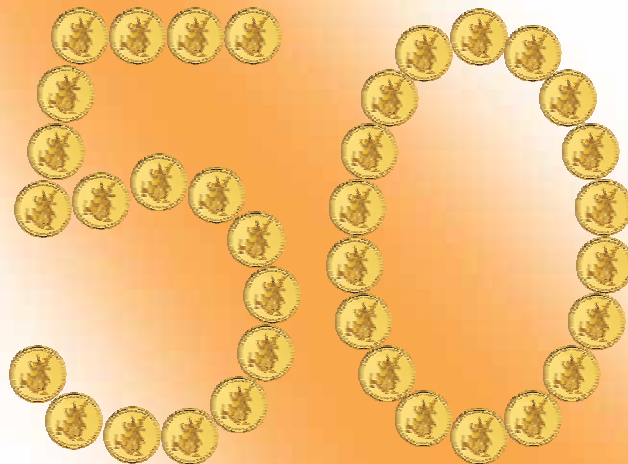


Entering into 50th year



49th Annual Report 2008-2009

ANUH PHARMA LIMITED

ANUH PHARMA LTD.

Forty Ninth Annual Report of the Board of Directors
with the Audited Statement of Accounts for the year ended 31st March, 2009

Board of Directors	: Mr. J. P. Shah, Chairman Mr. Bipin N. Shah, Managing Director Mr. L. P. Shah Mr. Bharat N. Shah Mr. J. G. Shah Mr. Dilip G. Shah Mr. Arun L. Todarwal
Auditors	: M/s. S. I. MOGUL & CO. Chartered Accountants Mumbai
Bankers	: BANK OF INDIA
Registrars and Transfer Agents	: BIGSHARE SERVICES PVT. LTD. E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072 Tel : (022) 2847 0652 / 53
Registered Office	: 3-A Shivasgar Estate, North Wing, Dr. Annie Besant Road, Worli, Mumbai 400 018 Tel : (022) 6622 7575
Factory	: E-17/3 & 17/4 M.I.D.C., Tarapur, Boisar, Dist. Thane – 401 506

NOTICE

FORTY NINTH ANNUAL GENERAL MEETING of the Members of ANUH PHARMA LIMITED will be held at 11.30 a.m. on Wednesday, 16th September, 2009, at M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Road, 18/20 K. Dubash Marg, Mumbai 400 001 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors, Auditors.
2. To declare Dividend for the financial year ended 31st March, 2009.
3. To appoint a Director in place of Mr. L. P. Shah 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.

SPECIAL BUSINESS :

5. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :
“RESOLVED THAT Mr. Arun Todarwal, who was appointed as an Additional Director of the company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 137 of the Articles of Association of the Company and who holds office upto the date of the ensuing Annual General Meeting and being eligible for re-appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956, proposing his 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.”
6. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following :
“RESOLVED THAT pursuant to Sections 198, 269 and 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval to the re-appointment of and remuneration of Mr. Bipin N. Shah as Managing Director of the Company for a period of five years with effect from April 1, 2009 till March 31, 2014 on the terms and conditions (including remuneration) as set out in Notice for this meeting with the liberty to the Board to alter or vary the terms of remuneration, as the Board may deem fit.”
7. To consider and, if thought fit, to pass, with or without modification, as a Special Resolution the following:
“RESOLVED THAT pursuant to Section 314 (1B) and other applicable provisions, if any, of the Companies Act 1956, the consent of the company be and is hereby accorded to increase the remuneration payable to Mr. Vivek Shah, Senior Executive, Biotechnology, effective from April 1, 2009, from existing stipend Rs. 9,500/- per month to a sum to be fixed by the Board from time to time, not exceeding Rs. 50,000/- per month including bonus, contribution to statutory provident fund and other perquisites.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take necessary steps in this regard.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
“RESOLVED THAT the Authorised Share Capital of the Company be increased from Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs only) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs. 5/- (Rupees Five only) each to Rs. 10,00,00,000/- (Rupees Ten crores only) divided into 2,00,00,000 (Two crores only) Equity Shares of Rs. 5/- (Rupees Five only) each ranking *pari passu* with existing shares of the Company and consequently sub-clause (i) of Clause V of the Memorandum of the Association of the Company be altered and substituted by the following :
V. The Authorised Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten crores only) divided into 2,00,00,000 (Two crores only) Equity Shares of Rs. 5/- (Rupees Five only) each.

RESOLVED FURTHER THAT any one of the present Directors of the Company, be and is hereby authorised to take necessary steps to give effect to the increase in the Authorised Share Capital as above and to take the consent of the members for alteration of the capital clause of the Memorandum of Association.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT the Article No. 6 of the Articles of Association be altered and substituted by the following:

6. The Authorised Share Capital of the Company is same as mentioned in clause No. V of the Memorandum of Association.

RESOLVED FURTHER THAT any one Director of the Company be and is hereby authorized to take necessary steps to give effect to above and to take the consent of the members for alteration of the capital clause of the Articles of Association.”

For and on behalf of the Board of Directors

Sd/-

J. P. SHAH
Chairman

Registered Office:

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

Place: Mumbai

Date: 31st July, 2009

NOTES :

1. The Register of Members and Share Transfer Book of the Company shall remain closed from **11th September, 2009** to **16th September, 2009** (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 7 days before the Annual General Meeting so that the same can be suitably replied.
4. Those Members who have so far not encashed their Dividend Warrants for earlier financial years may claim or approach the Company for payment, otherwise, the same will be transferred to the notified Fund as per the provision of Section 205 of the Companies Act, 1956.
5. Members are requested to notify change in address, if any, immediately to the Company at its Registered Office, quoting their Folio Numbers.
6. The relative Explanatory Statement, pursuant to Section 173(2) in respect of the special business set out in the accompanying Notice is annexed hereto.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No. 5

Mr. Arun Todarwal was appointed as an Additional Director of the company with effect from October 24, 2008 under Article 137 of the Articles of Association of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Arun Todarwal 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 257 of the Companies Act, 1956 signifying his intention to propose Mr. Arun Todarwal as a candidate for the office of Director of the Company. The requisite sum of Rs. 500/- as a deposit has been duly received from the member.

The Board recommends his appointment.

None of the Directors are, in any way, concerned or interested in the resolution except Mr. Arun Todarwal.

Item No. 6

The Board of Directors of the Company at its meeting held on April 29, 2009 re-appointed Mr. Bipin N. Shah as Managing Director of the Company for a period of five years with effect from April 1, 2009 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 re-appointed as the Managing Director of the Company. Hence, the Board recommends to the Members his re-appointment as a Managing Director of the Company.

The terms and conditions of the appointment are:

- i) Salary Rs. 92,000/- per month with such increments as may be decided by the Board subject to a ceiling of Rs.1,61,000/- per month.
- ii) Commission on net profit - at such rate as may be decided by the Board of Directors from time to time subject to a minimum of one per cent (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 Rs. 5,000/- per Annum.
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.

In accordance with the provisions of Section 269 and 309 of the Companies Act, 1956, the terms of remuneration specified above are now being placed before the members in General meeting for their approval.

This may be treated as an abstract of the terms of re-appointment of Mr. Bipin N. Shah pursuant to the provisions of Section 302 of the Act.

Mr. Bipin N. Shah Managing Director is concerned or interested in this resolution accompanying notice as it is for his own re-appointment Also. Mr. Bharat Shah. Director, who is a brother of Mr. Bipin N. Shah is also interested being a relative of Mr. Bipin N. Shah.

Item No. 7

Mr. Vivek B. Shah, who is the son of Mr. Bipin N. Shah, Managing Director, has been working as a Executive Trainee of the company since 1st October, 2008. In the Board Meeting of the company held on 24th October, 2008 the Board had approved his remuneration to Rs. 9,500/- effective from 1st October, 2008.

During the course of his training Mr. Vivek B. Shah, who is a M.Sc. in Biotechnology, has shown excellent technical skills and good progress in management of plant affairs. The Board in appreciation of his service, considers it appropriate to raise the remuneration payable to him, to be fixed by the Board from time to time, not exceeding

Rs. 50,000/- per month including bonus, contribution to statutory provident fund and other perquisites, which is to be effective from April 1, 2009.

Mr. Bipin N. Shah is concerned or interested in this resolution who is father of Mr. Vivek Shah.

Item No. 8

Considering the size of Company's operation and its future requirements of funds it is proposed to increase the authorised share capital of the Company from Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs only) divided into 30,00,000 (Thirty Lakhs only) Equity Shares of Rs. 5/- (Rupees Five only) each to Rs. 10,00,00,000/- (Rupees Ten crores only) divided into 2,00,00,000 (Two crores only) Equity Shares of Rs. 5/- (Rupees Five only). The proposed increase in Authorised Share Capital of Rs 10,00,00,000/- (Rupees Ten crores only) will consist of 2,00,00,000 (Two crores only) Equity Shares of Rs. 5/- (Rupees Five only) each. The proposed increase in authorised share capital of the Company will require alterations / addition of relevant provisions / clause of Memorandum of Association of the Company.

As per the provisions of Section 16 of the Companies Act, 1956 a company may by requisite resolution alter its Memorandum of Association.

None of the Directors is concerned or interested in the resolutions. Your Board recommends the resolutions for your approvals.

Item No. 9

Since the Companies Authorised Share Capital increases the Company has to alter its Article 6 of Articles of Association of the Company. Pursuant to the provisions of Section 31 of the Companies Act, 1956, Company can alter its Articles of Association, subject to the approval of the members of the Company by way of a Special Resolution passed at the meeting of the Members of the Company.

None of the Directors is concerned or interested in the resolutions. Your Board recommends the resolutions for your approvals.

For and on behalf of the Board of Directors

Sd/-

J. P. SHAH
Chairman

Place: Mumbai
Date: 31st July, 2009

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in placing before you the 49th Annual Report of the Company along with the Accounts for the year ended 31st March, 2009:

FINANCIAL HIGHLIGHTS

Accounting Year	(Rupees in Lakhs)	
	2008-2009	2007-2008
Sales	12051	11087
Other Income	175	322
Profit before interest, depreciation and taxation	1520	1272
Interest	83	23
Depreciation	112	107
Provision for taxation (net)	425	364
Profit after tax	900	778
Profit and Loss Account balance B/f	342	275
Profit available for Appropriation	1242	1053
Transfer to General Reserve	450	450
Proposed Dividend/Interim Dividend	320	223
Tax on Dividend	54	38
Balance carried to the Balance Sheet	418	342

DIVIDEND

For the year under review, the Directors have recommended a normal Dividend of Rs. 9/- per share i.e. @ 180% (Rs. 8/- per share i.e. @ 160% for the previous year), on the Equity Shares of face value of Rs. 5/- each of the company.

On the occasion of Golden Jubilee year of the company, your Directors are pleased to also recommend a one time special Dividend of Rs. 2.50 per Share i.e. 50% on the Equity shares of face value of Rs. 5/- each.

