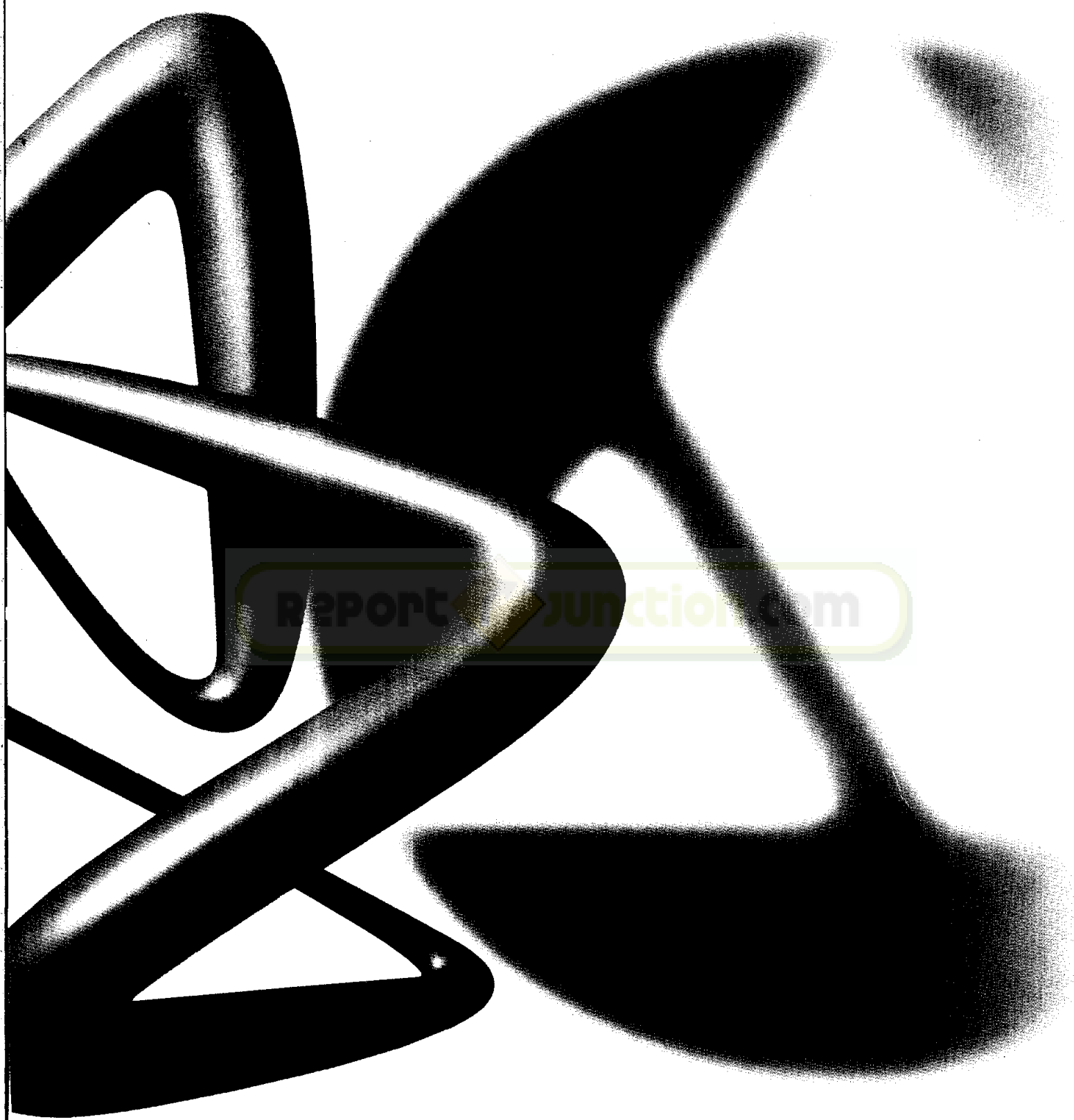


# ANNUAL REPORT 2000-2001



**ASTRA-IDL LIMITED**

**ASTRAZENECA PHARMA INDIA LIMITED**(Formerly known as *ASTRA-IDL LIMITED*)Regd. Office : Crescent Towers, 32/1-2,  
Crescent Road, Bangalore 560 001

Dear Shareholder,

We are pleased to inform you that the approval of the Central Government under Section 21 of the Companies Act, 1956, for change of name of the Company from "Astra-IDL Limited" to "AstraZeneca Pharma India Limited" has been obtained. A fresh Certificate of Incorporation consequent on Change of Name dated 31.5.2001 was issued to the Company by the Dy. Registrar of Companies, Karnataka, Bangalore. Pursuant to Section 23 of the Companies Act, 1956 the change of name became effective on and from 31st May, 2001.

