Generator	–	675,000
Furniture & Fixtures	26,590	556,000
Office Equipments	78,507	493,500
Motor Car	1,528,989	622,652
Electrical Installations	–	112,000
Office Equipments	101,333	39,483
Computer Software	151,955	–
Computer Hardware	44,962	36,799
	<b>2,800,157</b>	<b>13,760,934</b>
Less: Assets Sold / Transferred	<b>(296,764)</b>	<b>(150,000)</b>
<b>Total (i)</b>	<b>2,503,393</b>	<b>13,610,934</b>

#### 2.2 Details of Revenue expenditure incurred

Particulars	Year ended on	Year ended on
	March 31, 2014	March 31, 2013
	₹	₹
Employee benefit Expenses	4,866,048	2,655,199
Finance cost	85	1,038
Depreciation and amortization expenses	1,970,543	1,807,886
Other expenses	9,505,150	6,745,613
<b>Total (ii)</b>	<b>16,341,826</b>	<b>11,209,736</b>
<b>Total (i) + (ii)</b>	<b>18,845,219</b>	<b>24,820,670</b>

As per our report of even date  
**For S. I. MOGUL & CO.**  
 Chartered Accountants  
 Firm Registration No. 106512W

**S. I. MOGUL**  
 Partner  
 Membership No. 5572  
 Mumbai: May 23, 2014

**For ANUH PHARMA LIMITED**

Managing Director Director

Mumbai : May 23, 2014

## Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)

### NOTE 37:

#### 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. The 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 and Amortization:

Depreciation is provided on *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. Intangible Assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised.

##### 7. 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.

##### 8. 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.

##### 9. 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. The 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.

## Notes on Financial Statement for the Accounting year ended on March 31, 2014 (Contd..)

### 10. 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.

### 11. 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.

### 12. 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.

### 13. 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.

### 14. Sundry Debtors and Loans and Advances:

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

### 15. 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.

### 16. 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.

### 17. Research and Development:

Revenue expenses on Research and Development is recognised as an expenses in the year in which it is incurred and expenditure on capital assets is depreciated over the useful life of the assets.

### 18. Material Events:

Material events occurring after the balance sheet date are taken into cognizance.

### 19. Other Accounting Policies:

These are consistent with the generally accepted accounting principles.

**BIPIN SHAH**  
*Managing Director*

**LALIT KUMAR SHAH**  
*Director*



## ATTENDANCE SLIP

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

Joint Shareholders may obtain additional Slip at the venue of the meeting.

**CIN** : L24230MH1960PLC011586

**Name of the company** : ANUH PHARMA LTD.

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

D. P. ID*		Folio No.	
Client ID*		No. of Shares	

Name and Address of the Shareholder : \_\_\_\_\_

I hereby record my presence at the 54TH ANNUAL GENERAL MEETING of the Company held on Friday, September, 12, 2014 at 3.00 P.M at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018.

\_\_\_\_\_  
Signature of Shareholder/ Proxy

\* Applicable for investors holding shares in electronic form. Signature of Shareholder / proxy

## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**CIN** : L24230MH1960PLC011586

**Name of the company** : ANUH PHARMA LTD.

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

Name of the member(s):	
Registered address:	
e-mail Id:	
Folio No/ *Client Id:	
*DP Id:	

I/We, being the member(s) of shares of Anuh Pharma Ltd., hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him  
2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him  
3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ and whose

signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 54th Annual General Meeting of the Company, to be held on Friday, September 12, 2014 at 3.00 P.M. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the year ended 31st March, 2014.
2.	Re-appointment of Mr. Jayantilal P. Shah(DIN: 00083146)as Director
3.	Re-appointment of Mr. G. C. Sharda (DIN: 06583340) as Director
4.	Appointment of auditors of the company and to fix their remuneration.
5.	Declaration of dividend for the Financial Year 2013-14.
6.	Appointment of Ms. Rajeshree T. Gor (DIN: 06873519) as a Director.
7.	Re-appointment of Mr. Bipin N. Shah (DIN: 00083244) as Managing Director and fix his remuneration

8.	Re-appointment of Mr. Girikrishna Maniar, (Fellow Membership No. 8202) as Cost Auditor.
9.	Appointment of Mr. Arun Tadarwal, Director (DIN: 00020916) as an Independent Director
10.	Appointment of Mr. J. G. Shah, Director (DIN: 00372600) as an Independent Director
11.	Appointment of Mr. Dilip G. Shah, Director (DIN: 01989812) as an Independent Director
12.	Appointment of Mr. Sandeep Joshi, Director (DIN: 00516409) as an Independent Director

Signed \_\_\_\_\_ day of \_\_\_\_\_ 2014.

\_\_\_\_\_  
Signature of Shareholder

Affix a  
₹ 1/-  
Revenue  
Stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

\* *Applicable for investors holding shares in electronic form.*

**Notes :**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (5) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



# Certificate of Excellence

presented to

**Anuh Pharma Ltd**

in recognition of exemplary growth.

  
Anuradha Das Mathur  
Publisher, Inc. India

  
Shreyasi Singh  
Managing Editor, Inc. India

CREATED BY  


POWERED BY  




**Anuh Pharma Ltd. Silver Jubilee Celebrations  
26th January 2014**



**Registered Head Office**

3-A Shivasagar Estate, North Wing, Dr. Annie Besant Road,  
Worli, Mumbai 400 018 • Tel : (022) 6622 7575  
Web: www.anuhpharma.com • email: anuh@sk1932.com

**Manufacturing Unit**

E-17/3 & 17/4 M.I.D.C., Tarapur,  
Boisar, Dist. Thane - 401 506  
Tel: 02525 605361

**R&D Lab**

A-514, TTC Industrial Area, MIDC, Mahape,  
Navi Mumbai - 400 701 • Tel : 022 27781881  
email: research@anuhpharma.com

**FORM B**  
**(Pursuant to Clause 31(a) of the Listing Agreement)**

**Covering letter of the annual audit report to be filed with the stock exchanges**

1.	Name of the Company	Anuh Pharma Limited
2.	Annual financial statements for the year ended	31st March, 2014
3.	Type of Audit observation	Qualified
4.	Frequency of observation	Observed first time in FY 2013-14.
5.	Draw attention to relevant notes in the annual financial statement and management response to the qualification in the directors report:	<p><b>Observation:</b> The Company has earned testing charges of Rs. 253,200/- from Eskay Speciality Chemicals during financial year 2013-2014. However, the company has not obtained Central Government approval under section 297 of the Act for this transaction. Our opinion is not qualified in respect of this matter.</p> <p><b>Management Response:</b> In future Company will take due care while entering into such kind of the transactions.</p>
5.	<p>To be signed by-</p> <ul style="list-style-type: none"> <li>• CEO/Managing Director</li> <li>• CFO</li> <li>• Auditor of the company</li> <li>• Audit Committee Chairman</li> </ul>	<p>Bipin Shah ( <u><i>Bipin Shah</i></u> )</p> <p>Darshan Rampariya ( <u><i>D. Rampariya</i></u> )</p> <p style="text-align: center;"><b>For S. I. MOGUL &amp; CO.</b></p> <p>S.I Mogul &amp; Co ( <u><i>S. I. Mogul</i></u> ) Partner</p> <p>Jasvantlal G Shah ( <u><i>Jasvantlal G. Shah</i></u> )</p> 