OPERATIONS

The sales and operating income for the year ended 31st March, 2009 amounted to Rs. 12051.35 lakhs as against Rs. 11087.14 lakhs for the previous year. Thus the turnover of the company has increased by about 8.70% as compared to last year's turnover.

During the year 2008-09 profit before tax as compared to last year has increased by 16.05% from Rs. 1142.20 lakhs to Rs. 1325.48 lakhs and profit after tax has increased by 15.64% from Rs. 778.43 to Rs. 900.17 lakhs.

EXPORTS

Exports for the year ended 31st March, 2009 have increased by about 12.31% from Rs. 5022.84 lakhs to Rs. 5641.13 lakhs.

CURRENT OUTLOOK

The company expects to maintain the tempo of growth during the current year as well, and may achieve record sales and net profit. During the year the company completed the on going expansion of its Plant, thus increasing the installed capacity by 150 MT per annum.

DIRECTORS

Mr. S. P. Sonawala, who was an Independent non-Executive Director of the company, passed away on June 29, 2009. The Board places on record its sincere appreciation for the valuable guidance extended and the contribution made by him during his association with the company.

Mr. Arun Todarwal was appointed as an additional Director on the Board with effect from October 24, 2008. Mr. Arun Todarwal holds office as a Director upto the date of the ensuing Annual General Meeting of the Company, a notice in writing under Section 257 of the Companies Act, 1956 has been received by the Company to appoint Mr. Arun Todarwal as a Director of the Company.

Mr. L. P. Shah retires by rotation at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment.

LISTING ON THE STOCK EXCHANGES

The Company's shares are listed with Bombay Stock Exchange Ltd. and the Company has paid the necessary listing fees for the Financial Year 2009-10.

FIXED DEPOSITS

The Company has not accepted or renewed any Fixed Deposits within the meaning of Section 58-A of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March, 2009:-

- 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, 2009 and of the profit or loss of the Company for the year ended on that date.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the directors had prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO {SECTION 217 (1)(E)}

As required under Rule 2 of the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure 'A' and forming part of this report.

SECRETARIAL COMPLIANCE REPORT

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

AUDITORS

M/s. S. I. Mogul & Co., Chartered Accountants, the Statutory Auditors of the Company retire at this Annual General Meeting and are eligible for the re-appointment as Auditors of the company to hold the office from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Directors recommend re-appointing M/s. S. I. Mogul & Co., as auditors of the company. A certificate has been received from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limits u/s. 224 (1B) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation 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.

For and on behalf of the Board of Directors

Sd/-

J. P. SHAH
Chairman

Registered Office:

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

Place: Mumbai.

Date: 31st July, 2009



ANNEXURE 'A' TO THE DIRECTORS REPORT

(Under Section 217(1)(e) of the Companies Act, 1956)

1. CONSERVATION OF ENERGY:

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

A. Power and fuel consumption:

	<u>Current Year 2008-09</u>	<u>Previous Year 2007-08</u>
1. Electricity		
(a) Purchased		
Units	1560560	1600200
Total amount (Rs. In lacs)	71.46	76.31
Rate / unit (Rs.)	4.58	4.77
(b) Own generation		
Rate / Unit (Rs.)	Nil	Nil
2. Coal	Nil	Nil
3. Light Diesel Oil		
Quantity (KL)	77.65	94.98
Total cost (Rs. In lacs)	29.31	27.34
Average rate per ltr. (Rs.)	37.75	28.78
4. Other / Internal generation	N. A.	N. A.
B. Consumption per unit of production		
Electricity KWH	3.96	3.17
Light Diesel Oil Ltrs.	0.20	0.19
Coal	N. A.	N. A.
Other	N. A.	N. A.

2. TECHNOLOGY ABSORPTION

A. Research & Development (R&D)	Nil	Nil
B. Technology absorption, adoption and innovation	Nil	Nil

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

- A. **Earnings** : The FOB value of export of the company during the year aggregated to Rs. 535.00 millions as against Rs. 498.63 millions in the previous year.
- B. **Outgo** : The C&F value of outgo in foreign exchange of the company by way of imports, payment of commission, exhibition and travelling expenses aggregated to Rs. 802.29 millions during the year as against Rs. 810.41 millions in the previous year.

COMPLIANCE CERTIFICATE

CIN of the Company: U24230MH1960PLC011586

Nominal Capital: 1,50,00,000 /-

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

We have examined the registers, records, books and papers of **ANUH PHARMA LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2009**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to me/us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder.
3. The Company, being Public Limited Company, comments under Section 3(1)(iii) of the Companies Act, 1956, applicable to private company are not required.
4. The Board of Directors duly met **5 times** on **29th April, 2008, 29th July, 2008, 8th August, 2008, 24th October, 2008** and **30th January, 2009**, 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 **8th September, 2008 to 12th September, 2008 (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, 2008 was held on 12th September, 2008 after giving due notice to the Members of the Company and the resolution passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors and/or persons or firms referred in the Section 295.
9. The Company has duly complied with the provisions of the Section 297 of the Act in respect of contracts specified in that section during the year under scrutiny.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. The Company has obtained necessary approvals from the Members as required pursuant to the provisions of Section 314 of the Act wherever applicable.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
 - (i) There was no allotment during the F.Y. 2008-2009 and has delivered all the certificates on lodgement thereof for transfer / transmission or any other purpose during the F.Y. 2008-2009 in accordance with the provisions of the Act.
 - (ii) deposited the amount of dividend declared on **12th September, 2008** in a separate Bank Account on **17th September, 2008** which is within 5 days from the date of declaration of such dividend.
 - (iii) paid /posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration.
 - (iv) 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 **2000-2001** during the Financial Year **2008-2009**.

- (v) 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 have been made, as applicable;
 15. The Company has not appointed any Managing Director / Whole-time Director during the financial year under scrutiny.
 16. The Company has not appointed any sole-selling agents during the financial year.
 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
 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 F.Y. ending on 31st March, 2009.
 20. The Company has not bought back any shares during the financial year ending on 31st March, 2009.
 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 ending **31st March, 2009** 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 and has made necessary entries in the register kept for the purpose.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under review.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to the name of the company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to the share capital of the company during the year under scrutiny and complied with the provisions of the Act.
 30. The Company has not altered its Articles of Association during the year under scrutiny.
 31. There were no prosecution initiated against the Company and no fines or penalties or any other punishment was imposed on the company during the financial year for offences under the Companies Act.
 32. The Company has not received any money as security from its employees during the financial year.
 33. As informed to us, the Provident Fund contributions has been generally deposited regularly during the year with the prescribed authorities.

For Sanjay Doshi & Associates
Company Secretaries

Sd/-

SANJAY DOSHI
Proprietor
C.P. No.: 7595

Place : Mumbai
Date : 31st July, 2009

ANNEXURE A
Registers maintained by the Company :

Particulars	Under Section
1. Register of Members	u/s 150
2. Register of Transfers	-
3. Books of Accounts	u/s 209.
4. Register of Particulars of Contracts in which Directors are interested	u/s 301
5. Register of Proxies	-
6. Register of Directors, Managing Directors, Manager & Secretary	u/s 303
7. Register of Directors Shareholdings	u/s 307
8. Register of Charges	u/s 143
9. Index of Members	u/s 151
10. Register of Directors' Attendance	-
11. Register of Shareholders' Attendance	-
12. Register of Fixed Assets	-
13. 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, 2009.

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 fee paid Yes / No
1.	23 AC & ACA	210 & 220	Balance Sheet as at 31.03.08	20.09.08	Yes	N.A.
2.	66	383(A)	Compliance Certificate for 2007-08	20.09.08	Yes	N.A.
3.	20B	159	Annual Return 2007-08	20.10.08	Yes	N.A.
4	32	303	Change in Designation	10.10.08	Yes	N.A.
5	32	303	Change in Director	04.11.08	Yes	N.A.
6	1	205C	Transfer to Investor - Education & Protection - Fund for the F.Y. 2000-01	11.12.08	Yes	N.A
7	23	192	Registration of Resolution	25.07.08	No	Yes

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL PHARMACEUTICAL MARKET

The global pharmaceutical industry grew up by 10% in 2008 (*Source: imsorg report*). The growth was attributed to the economic, structural, political and health dynamics across the countries. At present, the growth and market potential is shifting from matured to emerging markets.

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

INDIAN PHARMACEUTICAL MARKET

The Indian pharmaceutical sector is growing at a very rapid pace. Today, India is recognized as one of the leading global players in the pharmaceutical industry.

It is estimated that by 2014, the Indian pharmaceutical industry will be able to achieve sales turnover of over Rs.1,00,000 crores in formulations and bulk drug production. Exhibiting a consistent growth of 9.5% for the last five years, Indian pharmaceutical industry is expected to have a growth rate of 13.6% by 2010.

The bulk raw materials from India are getting very popular and many plants have received US FDA and EDQM approvals.

MANUFACTURING

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

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

The company has also submitted DMF to USFDA and EDQM authorities for Erythromycin, Pyrazinamide & Clobetasol Propionate.

The company has also received plant approvals from several MNCs.

We had further undertaken expansion of our plant capacity and it was commissioned in September 2008.

QUALITY

Quality is the key factor for any API business and Anuh Pharma Ltd. embodies a high reputation for quality. An array of quality control tests conducted with the latest laboratory testing equipments covers the company's entire production processes. We have added a number of sophisticated instruments like HPLC, GC, etc.

RESEARCH & DEVELOPMENT

Anuh Pharma Ltd. is leveraging on its strong R&D foundations and is looking towards exploiting the niche products segment in as many markets as possible.

The company's focus is to develop multistep non-infringing processes for generic APIs that are novel to the Indian and International markets.

We are also studying the possibilities of entering Biotech – pharma related products line.

HUMAN RESOURCES

Anuh Pharma Ltd. has always acknowledged its human capital as the most important and fundamental source of its success. Consequently, a steady and well managed HR department heads the company and 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 8.70% to Rs. 12051.35 lakhs from Rs. 11087.14 lakhs.

The company generated Rs. 1325.48 lakhs in net profit after extraordinary items as compared to Rs. 1142.20 lakhs in the previous year.

OPPORTUNITIES AND OUTLOOK

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

The company is looking at different opportunities in untapped markets and also across a value chain. It plans for alliances with business associates in the global market, giving a huge boost to the selective products that it already deals in.

We are fully conscious of our responsibility toward our customers. Our efforts are directed toward the fulfilment 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 2008-09.

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 7 Directors, of which 1 is Executive Director, 3 are Non-Executive Directors and remaining 3 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

1. Shri Arun Todarwal was appointed as an additional Independent Non-Executive Director on October 24, 2008.
2. Shri S. P. Sonawala, who was an Independent Non-Executive Director passed away on June 29, 2009.

(B) No. of Board Meetings

The Board of Directors met 5 times during the year under review. The meetings of the Board of Directors were held on various dates as follows:

(1) April 29, 2008 (2) July 29, 2008 (3) August 8, 2008 (4) October 24, 2008 and (5) January 30, 2009. 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 Meetings.