In future, all correspondence may therefore please be addressed to the Company in its new name, "AstraZeneca Pharma India Limited".

Stickers with the name "AstraZeneca Pharma India Limited" will shortly be sent by the Company to all shareholders, who are still holding shares of the company in their physical form, for being affixed on their share certificates.

For ASTRAZENECA PHARMA INDIA LIMITED

SK GUHA

Dated: June 1st, 2001.

COMPANY SECRETARY



# ASTRA-IDL LIMITED

## Committees of Directors:

### Audit Committee

J. A. Stevens, *Chairman*  
D. E. Udwadia  
Dr Nitya Nand

### Remuneration Committee

D. E. Udwadia, *Chairman*  
Lars Walan

### Share Transfer Committee

D. E. Udwadia, *Chairman*  
Lars Walan

## Board of Directors

D. E. Udwadia, *Chairman*  
Dr Nitya Nand  
R. M. Henry  
J. A. Stevens  
J. G. Zetterberg  
Lars Walan, *Managing Director*  
P. S. Dasgupta (*Alternate to J G Zetterberg*)

## Company Secretary

Supriya Kumar Guha

## Bankers

State Bank of India  
Standard Chartered Grindlays Bank  
Canara Bank

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<b>Auditors</b>	
A. F. Ferguson & Co.	
Bangalore	
<b>Legal Advisors</b>	
Udwadia, Udeshi & Berjis, Mumbai	
<b>Corporate and Registered Office</b>	
Crescent Towers	
32/1-2, Crescent Road	
Bangalore 560 001	
<b>Factory</b>	
12 <sup>th</sup> Mile on Bellary Road	
Kattigenahalli Village, Yelahanka	
Bangalore 560 063	
<b>Sales Outlets</b>	
Ahmedabad, Bangalore*, Chennai, Cuttack,	
Delhi*, Ghaziabad, Guwahati, Hyderabad,	
Indore, Jaipur, Kochi, Kolkata, Lucknow,	
Mumbai*, Patna and Vijayawada.	
* Company outlets	

**Annual General Meeting**  
Monday, 9<sup>th</sup> July, 2001, 3.30 p.m.  
Ball Room, Taj West End Hotel  
Race Course Road, Bangalore 560 001

## NOTICE

Notice is hereby given that the Twenty-second Annual General Meeting of the Members of Astra-IDL Limited will be held at 3.30 p.m. in the Ball Room, Taj West End Hotel, Race Course Road, Bangalore, on Monday, 9th July, 2001, to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2001 and Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Dr. Nitya Nand, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.
5. To appoint a Director in place of Mr R. M. Henry, who was appointed as an Additional Director of the Company and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, and being eligible offers himself for re-appointment and in respect of whom the Company has received a notice from a Member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as a candidate for the office of Director.
6. To appoint a Director in place of Mr J. A. Stevens, who was appointed as an Additional Director of the Company and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, and being eligible offers himself for re-appointment

and in respect of whom the Company has received a notice from a Member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as a candidate for the office of Director.

7. To appoint a Director in place of Mr J. G. Zetterberg, who was appointed as an Additional Director of the Company and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, and being eligible offers himself for re-appointment and in respect of whom the Company has received a notice from a Member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as a candidate for the office of Director.
8. To appoint a Director in place of Mr Lars Walan, who was appointed as an Additional Director of the Company and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, and being eligible offers himself for re-appointment and in respect of whom the Company has received a notice from a Member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as a candidate for the office of Director.
9. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

“RESOLVED THAT subject to the approval of the Central Government under Section 269 of the Companies Act, 1956 and other applicable provisions of the said Act, the appointment of Mr Lars Walan as Managing Director, for a period of three years from 2<sup>nd</sup> April, 2001 on the remuneration including perquisites to be

paid or granted to him as set out in the Agreement dated 9<sup>th</sup> April, 2001 entered into by the Company with Mr Walan, placed before the meeting, be and the same is hereby approved."

specified securities in accordance with the provisions and subject to the restrictions contained in the applicable provisions of the Act".