Name of the Director	Designation	Category	No. of Board Meetings held during the year	No. of Board Meetings attended during theYear	Attendance at last AGM Held on September 12, 2008
Shri J. P. Shah	Chairman	Promoter Non-Executive Director	5	4	Yes
Shri Bipin N. Shah	Managing Director	Promoter Executive Director	5	5	Yes
Shri L. P. Shah	Director	Promoter Non-Executive Director	5	5	Yes
Shri Bharat N. Shah	Director	Promoter Non-Executive Director	5	3	Yes
Shri J. G. Shah	Director	Independent Non-Executive Director	5	4	Yes
Shri S. P. Sonawala*	Director	Independent Non-Executive Director	5	5	Yes
Shri Dilip G. Shah	Director	Independent Non-Executive Director	5	3	No
Shri Arun Todarwal**	Additional Director	Independent Non-Executive Director	5	1	No

* Shri S. P. Sonawala ceased to be a Director from June 29, 2009.

** Shri Arun Todarwal was appointed as an Additional Director with effect from October 24, 2008.

(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 49IV(G) of the listing agreement on Directors seeking appointment / re-appointment :

Mr. L. P. Shah

Mr. L. P. Shah aged 71 years is a graduate in Pharmacy from University of Gujarat and is a Non-Executive Director of the Company since October 1980. He has 48 years experience in managing pharmaceutical business and industry.

He is also a Director in the following companies:

1. S. Kant Pharma Pvt. Ltd.
2. S. Kant Chemicals Pvt. Ltd.
3. S. Kant Healthcare Limited
4. L. P. Shah Holdings & Trades Pvt. Ltd.

He is also a Trustee of Sevantilal Kantilal Trust.

Shri Arun Todarwal

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. Arun Todarwal is also a member of the Institute of Internal Auditors, National Centre for Quality Management, Bombay Management Association and Bombay Chartered Accountants Society. His vast experience has put him on panel of Auditors with the Registrar of Co-operatives Societies and the Official Liquidator, Mumbai High Court.

Mr. Arun Todarwal is a director of the following:

1. Sterlite Technologies Limited
2. Madras Aluminium Company Limited
3. Sterlite Shipping Ventures Private Limited
4. Welspun India Limited
5. Graviss Hospitality Limited
6. Graviss Hotels & Resorts Limited
7. Muthukumarsamy Textiles Limited

He is also the Chairman / Member of the following committees:

Sterlite Technologies Limited:

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

Madras Aluminium Company Limited:

- Audit Committee – Member
- Share Holders & Investor Grievances Redressal Committee – Member

Welspun India Limited:

- Audit Committee – Member
- Remuneration Committee – Member

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

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, 2009 are as follows:

Name of Director	Sitting Fees (Rs.)	Salary & Perquisites (Rs.)	
Shri Bipin N. Shah	–	Salary & perquisites	11,21,625
		Commission	12,84,756
		Total	24,06,390
Shri J. P. Shah	18,000	–	
Shri Bharat N. Shah	13,500	–	
Shri Lalit P. Shah	22,500	–	
Shri J. G. Shah	45,000	–	
Shri S. P. Sonawala	49,500	–	
Shri Dilip G. Shah	31,500	–	
Shri Arun Todarwal	9,000	–	

II. AUDIT COMMITTEE

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

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

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

The terms of Reference to this Committee, *inter alia*, covers all the matters, specified under Section 292(A) of the Companies Act, 1956 and also all the matters listed under Clause 49 of the Listing Agreement with the Stock Exchange such as oversight of the Company's financial reporting process ; recommending the appointment / re-appointment 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 that are required to be mandatorily reviewed by it under the corporate governance.

The Audit Committee met 6 times (Including one adjourned meeting) during the year under review. The meetings were held on various dates as follows:

(1) April 26, 2008 (2) July 24, 2008, (3) August 8, 2008 (4) October 21, 2008 (5) January 24, 2009 and (6) February 24, 2009.

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. J. G. Shah	6	6
Mr. S. P. Sonawala	6	6
Mr. Bipin N. Shah	6	6
Mr. Dilip G. Shah	6	4

COMPANY SECRETARY

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

III. SHARE TRANSFER CUM INVESTORS GRIEVANCE COMMITTEE

The Share transfer cum Investors Grievance Committee consists of 3 Directors. Shri Lalit P. Shah, Shri Bharat N. Shah and Shri Bipin N. Shah. Shri Lalit P. Shah, Non-Executive Director, is the Chairman of the Committee. No transfers were pending as on March 31, 2009. The Company received 3 (three) complaints during the year under review and the same were resolved satisfactorily. No complaint was pending as on March 31, 2009.

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

Year	Venue	Date	Time
2005-2006	M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Road, 18/20 K. Dubash Marg, Mumbai - 400 001.	28.09.2006	11.00 a.m.
2006-2007	M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Road 18/20 K. Dubash Marg, Mumbai - 400 001.	29.09.2007	12.30 p.m.
2007-2008	Dahanukar Hall, 6th Floor, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai – 400 001.	12.09.2008	11.30 a.m

DECLARATION

I, Bipin N. Shah, Managing Director of Anuh Pharma Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1) (D) (ii) of the Listing Agreement entered into with the Stock Exchange for the year ended March 31, 2009.

MD / CEO CERTIFICATION

The Managing Director / CEO have certified to the Board, *inter alia* the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under Clause 49(v) of the Listing Agreement, for the year ended March 31, 2009.

DISCLOSURES

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. Details are given elsewhere in the Annual Report at para. 10 of the Notes to Accounts (Schedule – 20).
- Details of non-compliance by the company, penalties, and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years - NIL.
- Company has complied with all mandatory requirements of clause 49 of the listing Agreement in respect of Corporate Governance. The Company has not adopted a whistle blower policy, which is not a mandatory requirement as per the Listing Agreement.

MEANS OF COMMUNICATION

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

GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting

Day	: Wednesday
Date	: 16th September, 2009
Time	: 11.30 a.m.
Venue	: M. G. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Kala Ghoda, Mumbai – 400 001

B. Financial Calendar

Quarter	Period	Publications of Results
First	Apr-Jun	31st July, 2008
Second	Jul-Sep.	25th October, 2008
Third	Oct-Dec	2nd February, 2009
Fourth	Jan-Mar	21st April, 2009

- C. Dates of Book Closure** : Friday, September 11, 2009 to Wednesday, September 16, 2009
- D. Dividend Payment Date** : September 12, 2008 for the F.Y. 2007-08 as the Final Dividend.
- 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 (Rs.)	Low (Rs.)	Volume (in lacs)
April' 2008	270.00	205.00	0.15
May' 2008	261.00	207.00	0.09
June' 2008	252.00	177.80	0.33
July' 2008	223.00	160.00	0.13
August' 2008	274.00	212.25	0.29
September' 2008	258.45	185.10	0.45
October' 2008	203.60	122.75	0.15
November' 2008	175.00	148.00	0.08
December' 2008	189.60	140.00	0.04
January' 2009	177.25	133.10	0.03
February' 2009	171.85	138.00	0.03
March' 2009	162.00	130.05	0.09

- 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

“Our Registrar & Transfer Agent M/s Bigshare Services Private Limited recently launched Gen-Next Investor Module **i’Boss** the most advanced tool to interact with shareholders. Please login into i’Boss (www.bigshareonline.com] and help them to serve you better.”

- 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 31st March, 2009 was as under:

Category	No. of Shareholders	% of total Shareholders	No. of Shares held	% of Shareholding
Upto 5000	3,263	95.13	3,33,000	11.96
5001 - 10000	94	2.74	1,40,215	5.04
10001 - 20000	34	0.99	1,08,008	3.88
20001 - 30000	7	0.20	36,830	1.32
30001 - 40000	7	0.20	48,851	1.75
40001 - 50000	5	0.15	44,919	1.62
50001 - 100000	6	0.17	90,247	3.24
100001 and above	14	0.42	19,81,930	71.19
TOTAL	3,430	100.00	27,84,000	100.00

Shareholding Pattern as on March 31, 2009

Category	No. of shareholders	No. of shares	% holding
Indian Promoters	26	1997382	71.74
Clearing Members	3	101	0.004
FII's and NRIs	36	13122	0.47
Domestic Companies	112	91896	3.30
Resident Individuals	3253	681499	24.49
TOTAL	3430	2784000	100

Dematerialisation of Shares: 26,62,148 Equity Shares equivalent to 95.62% of the total paid-up Equity Capital have been in dematerialized form as on 31st March, 2009.

Compliance Officer : Mr. G. J. Chari
 E-Mail ID : anuh@sk1932.com
 Tel. No. : 022 6622 7576
 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

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, 2009 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

Sd/-

SANJAY DOSHI
Proprietor
C.P. No.: 7595

Place : Mumbai
Date : 31st July, 2009

AUDITORS' REPORT

TO THE MEMBERS OF ANUH PHARMA LIMITED

1. We have audited the attached Balance Sheet of ANUH PHARMA LIMITED ("Company") as at March 31, 2009 and the related Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of written representations received from the directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the director is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009; and
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Place : Mumbai
Date : July 31, 2009

For **S. I. MOGUL & CO.**
Chartered Accountants

SAMIR S. MOGUL
Partner
Membership No. 100731

ANNEXURE TO THE AUDITORS' REPORT

As referred to in paragraph 3 of our report of even date on the accounts for the year ended March 31, 2009,

- (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 granted an unsecured loan to a company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 75,00,000 and the year-end balance of the loan given to such company was nil.
- (b) In our opinion, the rate of interest and other terms and conditions on which the loan has been granted to the company listed in the register maintained under Section 301 of the Companies Act, 1956 is not, *prima facie*, prejudicial to the interest of the Company.
- (c) In respect of the loan granted by the Company to another company, listed in the register maintained under Section 301 of the Companies Act, 1956, the latter company has repaid the principal amount and has been regular in the payment of interest on the said loan.
- (d) There is no overdue amount of the loan granted to the company listed in the register maintained under Section 301 of the Companies Act, 1956.
- (e) The Company has taken unsecured loan from a party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.1,98,82,000 and the year-end balance of this loan was nil.
- (f) In our opinion the rate of interest and other terms and conditions on which the loan has been taken from the party listed in the register maintained under Section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the Company.
- (g) The Company is regular in repaying the principal amounts, wherever stipulated, and has been regular in the payment of interest on the loan taken from the party listed in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of the contracts and arrangements referred to in Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts and arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 500,000 in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.

- (vi) The Company has not accepted any deposit from the public to which the provisions of Section 58A and Section 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- (vii) The Company has an internal audit system commensurate with its size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the Company.
- (ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, wealth tax, service tax, custom duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, the following undisputed amounts payable in respect of above were in arrears as at March 31, 2009 for a period of more than six months from the date on which they became payable:

Statement of Undisputed Dues				
Sr. No.	Name of the Statute	Nature of the Dues	Amount (Rs.)	Financial Year to which the amount relates
1	Bombay Labour Welfare Fund Act, 1953	Labour Welfare Fund	2,880	2008-2009
2	Chapter V of the Finance Act, 1994	Penalty Penalty Interest on Service Tax	4,000 2,000 4,164	2007-2008 2008-2009 2008-2009
	Total		13,044	

- (b) According to the information and explanations given to us, the dues 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 (Rs.)	Financial Year to which the amount relates	Forum where dispute is pending
1.	Bombay Sales Tax Act, 1959	Sales Tax Interest Penalty	6,27,925 6,35,859 2,000	1991-1992	Tribunal
2.	Central Sales Tax Act, 1956	Sales Tax Interest	6,45,790 2,500	1991-1992	Tribunal
3.	Bombay Sales Tax Act, 1959	Sales Tax Interest Penalty	1,50,645 2,46,007 500	1992-1993	Tribunal
4.	Central Sales Tax Act, 1956	Sales Tax Interest Penalty	1,48,262 2,41,880 2,000	1992-1993	Tribunal
5.	Income-tax Act, 1961	Income-tax	3,29,694	2004-2005	Commissioner of Income-tax (Appeals)
	Total		30,33,062		

- (x) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not taken any loans from a financial institution nor issued any debentures.

- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the Company has not taken any term loans. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) During the year, the Company has not issued any secured debentures. Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xx) During the year, the Company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Mumbai
Date : July 31, 2009

For **S. I. MOGUL & CO.**
Chartered Accountants
SAMIR S. MOGUL
Partner
Membership No. 100731

AUDITOR'S CERTIFICATE

The Board of Directors
ANUH PHARMA LTD.
A-3 Shiv Sagar Estate, North Wing,
Dr. Annie Besant Road,
Worli,
Mumbai - 400 018

Dear Sirs,

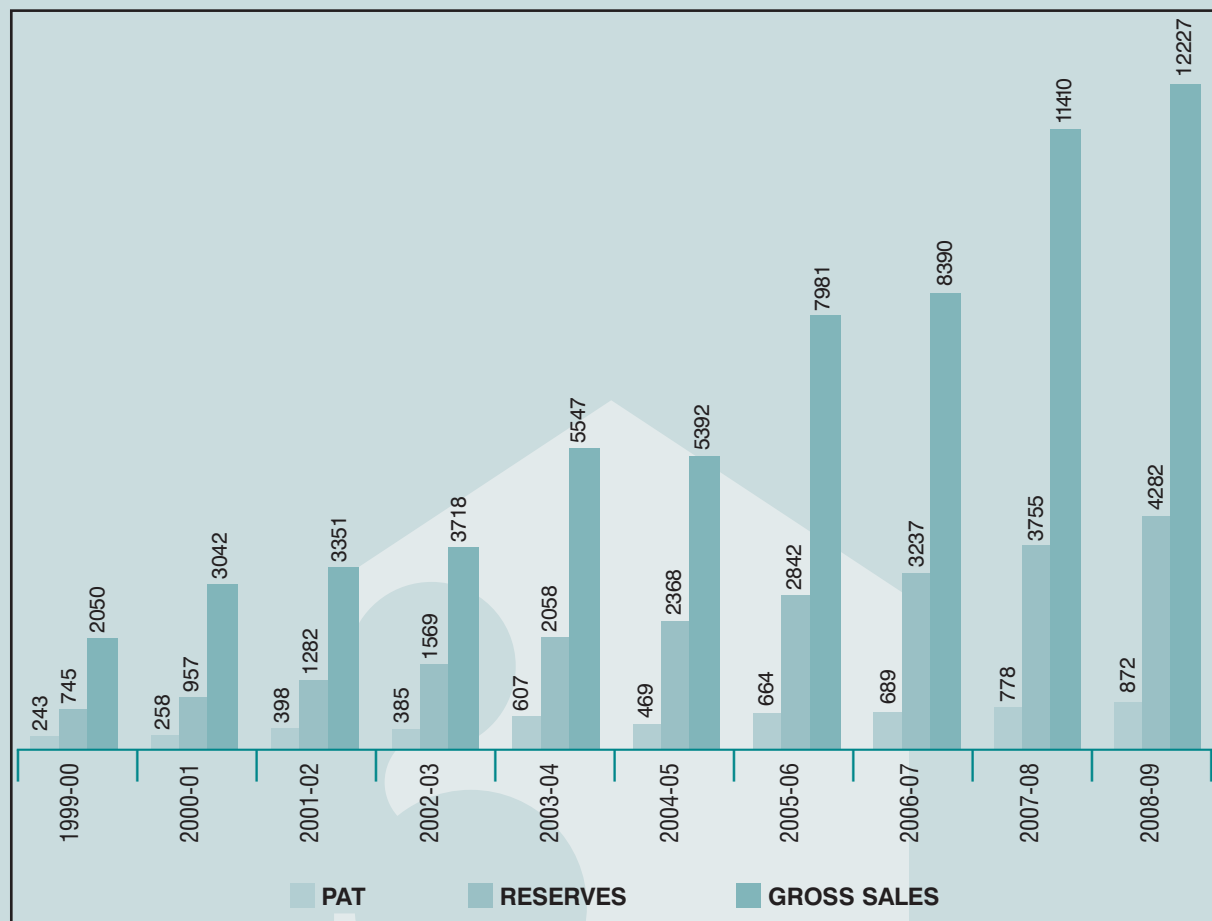
We have examined the Cash Flow Statement for the year ended March 31, 2009. The Statement has been prepared by the Company in accordance with the requirement of clause 32 of the Listing Agreement with Bombay Stock Exchange Limited and is based on and in agreement with the corresponding Balance Sheet and Profit & Loss Account of the Company for the year ended March 31, 2009 covered by our report of even date to the members of the Company.

For **S. I. MOGUL & CO.**
Chartered Accountants
SAMIR S. MOGUL
Partner
Membership No. 100731

Place : Mumbai
Date : July 31, 2009

PERFORMANCE OF THE COMPANY FOR THE LAST 10 YEARS

Rupees in Lakhs



FINANCIAL SUMMARY

Rupees in Lakhs

	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
CAPITAL ACCOUNT										
Share Capital	69.6	69.6	69.6	69.6	69.6	69.6	69.6	139.2	139.2	139.2
Reserves	745	957	1282	1569	2058	2368	2842	3237	3755	4282
Borrowings	132	33	52	2	127	20	147	147	221	43
Gross Block	169	202	194	293	312	554	1033	1112	1295	1465
Net Block	65	82	64	172	159	367	810	766	858	917
REVENUE ACCOUNT										
Profit before Depreciation & Tax	335	345	515	541	865	751	1054	1173	1249	1438
Profit before Tax	316	329	495	523	830	718	1013	1050	1142	1325
Profit After Tax	243	258	398	385	607	469	664	689	778	872
Sales & Other Income	2050	3042	3351	3718	5547	5392	7981	8390	11410	12227
Earnings per Share (Rs.)	34.97	37.02	57.18	55.26	86.63	66.98	95.43	24.74	27.96	31.31
Dividend per Share (Rs.)	5.00	6.00	10.00	12.50	15.00	20.00	24.00	7.00	8.00	11.50

Note :

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

BALANCE SHEET AS AT 31ST MARCH, 2009

	<u>Schedule</u>	<u>As At 31.03.2009 Rupees</u>	<u>As At 31.03.2008 Rupees</u>
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	13,920,000	13,920,000
Reserves and Surplus	2	428,212,116	375,523,991
		442,132,116	389,443,991
Loan Funds			
Secured Loans	3	4,276,505	22,103,166
Deferred Tax Liability (Net)	4	796,218	–
	TOTAL	447,204,839	411,547,157
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block (At Cost)	5	128,877,731	112,700,964
Less: Depreciation to date		(54,799,650)	(43,771,661)
Net Block		74,078,081	68,929,303
Capital Work-in-Progress		17,649,733	16,825,000
		91,727,814	85,754,303
Investments	6	241,191,747	259,245,228
Deferred Tax Asset (Net)	4	–	125,366
Current Assets, Loans and Advances			
Inventories	7	64,867,905	75,714,403
Sundry Debtors	8	203,064,849	320,529,367
Cash and Bank Balances	9	76,774,768	35,875,815
Loans and Advances	10	159,300,148	175,792,475
		504,007,670	607,912,060
Less: Current Liabilities and Provisions			
Current Liabilities	11	209,331,095	358,591,828
Provisions	12	180,391,297	182,897,972
		389,722,392	541,489,800
Net Current Assets		114,285,278	66,422,260
	TOTAL	447,204,839	411,547,157
SIGNIFICANT ACCOUNTING POLICIES	19		
NOTES ON ACCOUNTS	20		

The Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date

For **S. I. MOGUL & CO.**
Chartered Accountants

For **ANUH PHARMA LIMITED**

SAMIR S. MOGUL
Partner
Membership No. 100731
Mumbai : July 31, 2009

L. P. SHAH **BIPIN SHAH**
Director Director

Mumbai : July 31, 2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	Year ended 31.03.2009 Rupees	Year ended 31.03.2008 Rupees
INCOME			
Gross Sales and Operating Income	13	1,297,823,115	1,161,402,039
Less: Excise Duty		(92,688,416)	(52,687,837)
Net Sales and Operating Income		1,205,134,699	1,108,714,203
Other Income	14	17,529,244	32,249,873
	TOTAL	1,222,663,943	1,140,964,076
EXPENDITURE			
Cost of Traded Goods	15	116,092,669	112,813,763
Manufacturing Cost	16	900,254,444	844,457,587
Selling and Administrative Expenses	17	53,871,236	56,311,534
Interest paid	18	8,327,899	2,305,622
Depreciation	5	11,224,089	10,656,593
	TOTAL	1,089,770,337	1,026,545,100
PROFIT			
Profit before Prior Period Items		132,893,607	114,418,976
Less : Prior Period Items		(345,135)	(198,604)
Profit before Tax		132,548,472	114,220,372
Less: Provision for Taxation			
Current Income Tax	(44,000,000)		(37,000,000)
Wealth Tax	(14,000)		(9,000)
Fringe Benefit Tax	(450,000)		(370,000)
Deferred Tax	(921,584)		1,002,221
		(45,385,584)	(36,376,779)
Profit after Tax		87,162,888	77,843,592
Add/(Less) : Balance brought forward from previous year		34,233,991	27,447,529
Income-tax adjustments of earlier years		2,854,077	-
PROFIT AVAILABLE FOR APPROPRIATION:		124,250,956	105,291,121
APPROPRIATIONS			
Proposed Final Dividend		32,016,000	22,272,000
Tax on Proposed Final Dividend		5,441,120	3,785,130
Transfer to General Reserve		45,000,000	45,000,000
Credit Balance carried to the Balance Sheet		41,793,836	34,233,991
		124,250,956	105,291,121
SIGNIFICANT ACCOUNTING POLICIES	19		
NOTES ON ACCOUNTS	20		
EARNINGS PER SHARE	20		
Face Value of Rs. 5 per Equity Share			
Basic & Diluted		31.31	27.96

The Schedules referred to above form an integral part of the Profit & Loss Account.