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, Article 23 of the Articles of Association of the Company including marginal heading thereof be deleted and in place thereof the following new Article 23 be inserted with the following new marginal heading :

"23. Buyback of Shares

The Company shall be entitled to buyback its own Shares and other

By Order of the Board of Directors  
ASTRA-IDL LIMITED

**S K GUHA**  
COMPANY SECRETARY

Bangalore  
Date : May 17, 2001

**Regd. Office:**  
Crescent Towers  
32/1-2, Crescent Road  
Bangalore - 560 001



## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 3rd July to 9th July, 2001 (both days inclusive).
3. The Dividend, if any, that may be declared at the Meeting will be paid on or before 8th August, 2001 to those members, whose names appear in the Company's Register of Members as on 9th July, 2001.
4. Members are requested to notify the change of address, if any, to the Company's Registrars and Share Transfer Agents, *M/s Alpha Systems Private Limited, 30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleswaram, Bangalore – 560 003 (Telephone No.080-3460815/6/7/8 – Fax 080-3460819).*
5. For the convenience of Members and for proper conduct of the Meeting, entry to the place of Meeting will be regulated by an Attendance Slip, which is annexed to the Proxy Form. Members are kindly requested to affix their signature at the place provided on the Attendance Slip and hand it over at the entrance.
6. Members holding more than one share certificate in different folios are requested to kindly apply for consolidation of share folios and send the relative share certificates to the Company's Registrars and Share Transfer Agents.
7. Members are requested to quote the Folio Numbers in all correspondence.
8. Members are requested to bring a copy of the Annual Report along with them to the Annual General Meeting since extra copies will not be supplied at the Meeting.
9. Members may please note that unpaid / unclaimed Dividends for the years upto 1993-94 have been transferred to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956. Members who have not encashed the Dividend Warrants for the aforesaid years are requested to claim the amount from the Registrar of Companies - Karnataka, Kendriya Sadan, 2<sup>nd</sup> Floor, 'E' Wing, Koramangala, Bangalore. Intimations have been sent to the Members concerned, pursuant to Rule 4A of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.
10. Members are requested to note that as prescribed by Securities and Exchange Board of India (SEBI), trading in securities of the Company are in Dematerialised form only. Hence, Members who are yet to Dematerialise their shares are advised to do so. The Company has entered into agreements with National Securities Depository Ltd. (NSDL) and Central Depository Services (I) Ltd. (CDSL) for Demat facilities.



## **Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956.**

### **Item No.5 to 8**

Mr R. M. Henry, Mr J. A. Stevens, Mr J.G. Zetterberg and Mr Lars Walan, were appointed as Additional Directors by the Board of Directors, at its meeting held on 29<sup>th</sup> March, 2001. Pursuant to Section 260 of the Companies Act, 1956, read with Article 116 of the Articles of Association of the Company, they hold office upto the date of the forthcoming Annual General Meeting of the Company. Notices in writing along with deposit of Rs.500/- each have been received from Members under Section 257 of the Companies Act, 1956, signifying their intention to propose Mr Henry, Mr Stevens, Mr Zetterberg and Mr Walan respectively as candidates for the office of Directors.

Mr. Henry is the Regional Vice President AstraZeneca – Asia. Prior to that he was Vice President Sales & Marketing, AstraZeneca, Japan. Between 1995 and 1999 he was President and General Manager of Zeneca Pharma, Canada.

Mr. Stevens has since 1999 been the Regional Finance Director, Asia Pacific of AstraZeneca. He is currently based in Singapore.

Mr. Zetterberg, a lawyer, was Assistant General Counsel of Astra AB from 1983 to 1999 and has been the Assistant General Counsel of AstraZeneca Plc since 1999.

Mr. Walan has been intimately associated for the last 32 years with the pharmaceutical industry in various important positions. He was with Astra, Hassle for ten years and with ICI Pharmaceuticals (Zeneca) UK and ICI Pharma (Zeneca) Sweden for eleven years. He rejoined Astra, Hassle in 1994, where he held the positions of Strategy Planning Director, Vice President Marketing and President Cardiovascular TA. From 1999

until his appointment as Managing Director he has been Vice President Marketing, Cardiovascular Product Strategy and Licensing, AstraZeneca.