As per our report of even date

For **S. I. MOGUL & CO.**
Chartered Accountants

For **ANUH PHARMA LIMITED**

SAMIR S. MOGUL
Partner
Membership No. 100731
Mumbai : July 31, 2009

L. P. SHAH **BIPIN SHAH**
Director Director

Mumbai : July 31, 2009

SCHEDULES FORMING PART OF ACCOUNTS

	Rupees	As At 31.03.2009 Rupees	As At 31.03.2008 Rupees
SCHEDULE - 1			
SHARE CAPITAL			
Authorised			
3,000,000 Equity Shares of Rs. 5 each		15,000,000	15,000,000
Issued			
2,784,000 Equity Shares of Rs. 5 each		13,920,000	13,920,000
Paid-up			
2,784,000 Equity Shares of Rs. 5 each fully paid-up (Out of which 4,000 Equity Shares of Rs. 5 each were issued as fully paid-up for consideration other than cash pursuant to a contract and 2,610,000 Equity Shares of Rs. 5 each were issued as fully paid-up Bonus Shares by utilisation from General Reserve)		13,920,000	13,920,000
TOTAL		13,920,000	13,920,000
Notes:			
(a) The shareholders of the Company had approved the sub-division of Equity Shares of the Company having nominal / face value of Rs.10 each into Equity Shares having nominal / face value of Rs. 5 each at the Extraordinary General Meeting ("EGM") held on June 9, 2006.			
(b) Consequently, the Authorised, Issued and Paid-up Share Capital were divided from Rs. 10 per Equity Share to Rs. 5 per Equity Share.			
(c) Simultaneously, the shareholders of the Company at the above referred EGM had also approved the allotment of 1,392,000 bonus Equity Shares of Rs. 5 each in the ratio of 1:1 to the existing shareholders by capitalisation of reserves.			
SCHEDULE - 2			
RESERVES AND SURPLUS			
General Reserve			
As per last Balance Sheet	340,540,000		295,540,000
Add: Initial adoption of Accounting Standard 15 'Employee Benefits'	128,280		-
Add: Transferred from Profit and Loss Account	45,000,000		45,000,000
		385,668,280	340,540,000
Special Capital Incentive Reserve			
As per last Balance Sheet		750,000	750,000
Profit & Loss Account:			
		41,793,836	34,233,991
TOTAL		428,212,116	375,523,991
SCHEDULE - 3			
SECURED LOANS			
From Bank of India			
Cash Credit (in Rupees)		-	9,748
Packing Credit (in Rupees) (Secured against hypothecation of stock in trade lying at factory, book debts and first charge-cum-equitable mortgage on factory land and building at Tarapur, Boisar, and personal guarantee of some of the directors of the Company)		1,564,323	22,093,418
Loan against Fixed Deposits (Secured against Fixed Deposits)		2,712,182	-
TOTAL		4,276,505	22,103,166

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	As At 31.03.2009 Rupees	As At 31.03.2008 Rupees
SCHEDULE - 4		
DEFERRED TAX LIABILITY / (ASSET) (Net):		
Deferred Tax Liability		
Depreciation on Fixed Assets	"A" 1,564,399	1,237,625
Deferred Tax Asset		
Expenses allowable only on payment basis	"B" 768,181	1,362,991
TOTAL ("A" - "B")	796,218	(125,366)

**SCHEDULE - 5
FIXED ASSETS**

Sr. Description No.	GROSS BLOCK			Cost as at 31-3-2009	DEPRECIATION			NET BLOCK		
	Cost as at 1-4-2008	Additions during the year	Deductions during the year		Balance as at 1-4-2008	Provided for the year	Deductions during the year	Balance as at 31-3-2009	Balance as at 31-3-2009	Balance as at 31-3-2008
I TANGIBLE ASSETS										
1 Building:										
Office Premises (see Note a below)	14,760,354	-	-	14,760,354	2,351,528	620,441	-	2,971,969	11,788,385	12,408,826
Factory Building	33,688,213	1,296,411	-	34,984,624	8,994,285	2,537,588	-	11,531,873	23,452,751	24,693,928
	48,448,567	1,296,411	-	49,744,978	11,345,813	3,158,029	-	14,503,842	35,241,136	37,102,754
2 Leaseholds:										
Leasehold Land	3,163,940	400,000	-	3,563,940	124,171	37,653	-	161,824	3,402,116	3,039,769
3 Plant & Machinery:										
Plant and Machinery	23,483,402	10,272,608	-	33,756,010	14,513,907	3,998,615	-	18,512,522	15,243,488	8,969,495
Laboratory Equipments	4,632,425	823,944	-	5,456,369	1,722,666	502,964	-	2,225,630	3,230,738	2,909,758
Material Storage & Handling Equipments	5,499,606	80,808	-	5,580,414	3,241,403	628,933	-	3,870,336	1,710,078	2,258,203
Plumbing Installations	258,422	-	-	258,422	256,585	256	-	256,841	1,581	1,837
Electric Installations	6,614,683	580,790	-	7,195,473	2,703,825	586,497	-	3,290,322	3,905,151	3,910,858
Airconditioning Equipments & Refrigerators	8,646,163	1,392,347	-	10,038,510	3,506,527	820,903	-	4,327,430	5,711,080	5,139,636
Computer Hardware	2,078,479	131,929	-	2,210,408	1,549,020	249,593	-	1,798,613	411,795	529,459
Office Equipments	1,623,675	25,750	-	1,649,425	677,724	134,439	-	812,163	837,262	945,951
	52,836,855	13,308,176	-	66,145,031	28,171,657	6,922,200	-	35,093,857	31,051,174	24,665,198
4 Furniture and Fixtures:										
Furniture and Fixtures	4,260,524	111,771	-	4,372,295	2,268,828	372,248	-	2,641,076	1,731,219	1,991,696
5 Vehicals:										
Motor Vehicles (see Note b below)	3,901,078	1,330,658	270,249	4,961,487	1,829,095	710,796	196,099	2,343,792	2,617,695	2,071,983
II INTANGIBLE ASSETS:										
1 Computer Software	90,000	-	-	90,000	32,097	23,162	-	55,259	34,741	57,903
Capital Work-in-Progress	112,700,964	16,447,016	270,249	128,877,731	43,771,661	11,224,089	196,099	54,799,650	74,078,081	68,929,302
	16,825,000	824,733	-	17,649,733	-	-	-	-	17,649,733	16,825,000
TOTAL	129,525,964	17,271,749	270,249	146,527,464	43,771,661	11,224,089	196,099	54,799,650	91,727,814	85,754,302
Previous Year	111,169,830	20,302,294	1,946,160	129,525,964	34,558,476	10,656,593	1,443,407	43,771,661	85,754,303	76,611,354

Notes:

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

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	As At 31.03.2009 Rupees	As At 31.03.2008 Rupees
SCHEDULE - 6		
INVESTMENTS (NON-TRADE; AT COST; UNQUOTED):		
In Units of Mutual Funds:		
Long-Term		
1,000,000.00 (Previous year 1,000,000.00) units of Birla FTP - INSTL - Series AN - Growth of Birla Sun Life Mutual Fund	10,000,000	10,000,000
Nil (Previous year 1,000,000.00) units of HDFC FMP 367 Days May - 2007 (5) Wholesale Plan Growth of HDFC Mutual Fund	-	10,000,000
Nil (Previous year 1,000,000.00) units of HDFC FMP 367 Days August - 2007 Wholesale Plan Growth of HDFC Mutual Fund	-	10,000,000
Nil (Previous year 1,500,000.00) units of 183RG ICICI Prudential FMP - Series 36 - Eighteen Months Plan A - Retail Growth of ICICI Prudential Mutual Fund	-	15,000,000
1,000,000.00 (Previous year Nil) units of HDFC FMP 370 Days July 2008 (VIII) (1) Wholesale Plan Growth of HDFC Mutual Fund	10,000,000	-
Nil (Previous year 1,000,000.00) units of HDFC FMP 16M December 2006 (2) Wholesale Plan Growth of HDFC Mutual Fund	-	10,000,000
7,301,562.603 (Previous year 7,301,562.603) units of HDFC MIP Long Term Growth of HDFC Mutual Fund	122,500,000	122,500,000
Nil (Previous year 1,000,000.00) units of UTI - Fixed Term Income Fund - Series I - Plan 16 - Institutional Growth of UTI Mutual Fund	-	10,000,000
2,735,926.947 (Previous year 2,735,926.947) units of UTI MIS Advantage Plan - Growth Option of UTI Mutual Fund	44,000,000	44,000,000
	“A” 186,500,000	231,500,000
Current:		
Nil (Previous year 282.821) units of UTI Liquid Cash Plan Regular Growth of UTI Mutual Fund	-	370,806
5,210,837.379 (Previous year 2,482,931.051) units of HDFC Cash Management Fund - Treasury Advantage (erstwhile Savings Plus) - Wholesale Plan - Weekly Dividend Payout	52,191,747	24,874,422
	“B” 52,191,747	25,245,228
In Government Securities:		
Long-Term:		
25,000 units of 6.60% Tax Free ARS Bonds of Unit Trust of India (Face Value Rs.100 each; maturing on 1-4-2009)	2,500,000	2,500,000
	“C” 2,500,000	2,500,000
TOTAL (“A”+“B”+“C”)	241,191,747	259,245,228

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	As At 31.03.2009 Rupees	As At 31.03.2008 Rupees
SCHEDULE - 7		
INVENTORIES		
(As taken, valued and certified by the Managing Director)		
Raw Materials	29,576,803	44,931,226
Work-In-Progress	5,113,769	5,267,449
Finished Goods (Manufacturing)	29,765,068	15,805,711
Finished Goods (Traded)	<u>–</u>	<u>9,197,047</u>
	29,765,068	25,002,758
Light Diesel Oil	229,410	340,558
Packing Materials	182,855	172,412
TOTAL	<u>64,867,905</u>	<u>75,714,403</u>
SCHEDULE - 8		
SUNDRY DEBTORS		
(Unsecured, considered good)		
Sundry Debtors		
Outstanding for a period exceeding six months	–	4,260,503
Others	203,064,849	316,268,864
Note:		
Sundry Debtors includes amounts due from Companies / Firms in which some of the directors are interested as directors / partners; refer note 10 of Schedule 20		
TOTAL	<u>203,064,849</u>	<u>320,529,367</u>
SCHEDULE - 9		
CASH AND BANK BALANCES		
Cash on Hand	160,600	266,057
Balances with Scheduled Banks:		
In Cash Credit Accounts	5,504	5,569
In Current Accounts	135,392	2,421,802
In Fixed Deposits (Margin Money; under lien)	75,211,000	32,261,000
In Unclaimed Dividend Accounts	1,262,272	921,387
TOTAL	<u>76,774,768</u>	<u>35,875,815</u>

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	As At 31.03.2009 Rupees	As At 31.03.2008 Rupees
SCHEDULE - 10		
LOANS AND ADVANCES :		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	6,989,375	12,048,920
Loans & Advances:		
To a Company in which some of the directors are interested as directors (refer note 10 of Schedule 20; [Maximum balance outstanding during the year Rs.7,500,000; Previous year 15,000,000])	-	-
To Other Company	7,500,000	300,000
To Employees	920,297	792,641
	8,420,297	1,092,641
Deposits	1,793,334	1,679,534
Balances with Customs and Excise Authorities	15,333,655	15,254,671
Income-tax and Wealth-tax	126,763,487	145,716,709
TOTAL	159,300,148	175,792,475
SCHEDULE - 11		
CURRENT LIABILITIES :		
Sundry Creditors:		
Total outstanding dues of Micro Enterprises and Small Enterprises (see note 7 of Schedule 20)	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	206,551,969	356,670,929
	206,551,969	356,670,929
Advance received from Customers	1,516,764	999,422
Unclaimed Dividends*	1,262,362	921,477
TOTAL	209,331,095	358,591,828
* There is no amount due and outstanding to be credited to the Investor Education & Protection Fund.		
SCHEDULE - 12		
PROVISIONS		
Provision for Income Tax	141,000,000	155,100,000
Provision for Fringe Benefit Tax	1,120,000	970,000
Provision for Wealth Tax	32,000	18,000
Proposed Final Dividend	32,016,000	22,272,000
Tax on Proposed Final Dividend	5,441,120	3,785,130
Provision for Leave Salary	782,177	752,842
TOTAL	180,391,297	182,897,972

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	<u>Rupees</u>	<u>Year ended 31.03.2009 Rupees</u>	<u>Year ended 31.03.2008 Rupees</u>
SCHEDULE - 13			
GROSS SALES AND OPERATING INCOME			
Gross Sales:			
Manufacturing:			
Export	462,550,520		479,843,026
Domestic	643,659,798		554,638,414
Add: Procurement and Service Charges (TDS Rs. 668,971; Previous year Rs. Nil)	36,707,107		1,267,400
	<u>680,366,905</u>		<u>555,905,814</u>
		1,142,917,425	1,035,748,840
Trading:			
Export	101,562,226		27,999,434
Domestic	<u>52,301,840</u>		<u>92,509,685</u>
		<u>153,864,066</u>	<u>120,509,119</u>
		1,296,781,491	1,156,257,959
Processing & Micronising Charges (Gross) (TDS Rs. 22,440; Previous year Rs. 148,532)		<u>1,041,624</u>	<u>5,144,080</u>
TOTAL		<u><u>1,297,823,115</u></u>	<u><u>1,161,402,039</u></u>
SCHEDULE - 14			
OTHER INCOME			
Interest received (Gross):			
on Loan (TDS Rs. 54,410; Previous year Rs. 337,130)		240,067	1,496,716
from Bank (TDS Rs. 943,980; Previous year Rs. 473,350)		4,583,394	2,966,754
on Investments (tax-free)		165,000	165,000
from Others (TDS Rs. 11,657; Previous year Rs. 7,061)		<u>67,193</u>	<u>358,887</u>
		5,055,654	4,987,357
Profit on Sale of Investments		6,534,998	10,125,260
Dividend on Investments (tax-free)		2,711,597	3,335,537
Export Incentives		2,569,101	84,000
Profit on Sale of Fixed Assets		163,350	362,247
Miscellaneous Income (Gross) [TDS Rs.10,425,Previous year Rs. Nil]		494,544	3,503,345
Foreign Exchange Gain		-	9,852,127
TOTAL		<u><u>17,529,244</u></u>	<u><u>32,249,873</u></u>
SCHEDULE - 15			
COST OF TRADED GOODS			
Opening Stock		9,197,047	-
Add: Purchases	76,065,943		105,218,096
Add: Transferred from Raw Materials	<u>30,829,679</u>		<u>16,792,714</u>
		<u>106,895,622</u>	<u>122,010,810</u>
		116,092,669	122,010,810
Less : Closing Stock		-	9,197,047
TOTAL		<u><u>116,092,669</u></u>	<u><u>112,813,763</u></u>

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	Rupees	Year ended 31.03.2009 Rupees	Year ended 31.03.2008 Rupees
SCHEDULE - 16			
MANUFACTURING COST			
Opening Stock of Semi-Finished and Finished Goods		21,073,160	45,389,611
Raw Materials Consumed :			
Opening Stock	44,931,226		50,619,136
Add : Purchases	827,854,526		792,383,078
	872,785,752		843,002,214
Less : Transferred to Cost of Traded Goods	30,829,679		16,792,714
Less : Closing Stock	29,576,803		44,931,226
		812,379,270	781,278,273
Packing Material Consumed		3,788,845	5,476,984
Personnel Expenses :			
Salary and Allowances	8,533,387		7,183,766
Contribution to Provident & Other Funds	262,468		223,475
Bonus	509,653		395,363
		9,305,508	7,802,604
Processing & Micronising Charges		13,539,198	9,251,637
Consumable Stores		260,306	286,342
Power and Fuel:			
Oil, Fuel, Ice, Water Charges and Gas Consumed	3,439,730		3,220,857
Electricity Charges	7,146,049		7,630,726
		10,585,779	10,851,583
Foreign Exchange Loss		54,311,966	-
Testing Charges		339,446	390,332
Laboratory Expenses :			
Laboratory Glassware	422,664		351,319
Laboratory Chemicals	860,770		584,076
		1,283,434	935,395
Effluent Treatment Charges		113,497	94,664
Repairs and Maintenance to :			
Machineries	3,309,719		2,193,097
Building	1,284,118		896,445
Electrical	628,027		186,418
Plumbing	2,454,468		57,470
Others	476,540		439,892
		8,152,872	3,773,322
		935,133,281	865,530,747
Less: Closing Stock of Semi-Finished and Finished Goods		34,878,837	21,073,160
TOTAL		900,254,444	844,457,587

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	Rupees	Year ended 31.03.2009 Rupees	Year ended 31.03.2008 Rupees
SCHEDULE - 17			
SELLING AND ADMINISTRATIVE EXPENSES			
Managerial Remuneration:			
Remuneration to Managing Director	2,406,390		2,014,627
Directors' Meeting Fees	189,000		135,500
		2,595,390	2,150,127
Payment to and Provision for Employees:			
Salaries & Allowances	6,217,834		5,629,347
Contribution to Provident & Other Funds	235,319		164,431
Bonus	231,388		196,094
Group Gratuity Premium	170,438		104,214
Staff Welfare Expenses	1,345,478		1,223,853
		8,200,457	7,317,939
Travelling & Conveyance Expenses		3,526,818	3,438,687
Shipment and Export Expenses:			
Manufactured Goods	8,166,448		10,869,970
Traded Goods	531,370		381,354
		8,697,818	11,251,324
Freight and Forwarding		1,235,748	1,529,777
Insurance Charges		1,240,043	959,599
Rent		202,731	32,120
Rates and Taxes:			
Sales Tax	40		40
Profession Tax	2,500		2,500
Banking Cash Transaction Tax	5,952		4,131
Service Tax	604,370		177,859
		612,862	184,530
Motor Vehicle Expenses		1,744,420	1,399,707
Repairs and Maintenance to Other Assets		234,572	209,497
Bank Charges		6,846,199	7,139,044
Postage, Telegram and Telephone Expenses		1,088,526	1,066,514
Brokerage and Commission		7,963,653	9,713,633
Membership Fees and Subscription		46,328	33,779
Sales Promotion Expenses		904,561	1,094,359
Legal and Professional Charges		2,245,826	1,359,820
Auditor's Remuneration:			
As Auditor	251,547		225,000
As Adviser:			
Taxation Matters	92,744		67,697
Financial Matters	11,236		25,281
In Other Capacity:			
Tax Audit	55,150		50,000
Certification	-		16,854
		410,677	384,832
Provision for Loss on Current Investments		31,019	-
Donation		30,000	1,606,100
Miscellaneous Expenses		6,013,588	5,440,146
TOTAL		53,871,236	56,311,534

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	Year ended 31.03.2009 Rupees	Year ended 31.03.2008 Rupees
SCHEDULE - 18		
INTEREST PAID:		
To Bank	7,284,834	2,305,522
To Managing Director	602,307	-
To Others	440,758	100
TOTAL	8,327,899	2,305,622

SCHEDULE - 19

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. 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.

3. 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.

4. Depreciation

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

5. 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.

6. Inventories:

Raw Materials and Packing Materials are stated at cost net of modvat credit and sales tax setoff. Work in process and Finished Goods include indirect production overheads. Finished goods lying in the factory are valued inclusive of excise duty payable thereon. Finished goods are valued at lower of cost or net realisable value.

7. Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Assets and liabilities denominated in foreign currency are translated into rupees at the exchange rate prevailing on the date of the Balance Sheet. Gain or loss in the exchange rate is accounted on payment or realisation basis.

8. Sales:

Sale of products is recognized at the point of dispatch to the customer. Gross Sales are inclusive of excise duty and exclusive of taxes.

9. Retirement Benefits:

Contribution to provident fund is charged to the Profit & Loss Account 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.

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

10. 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.

Provision for fringe benefit tax is made based on the fringe benefits provided during the year.

11. 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 Profit & Loss Account.

12. Sundry Debtors and Loans and Advances:

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

13. 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.

14. 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.

15. Material Events:

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

16. Other Accounting Policies:

These are consistent with the generally accepted accounting practices.