The Board considers that their appointment as Directors will be beneficial to the Company.

Mr. Henry is interested in the Resolution at item 5 since it relates to his appointment.

Mr. Stevens is interested in the Resolution at item 6 since it relates to his appointment.

Mr. Zetterberg is interested in the Resolution at item 7 since it relates to his appointment.

Mr. Walan is interested in the Resolution at item 8 since it relates to his appointment.

### **Item No.9**

At the meeting of the Board of Directors held on 29<sup>th</sup> March, 2001, Mr Lars Walan was appointed as an additional Director and, subject to the approval of the Central Government and Members in General meeting, as Managing Director of the Company for a period of three years effective 2<sup>nd</sup> April, 2001. An application under Section 269 of the Companies Act, 1956 is being made, for approval of Mr. Walan's appointment as Managing Director, to the Central Government.

An Agreement dated 9<sup>th</sup> April, 2001 was entered into between the Company and Mr Walan setting out the terms of his appointment, including his remuneration as Managing Director.

The terms of his appointment including his remuneration are set out in the Agreement referred to in the Resolution at Item No.9 of the Notice. The material terms of the Agreement are as under:

1. Mr. Walan be appointed Managing Director of the Company for a period of 3 (three) years effective 2<sup>nd</sup> April, 2001.

2. Mr.Walan, as Managing Director, to have the general control of the business of the Company and be vested with the management and day to day affairs of the Company and to have power to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things which in ordinary course of such business he may consider necessary or proper or in the best interest of the Company, subject to the superintendence, control and direction of the Board and subject to such restrictions or limitations as the Board may in its discretion determine from time to time.
3. Mr.Walan to devote his whole time and attention during business hours to the business of the Company and to exert his best endeavours to promote its interests and welfare.
4. Mr.Walan to undertake such travelling in and outside India as may be necessary in the interests of the Company's business or as may from time to time be required or directed by the Board in connection with or in relation to the business of the Company.
5. The Company to pay to Mr.Walan in consideration of the faithful and proper performance by him of his duties and functions:
  - (i) (a) A Salary of Rs.2,00,000/- (two lakh) per month with such annual increments as the Board may in its absolute discretion determine.
  - (b) Commission: Subject to the overall limits laid down under sections 198 and 309 of the Companies Act, 1956 not exceeding 1% of the net profits of the Company for each financial year as the Board may in its absolute discretion determine.
- (ii) Mr.Walan to be also entitled to the following benefits :
  - (a) the use of furnished residential accommodation leased or taken on leave and licence by the Company Provided That the expenditure incurred by the Company on providing such accommodation to Mr.Walan shall be subject to a ceiling of 50% of his salary subject to deduction of tax as per Income Tax Act.
  - (b) reimbursement by the Company of all charges in connection with gas, electricity and water in the residential accommodation, to be valued as per the Income Tax Rules, 1962 and to be subject to the ceiling of 10% of salary.
  - (c) reimbursement of entertainment expenses reasonably incurred by Mr.Walan exclusively for the purpose of the business of the Company.
  - (d) utilisation of club facilities of the Company, subject to a maximum of two clubs but excluding admission and life membership fees.
  - (e) the benefit of personal accident insurance policy as per Company Scheme in force.
  - (f) the benefit of the Company's Provident Fund Scheme in accordance with the Rules of the Scheme for the time being in force, subject to the condition that the Company's contribution thereto shall not exceed such



percentage of Mr.Walan's salary as may be permitted from time to time under the Income Tax Rules, 1962.

- (g) the benefit of the Company's Superannuation Scheme in accordance with the Rules of the Scheme for the time being in force, subject to the condition that the Company's contribution thereto together with the Company's contribution to the Provident Fund shall not exceed such percentage of Mr.Walan's salary as is permitted from time to time under Income Tax Rules, 1962.
- (h) gratuity at the rate of one month's salary for each completed year of service.
- (i) encashment of unavailed privilege leave at the end of his tenure as Managing Director as per the Rules of the Company for the time being in force.
- (j) use of telephone at the aforesaid accommodation, the rent, call charges and other outgoings in respect thereof to be paid by the Company except for personal long distance calls which shall be billed by the Company to Mr. Walan directly.
- (k) use of a motor car, all expenses for running of such motor car to be borne by the Company. Use of the car for private purpose shall be billed by the Company to Mr.Walan directly.
- (l) the actual travelling expenses by first class air travel incurred by Mr.Walan, his wife and dependent children, if any, from Sweden to India to take up his

employment with the Company as well as the cost of transportation of Mr. Walan's personal belongings and household effects for his own use or for the use of his family.