SCHEDULE - 20

NOTES ON ACCOUNTS:

1. (a) Managerial Remuneration:

	2008-2009 Rupees	2007-2008 Rupees
(i) Remuneration to Managing Director:		
Salary	960,000	840,000
Contribution to Provident Fund	115,200	100,800
Commission	1,284,765	1,058,830
Perquisites	46,425	14,997
	<u>2,406,390</u>	<u>2,014,627</u>
(ii) Meeting Fees to other Directors	189,000	135,500
TOTAL	<u><u>2,595,390</u></u>	<u><u>2,150,127</u></u>

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

	2008-2009 Rupees	2007-2008 Rupees
(b) Computation of Net Profit in accordance with section 198 of the Companies Act, 1956 and calculation of commission payable to Managing Director:		
Profit before Taxation (as per Profit and Loss Account)	132,548,472	114,220,372
Add: Remuneration to Managing Director and Directors Meeting Fees	2,595,390	2,150,127
Depreciation provided in Accounts	11,224,089	10,656,593
Provision for Loss on Current Investments	31,019	-
Loss on Sale of Fixed Assets	-	-
	<u>146,398,970</u>	<u>127,027,092</u>
Less: Depreciation under section 350 of the Companies Act, 1956	(11,224,089)	(10,656,593)
Profit on Sale of Fixed Assets	(163,350)	(362,247)
Profit on Sale of Investments	(6,534,998)	(10,125,260)
Net Profit as per section 349 of the Companies Act, 1956	<u>128,476,533</u>	<u>105,882,991</u>
Commission at 1% of Net Profit as per section 309 of the Companies Act, 1956	TOTAL 1,284,765	1,058,830

2. Particulars regarding Capacity, Production, Opening and Closing Stock and Turnover - as certified by the Managing Director (figures in bracket relate to previous year):

(a) Licensed Capacity : Not Applicable

(b) Installed Capacity (at year-end) and Actual Production:

Class of Product	Unit of Measure	Quantity	
		Installed Capacity	Actual Production
Antibiotics	Kg.	600,000 (600,000)	394,670 (505,577)

(c) Manufacturing Activity:

Class of Product	Unit of Measure	Opening Stock		Gross Turnover		Closing Stock	
		Qty.	Rupees	Qty.	Rupees	Qty.	Rupees
Antibiotics	Kg.	10,180 (19,856)	15,805,711 (42,652,371)	390,222 (515,253)	1,050,285,659 (979,803,481)	14,628 (10,180)	29,765,068 (15,805,711)
Excise Duty					92,631,766 (55,945,359)		
			<u>15,805,711</u> (42,652,371)		<u>1,142,917,425</u> (1,035,748,840)		<u>29,765,068</u> (15,805,711)

(d) Trading Activity:

Class of Product	Unit of Measure	Opening Stock		Purchase		Turnover		Closing Stock	
		Qty.	Rupees	Qty.	Rupees	Qty.	Rupees	Qty.	Rupees
Antibiotic	Kg.	5,016 (-)	8,958,807 (-)	49,809 (60,695)	105,220,243 (105,218,096)	54,825 (55,679)	151,944,112 (105,044,149)	-	-
Other Chemicals*		-	238,240 (-)	-	1,675,379 (16,792,714)	-	1,919,954 (15,464,970)	-	-
			<u>9,197,047</u> (-)		<u>106,895,622</u> (122,010,810)		<u>153,864,066</u> (120,509,119)		<u>-</u> (9,197,047)

* Since the goods are purchased and sold in different units of measure, the quantity is not shown.

3. Raw Materials Consumed (figures in bracket relate to previous year):

Class of Product	Unit of Measure	Quantity	Rupees
Drug Intermediates & Chemicals	Kg.	1,057,515 (1,288,258)	812,379,270 (781,278,273)

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

4. Value of imported and indigenous raw materials consumed and percentage of each to total consumption:

	31-3-2009		31-3-2008	
	Rupees	%	Rupees	%
Indigenous	90,648,085	11	67,506,823	9
Imported	721,731,185	89	713,771,450	91
TOTAL	812,379,270	100	781,278,273	100

5. Earnings in Foreign Exchange:

	Current Year Rupees	Previous Year Rupees
F.O.B. Value of Exports	534,915,023	495,307,159
Miscellaneous Income	82,650	3,327,240
TOTAL	534,997,673	498,634,399

6. Expenditure in Foreign Currency:

	31-03-2009 Rupees	31-03-2008 Rupees
Purchase of Raw Materials and Traded Goods (CIF Value of Imports)	792,656,321	801,888,869
Travelling, Telephone & General Expenses	1,140,124	525,175
Commission	6,324,489	5,512,973
Exhibition Expenses (Gross)	1,373,726	1,224,182
Laboratory Equipment	791,679	1,257,920
TOTAL	802,286,339	810,409,119

7. 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 amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been made.

8. 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".

9. Earning Per Share (EPS) as per Accounting Standard 20 "Earning Per Share":

The numerators and denominators used to calculate Basic and Diluted Earnings Per Share are as under:

		31-03-2009 Rupees	31-03-2008 Rupees
Profit attributable to the equity shareholders	(A)	87,162,888	77,843,592
Weighted average number of equity shares outstanding during the year (see Notes to Schedule 1)	(B)	2,784,000	2,784,000
Nominal value of equity shares (see Notes to Schedule 1)		5	5
Basic/diluted Earnings per share	(A)/(B)	31.31	27.96

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

10. (a) Related Party Disclosures as per Accounting Standard 18 "Related Party Disclosures" (figures in brackets relate to previous year)

Particular	Entities under direct or indirect control or substantial influence		Key Management Personnel		Relatives of Key Management Personnel		Total	
i) Transactions during the year								
Sales								
a) S. Kant Pharma Pvt. Ltd.	786,500	(5,352,245)	–	(–)	–	(–)		
b) S. Kant Healthcare Ltd.	57,846,072	(69,290,685)	–	(–)	–	(–)		
c) S. K. Age Exports	1,307,300	(–)	–	(–)	–	(–)		
d) Eskay Speciality Chemicals	11,200	(–)	–	(–)	–	(–)		
TOTAL	59,951,072	(74,642,930)	–	(–)	–	(–)	59,951,072	(74,642,930)
Processing Charges received								
a) S. Kant Healthcare Ltd.	607,500	(–)	–	(–)	–	(–)	607,500	(–)
Processing Charges Paid								
a) S. Kant Healthcare Ltd.	118,625	(–)	–	(–)	–	(–)	118,625	(–)
Purchases of Raw Material								
a) S. Kant Healthcare Ltd.	575,955	(66,397)	–	(–)	–	(–)	575,955	(66,397)
Reimbursement (receipt) of Exhibition Expenses								
a) Eskay Fine Chemicals	575,468	(399,504)	–	(–)	–	(–)		
b) S. Kant Healthcare Ltd.	575,468	(399,504)	–	(–)	–	(–)		
TOTAL	1,150,936	(799,008)	–	(–)	–	(–)	1,150,936	(799,008)
Interest received								
a) S. Kant Healthcare Ltd.	190,849	(1,398,082)	–	(–)	–	(–)	190,849	(1,398,082)
Interest paid								
a) Bipin N. Shah	–	(–)	602,307	(–)	–	(–)	602,307	(–)
Administrative Charges Paid								
a) Bharti & Co.	–	(259,551)	–	(–)	–	(–)	–	(259,551)
M. D.'s Remuneration								
a) Bipin N. Shah	–	–	2,406,390	(2,014,627)	–	(–)	2,406,390	(2,014,627)
Director's Sitting Fees								
a) Bharat N. Shah	–	(–)	–	(–)	13,500	(19,500)	13,500	(19,500)
Service Charges Received								
a) S.K. Distributors	411,894	(359,889)	–	(–)	–	(–)	411,894	(359,889)
Sale of Motor Car								
a) Sevantilal Kantilal & Co.	–	(450,000)	–	(–)	–	(–)	–	(450,000)
Loans taken during the year								
a) Bipin N. Shah	–	(–)	20,360,000	(–)	–	(–)	20,360,000	(–)
Loans repaid during the year								
b) Bipin N. Shah	–	(–)	20,360,000	(–)	–	(–)	20,360,000	(–)
Loans given during the year								
a) S. Kant Healthcare Ltd.	7,500,000	(15,000,000)	–	(–)	–	(–)	7,500,000	(15,000,000)
Loans given refunded during the year								
a) S. Kant Healthcare Ltd.	7,500,000	(15,000,000)	–	(–)	–	(–)	7,500,000	(15,000,000)
Stipend paid								
a) Vivek B. Shah	–	(–)	–	(–)	57,000	(–)	57,000	(–)

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

Particular	Entities under direct or indirect control or substantial influence		Key Management Personnel		Relatives of Key Management Personnel		Total	
Salary Paid								
a) Ritesh B. Shah	–	(–)	–	(–)	480,000	(362,613)		
b) G. C. Sharda	–	(–)	1,614,455	(1,519,600)	–	(–)		
c) Ketan N. Shah	–	(–)	–	(–)	226,391	(214,587)		
TOTAL	–	(–)	1,614,455	(1,519,600)	706,391	(577,200)	2,320,846	(2,096,800)
Sundry Balances written-off								
a) S. Kant Healthcare Ltd.	1,555	(2,874)	–	(–)	–	(–)		
b) S. Kant Pharma Pvt. Ltd.	5,000	(–)	–	(–)	–	(–)		
TOTAL	6,555	(2,874)	–	(–)	–	(–)	6,555	(2,874)
ii) Year-end balances:								
Current Assets								
- Sundry Debtors								
a) S. Kant Healthcare Ltd.	1,435,046	(21,700,985)	–	(–)	–	(–)		
b) S. K. Distributors	–	(5,924)	–	(–)	–	(–)		
c) S. Kant Pharma Pvt. Ltd.	–	(2,364,500)	–	(–)	–	(–)		
d) S. K. Age Exports	585,000	(–)	–	(–)	–	(–)		
TOTAL	2,020,046	(24,071,409)	–	(–)	–	(–)	2,020,046	(24,071,409)
Current Liabilities								
- Sundry Creditors								
a) Bipin N. Shah	–	(–)	1,284,765	(1,058,830)	–	(–)		
b) G.C. Sharda	–	(–)	1,494,455	(1,399,600)	–	(–)		
c) Bharti & Co.	–	(156,261)	–	(–)	–	(–)		
d) S. K. Distributors	261,992	–	–	(–)	–	(–)		
e) S. Kant Healthcare Ltd.	575,955	(–)	–	(–)	–	(–)		
TOTAL	837,947	(156,261)	2,779,220	(2,458,430)	–	(–)	3,617,167	(2,614,691)

Name of related parties and description of relationship (as certified by the management 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. Age Exports, S.K. Pharma (Jogeshwari), S.K. Brothers, S.K. Distributors, Eskay Speciality Chemicals and Sevantilal Kantilal Trust.
- Key Management Personnel: Bipin N. Shah (Managing Director) and G.C. Sharda (Chief Executive Officer)
- Relatives of Key Management Personnel: Bharat N. Shah, Bipin N. Shah (HUF), Ritesh B. Shah, Ketan N. Shah and Vivek B. Shah

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

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

Name	Nature of Transaction	Balance as at year-end Rupees	Maximum amount Outstanding during the year Rupees	No. of shares of the company held by the loanees as at year-end Rupees
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:				
S Kant Healthcare Ltd.	Inter-corporate deposit	- (-)	7,500,000 (15,000,000)	- (-)
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	920,297 (792,641)	1,095,750 (1,034,500)	- (-)
iv) Interest below section 372A of the Companies Act, 1956		- (-)	- (-)	- (-)

11. The following Investments were purchased and sold during the year:

Name of the Mutual Fund Scheme	Face Value of Unit Rupees	Quantity (units)	Purchase Cost Rupees	Sale Proceeds Rupees
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Weekly Dividend	10	24,349,976.12	253,068,404.31	253,011,424.78

12. Contingent Liabilities:

Nature of the Dues	31-3-2009 Rupees	31-3-2008 Rupees
a. Guarantees issued by banks on behalf of the Company	4,167,207	1,986,865
b. Letters of Credit outstanding	298,400,000	224,314,349
c. Claims against the Company not acknowledged as debts:		
Sales Tax (including interest and penalty)	2,703,368	2,703,368
Income-tax	329,694	1,382,658
	3,033,062	4,086,026

13. The Company has imported certain raw materials and chemicals under the Advance 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 and hence, no provision for the duty payable, in case the export obligation is not fulfilled, has been made in the accounts.

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

14. (a) Details of the outstanding foreign exchanges derivative contracts entered into by the Company:

Derivative Contract	31-03-2009				31-03-2008		
	No. of Contracts	Foreign Currency	Rupees	Rupees	No. of Contracts	Foreign Currency	Rupees
Forward Contract	4	US \$	1,339,125	69,915,000	-	-	-
		US \$	1,339,125	69,915,000	-	-	-

- (b) As of the Balance sheet date, the Company's net foreign currency exposure that is not hedged by a derivative instrument or otherwise is Rs.185,387,624 (Previous Year Rs.452,957,879)

15. Previous years figures have been re-grouped and/or re-classified as deemed appropriate.

16. As per Accounting Standard 15 "Employee Benefits", the disclosures of employee benefits are as under:

Defined Contribution Plan:

Contribution to Defined Contribution Plan recognised as expenses in the Profit and Loss Account for the year ended March 31, 2009:

Particulars	31-3-2009 Rupees
Employer's Contribution to Provident Fund under the Employees Provident Funds and Miscellaneous Provisions Act, 1952	644,615
	644,615

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 Independent Actuary.

Sr.No.	Particulars	31-03-2009		
		Gratuity		Leave Encashment
		Unfunded	Funded	Unfunded
(a)	Assumptions:			
	Interest/Discount Rate	7%	7%	7%
	Rate of increase in compensation	4%	4%	10%
	Employee Attrition Rate [Past Service (PS)]:			
	0 to 5	15%	15%	15%
	5 to 10	10%	10%	10%
	10 to 15	5%	5%	5%
	15 to 42	0%	1%	1%
	Expected average remaining service	5.94%	9.27%	8.41%
(b)	Changes in Present Value of Obligation (Rs.):			
	Present value of obligation at beginning of period	57,050	956,607	747,147
	Interest cost	4,564	76,529	58,572
	Current service cost	103,628	204,220	362,727
	Benefit paid	-	-	(30,000)
	Actuarial (gain)/loss on obligation	2,184	(27,711)	(356,269)
	Present value of obligation at end of period	167,426	1,209,645	782,177
(c)	Change in Fair Value of Plan Assets (Rs.):			
	Fair value of plan assets at beginning of period	-	1,141,937	-
	Expected return on plan assets	-	111,979	-
	Contribution	-	204,549	30,000
	Benefit paid	-	-	(30,000)
	Actuarial (gain)/loss on plan assets	-	561	-
	Fair value of plan assets at end of period	-	1,459,026	-

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

		31-03-2009		
Sr.No.	Particulars	Gratuity		Leave Encashment
		Unfunded	Funded	Unfunded
(d)	Fair Value of Plan Assets (Rs.):			
	Fair value of plan assets at beginning of period	–	1,141,937	–
	Actual return on plan assets	–	112,540	–
	Contributions	–	204,549	30,000
	Benefit paid	–	–	(30,000)
	Fair value of plan assets at end of period	–	1,459,026	–
	Funded Status	(167,426)	249,381	(782,177)
	Excess of actual over estimated return on plan assets	–	561	–
(e)	Experience History (Rs.):			
	(Gain)/Loss on obligation due to change in assumption	4,188	73,331	64,065
	Experience (Gain)/Loss on obligation	(2,004)	(101,042)	(420,334)
	Experience (Gain)/Loss on plan assets	–	561	–
(f)	Actuarial Gain/(Loss) recognised (Rs.)			
	Actuarial Gain/(Loss) for the period (Obligation)	(2,184)	27,711	356,269
	Actuarial Gain/(Loss) for the period (Plan Assets)	–	561	–
	Total Gain/(Loss) for the period	(2,184)	28,272	356,269
	Actuarial Gain/(Loss) recognised for the period	(2,184)	28,272	356,269
	Unrecognised Actuarial Gain/(Loss) at end of period	–	–	–
(g)	Amount recognised in the Balance Sheet (Rs.):			
	Present value of obligation at end of period	167,426	1,209,645	782,177
	Fair value of plan assets at end of period	–	1,459,026	–
	Funded Status	(167,426)	249,381	(782,177)
	Unrecognised Actuarial Gain/(Loss)	–	–	–
	Net Assets/(Liability) recognised in the balance sheet	(167,426)	249,381	(782,177)
(h)	Expenses recognised in the statement of Profit and Loss Account (Rs.):			
	Current service cost	103,628	204,220	362,727
	Interest cost	4,564	76,529	58,572
	Expected return on plan assets	–	(111,979)	–
	Net Actuarial (Gain)/Loss recognised for the period	2,184	(28,272)	(356,269)
	Expenses recognised in the statement of Profit and Loss Account	110,376	140,498	65,030
(i)	Balance Sheet Reconciliation (Rs.):			
	Opening Net Liability	57,050	(185,330)	747,147
	Expenses as above	110,376	140,498	65,030
	Contribution paid	–	(204,549)	(30,000)
	Closing Net Liability	167,426	(249,381)	782,177

SIGNATURE TO SCHEDULES 1 TO 20

As per our report of even date
For **S. I. MOGUL & CO.**
Chartered Accountants

For **ANUH PHARMA LIMITED**

SAMIR S. MOGUL
Partner
Membership No. 100731
Mumbai : July 31, 2009

L. P. SHAH **BIPIN SHAH**
Director *Director*

Mumbai : July 31, 2009

CASH FLOW STATEMENT

	Rupees	Year 2008-2009 Rupees	Year 2007-2008 Rupees
(A) CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit Before Tax		132,548,472	114,220,372
Adjustment for			
Depreciation	11,224,089		10,656,593
Interest Paid	8,327,899		2,305,622
Other Income	-14,465,599		-18,810,402
		5,086,388	-5,848,187
Operating Profit before Working Capital Changes		137,634,861	108,372,185
Adjustment for			
Trade and Other Receivables	117,464,518		-132,607,133
Inventories	10,846,498		20,665,712
Loans and Advances	-2,460,895		-12,904,629
Trade Payables, Other Liabilities and Provisions	-149,572,283		159,718,476
		-23,722,163	34,872,426
Cash Generated from Operations		113,912,698	143,244,611
Direct Taxes (paid) / refund received		-36,464,421	-38,206,304
Net Cash from Operations		77,448,277	105,038,307
(B) CASH FLOW FROM INVESTING ACTIVITIES			
(Purchase) / Sale of Investments (net)	24,588,479		-96,825,528
(Purchase) / Sale of Fixed Assets (net)	-17,034,249		-19,437,294
Other Income received	7,767,251		8,322,895
Net Cash used in Investing Activities		15,321,481	-107,939,927
(C) CASH FLOW FROM FINANCING ACTIVITIES			
Total proceeds from Borrowings (net of repayments):			
Secured Loans	-17,826,661		7,378,745
Interest Paid	-8,327,899		-2,305,622
Dividend paid (including tax thereon)	-25,716,245		-19,506,696
Net Cash used in Financing Activities		-51,870,805	-14,433,574
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)		40,898,953	-17,335,194
CASH AND CASH EQUIVALENTS:			
Opening Balance		35,875,815	53,211,009
Closing Balance		76,774,768	35,875,815

- Notes :
- 1 Cash and Cash Equivalents include Cash and Bank Balances as per the Balance Sheet.
 - 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

SAMIR S. MOGUL
Partner
Membership No. 100731
Mumbai : July 31, 2009

For **ANUH PHARMA LIMITED**

L. P. SHAH **BIPIN SHAH**
Director Director

Mumbai : July 31, 2009

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details			
Registration No.	U 2 4 2 3 0 M H 1 9 6 0 P L C 0 1 1 5 8 6	State Code	1 1
Balance Sheet Date	3 1 0 3 2 0 0 9		
II. Capital Raised during the year			
Public Issue	N I L	Rights Issue	N I L
Bonus Issue	N I L	Private Placement	N I L
III. Position of Mobilisation and Deployment of Funds			
Total Liabilities	8 3 6 9 2 7 2 3 1	Total Assets	8 3 6 9 2 7 2 3 1
Sources of Funds			
Paid-up Capital	1 3 9 2 0 0 0 0	Reserves & Surplus	4 2 8 2 1 2 1 1 6
Secured Loans	4 2 7 6 5 0 5	Unsecured Loans	N I L
Deferred Tax Liability (Net)	7 9 6 2 1 8		
Application of Funds			
Net Fixed Assets	9 1 7 2 7 8 1 4	Investments	2 4 1 1 9 1 7 4 7
Net Current Assets	1 1 4 2 8 5 2 7 8	Misc. Expenditure	N I L
Accumulated Losses	N I L	Deferred Tax Assets (Net)	N I L
IV. Performance of Company			
Turnover (Gross Revenue)	1 2 9 7 8 2 3 1 1 5	Total Expenditure	1 0 8 9 7 7 0 3 3 7
+ – Profit / (Loss) Before Tax	+ 1 3 2 5 4 8 4 7 2	+ – Profit / (Loss) After Tax +	8 7 1 6 2 8 8 8
Earning Per Share in Rs.	3 1 . 3 1	Dividend rate %	2 3 0
V. Generic Name of Three Principal Products / Services of Company (as per monetary terms)			
Item Code No. (ITC Code)	2 9 4 1 . 5 0		
Product	ERYTHROMYCIN SALTS		
Description			
Item Code No. (ITC Code)	2 9 4 1 . 4 0		
Product	CHLORAMPHENICOL		
Description			

Note : The above particulars should be read along with the Balance Sheet as at 31st March, 2009, the Profit and Loss account for the year ended on that date and the schedules forming part thereof.

For ANUH PHARMA LTD.

L. P. SHAH **BIPIN SHAH**
Director *Director*

Mumbai : July 31, 2009

ATTENDENCE SLIP

ANUH PHARMA LTD.

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

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

Joint shareholders may obtain additional slip on request.

NAME AND ADDRESS OF THE SHARE HOLDER

Folio No.

No. of Shares

I hereby record my presence at the Forty Ninth ANNUAL GENERAL MEETING of the company held at M. C. Ghier Hall, 2nd Floor, Bhogilal Hargovinddas Road, 18/20, K. Dubash Marg, Mumbai - 400 001 on **Wednesday, 16th September 2009.**

Signature of the Share Holder or the proxy

* Strike out whichever is not applicable.



Tear Here

PROXY FORM



ANUH PHARMA LTD.

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

Folio No.	
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I/We _____

of _____ being member /

members of Anuh Pharma Ltd. hereby appoint _____

_____ of _____

or failing him _____ of _____

as my/our proxy to vote for me/us and my/our behalf at the 49th Annual General Meeting to be held on Wednesday, 16th September 2009, and at any adjournment thereof.

Signed this _____ day of _____ 2009

Affix a Re. 1/- Revenue Stamp

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



ANUH PHARMA LIMITED

Registered Office :

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