- (m) the actual travelling expenses by first class air travel incurred by Mr.Walan, his wife and dependent children, if any, as well as cost of packing and transportation of Mr.Walan's personal belongings and household effects from Bangalore to Stockholm upon the expiry or earlier termination of his employment under this Agreement.
- (n) furlough on full salary for a period of 30 days after the completion of every 12 months' service with the Company. Leave shall be availed of by Mr.Walan subject to the exigencies of the Company's business and with the prior approval of the Board of Directors of the Company. In respect of furlough availed of, Mr.Walan shall be entitled to receive from the Company first class return air fare Bangalore Stockholm-Bangalore for himself, his wife and dependent children, if accompanied by them.
- (iii) In addition to the foregoing, Mr.Walan to be also reimbursed expenses towards Medical, Leave Travel Concessions and such expenses of like nature as may be prescribed by the Rules of the company in force from time to time, the total sum not exceeding Rs.5,00,000/- (five lakhs) per annum.
- (iv) Income Tax, if any, on or in respect of the aforesaid remuneration to be borne and paid by Mr.Walan.

- (v) The total remuneration of Mr.Walan including salary, commission and perquisites as aforesaid, not in any case to exceed 5% of the net profits of the Company in any year computed in accordance with the Companies Act, 1956.
6. During his employment under this Agreement, Mr.Walan not directly or indirectly to engage himself in any other business, occupation or employment whatsoever PROVIDED HOWEVER that Mr.Walan free to hold with the previous sanction of the Board, any non-executive directorship or directorships of any other Company or Body Corporate and the holding of any such directorship shall not be deemed to be a contravention of this clause.
  7. If Mr.Walan shall at any time be prevented by ill health or accident or any physical or mental disability from performing his duties as Managing Director, he to inform the Company immediately and supply it with such details or information as the Company may reasonably require and if he shall be unable by reason of ill health or accident or such disability for a consecutive period of 180 days in any period of twelve consecutive calendar months to perform his duties hereunder, the Company may forthwith terminate his employment.
  8. The employment of Mr.Walan under this Agreement to forthwith determine if he becomes insolvent or makes any composition or arrangement with his creditors or he shall cease to be a Director of the Company.
  9. If Mr.Walan be guilty of negligence in the conduct of the business of the Company or of any misconduct or any breach of this Agreement as in the opinion of the Board renders his retirement from the office of the Managing Director desirable, the Company may by not less than 30 days notice in writing to Mr.Walan or upon payment to Mr.Walan of one month's salary in lieu of notice determine this Agreement and he to cease to be a Director and Managing Director of the Company upon the expiration of such notice.
  10. Notwithstanding anything to the contrary contained in this Agreement, either party to be entitled to determine this Agreement by giving not less than 90 days notice in writing in that behalf to the other party without the necessity of showing any cause and on the expiry of the period of such notice this Agreement to stand determined and Mr.Walan to cease to be a Director and Managing Director of the Company. The Company entitled to terminate Mr.Walan's employment at any time by payment to him of 3 months salary in lieu of such notice.
- A Memorandum of Abstract under and in accordance with Section 302 of the Companies Act, 1956, setting out the terms and conditions of Mr. Walan's appointment has already been despatched to all shareholders on 27<sup>th</sup> April, 2001.
- The approval of the shareholders is being sought to Mr. Walan's appointment as Managing Director and the remuneration to be paid to him. Hence, the resolution at Item No.9.
- The Board considers that the remuneration proposed to be paid to Mr Walan as Managing Director upon his appointment is commensurate with his duties and responsibilities.
- The Agreement dated 9<sup>th</sup> April, 2001 will be open for inspection by the shareholders of the Company at its Registered Office between 10.30 a.m. and 12.30 p.m. on any working day except Saturday.