

# 7<sup>th</sup> Annual Report 1999 - 2000



**MERVEN DRUG PRODUCTS LIMITED**

**MERVEN DRUG PRODUCTS LIMITED**

**MERVEN**

**BOARD OF DIRECTORS**

MR. T. MALLIKARJUNA REDDY  
MR. Y. MEHER PRAKASH  
MR. BHUPATHIRAJU VENKATARAMA RAJU

CHAIRMAN  
DIRECTOR  
DIRECTOR

**MANAGER**

MR. M.V. PRASAD REDDY

GENERAL MANAGER - TECHNICAL

**COMPLIANCE OFFICER**

MR. R.S.G. KRISHNA REDDY

ASST. MANAGER - SECRETARIAL

**AUDITORS**

M/S. P.R. KATARIA & ASSOCIATES  
CHARTERED ACCOUNTANTS,  
MUMBAI.

**BANKERS**

BANK OF BARODA  
STATE BANK OF HYDERABAD

**REGISTRARS & TRANSFER AGENTS**

SATGURU MANAGEMENT CONSULTANTS (P) LTD.,  
PLOT NO. 15, HINDI NAGAR,  
PUNJAGUTTA,  
HYDERABAD - 500 034.

**REGISTERED OFFICE & WORKS**

SURVEY NO. 323,  
GUNDLAMACHNUR VILLAGE,  
HATHNOORA MANDAL,  
MEDAK DISTRICT,  
PIN - 502 296,  
ANDHRA PRADESH.

**Request to Members**

- Members are requested to bring their copies of Annual Report to the meeting.
- Members are requested to avoid being accompanied by non-members and/or children.
- Members/bodies Corporate/Proxies should bring the attendance slip duly filled-in for attending the Meeting
- Members desiring any information as regards accounts are requested to write to the Company at least seven days before the Meeting to enable the Management to keep the information ready.

**MERVEN****MERVEN DRUG PRODUCTS LIMITED****NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 7TH ANNUAL GENERAL MEETING OF THE MEMBERS OF MERVEN DRUG PRODUCTS LIMITED WILL BE HELD AT ITS REGISTERED OFFICE AT SURVEY NO.323, GUNDLAMACHNUR VILLAGE, HATHNOORA MANDAL, MEDAK PIN-502 296, ANDHRA PRADESH, ON SATURDAY SEPTEMBER 30, 2000 AT 11.30 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:**

1. TO RECEIVE, CONSIDER AND ADOPT THE BALANCE SHEET AS AT MARCH 31, 2000 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON THAT DATE AND THE REPORTS OF THE DIRECTORS AND AUDITOR'S THEREON.

**SPECIAL BUSINESS:**

2. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATIONS, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

" RESOLVED THAT MR. Y. MEHER PRAKASH, BE AND IS HEREBY APPOINTED AS A DIRECTOR OF THE COMPANY, WHOSE PERIOD OF OFFICE SHALL BE LIABLE TO DETERMINATION BY RETIREMENT OF DIRECTOR BY ROTATION."

3. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :

" RESOLVED THAT MR. BHUPATHIRAJU VENKATRAMA RAJU, BE AND IS HEREBY APPOINTED AS A DIRECTOR OF THE COMPANY, WHOSE PERIOD OF OFFICE SHALL BE LIABLE TO DETERMINATION BY RETIREMENT OF DIRECTOR BY ROTATION."

4. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATIONS, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :

" RESOLVED THAT M/S. NAYAK & RANE, CHARTERED ACCOUNTANTS, MUMBAI, BE AND ARE HEREBY APPOINTED AS THE STATUTORY AUDITORS OF THE COMPANY IN PLACE OF M/S. P.R.KATARIA & CO. CHARTERED ACCOUNTANTS, THE RETIRING AUDITORS OF THE COMPANY TO HOLD OFFICE FROM THE CONCLUSION OF THIS MEETING UNTIL THE CONCLUSION OF NEXT ANNUAL GENERAL MEETING OF THE COMPANY ON SUCH REMUNERATION TO BE FIXED IN CONSULTATION WITH THE BOARD OF DIRECTORS PLUS RE-IMBURSEMENT OF OUT OF POCKET EXPENSES."

5. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATIONS, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :

"RESOLVED THAT PURSUANT TO SECTION 198,269,309,310 & 311 READ WITH SCHEDULED XIII OF THE COMPANIES ACT, 1956, THE COMPANY HEREBY APPROVES THE APPOINTMENT OF MR. T. MALIKARJUNA REDDY AS A WHOLE-TIME DIRECTOR DESIGNATED AS EXECUTIVE CHAIRMAN OF THE COMPANY FOR A PERIOD OF THREE YEARS WITH EFFECT FROM OCTOBER 01, 2000 ON THE TERMS AND CONDITIONS, INCLUDING REMUNERATION AS ARE CIRCULATED AMONG THE MEMBERS OF THE COMPANY VIDE ABSTRACT & MEMORANDUM UNDER SECTION 302 OF THE COMPANIES ACT, 1956"

" FURTHER RESOLVED THAT THE BOARD OF DIRECTOR SHALL BE AT LIBERTY TO ALTER, VARY AND MODIFY THE TERMS AND CONDITIONS OF THE SAID RE-APPOINTMENT AS STATED IN THE ABSTRACT AND MEMORANDUM UNDER SECTION 302 OF THE COMPANIES ACT, 1956 DATED JULY 31, 2000 IN SUCH A MANNER AS MAY BE AGREED TO BETWEEN THE BOARD OF DIRECTOR AND MR. T. MALIKARJUNA REDDY WITHIN AND IN ACCORDANCE WITH THE LIMITS PRESCRIBED IN SCHEDULED XIII TO THE COMPANIES ACT, 1956 OR ANY AMENDMENT THERE TO OR ANY RE-ENACTMENT THEREOF (AND, IF NECESSARY, AS MAY BE AGREED TO BETWEEN THE BOARD OF DIRECTOR AND MR. T. MALIKARJUNA REDDY) THE CENTRAL GOVERNMENT TO SCHEDULED XIII TO THE COMPANIES ACT, 1956 OR S PROVIDED IN ANY ENACTMENT, REPEAL OR MODIFICATION THEREOF, THE BOARD OF DIRECTOR BE AND IS HEREBY AUTHORIZED TO VARY OR INCREASE THE REMUNERATION INCLUDING PREQUISITES, WITHIN THE PRESCRIBED LIMITS OR CEILING AND THE AFORESAID TERMS AND CONDITIONS BETWEEN THE COMPANY AND MR. T. MALIKARJUNA REDDY BE SUITABLY AMENDED TO GIVE EFFECT TO SUCH MODIFICATIONS, RELAXATION OR RE-ENACTMENT WITHOUT REQUIRING ANY FURTHER RESOLUTION OR CONSENT OF THE SHAREHOLDERS OF THE COMPANY AND THAT BOARD OF DIRECTOR OF THE COMPANY BE AND IS HEREBY AUTHORISED TO TAKE SUCH AS MAY BE NECESSARY, DESIRABLE AND/OR EXPEDIENT TO GIVE EFFECT TO THIS RESOLUTION "

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS.

SD/-  
T. MALIKARJUNA REDDY  
CHAIRMAN

PLACE : MEDAK  
DATE : JULY 31,2000.

REGISTERED OFFICE  
Survey No. 323, Gundlamachnur Village,  
Hathnoora Mandal, Medak - 502 296.  
Andhra Pradesh.

**MERVEN DRUG PRODUCTS LIMITED****MERVEN****NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM WEDNESDAY, SEPTEMBER 27, 2000 TO SATURDAY, SEPTEMBER 30, 2000 (BOTH DAYS INCLUSIVE) FOR THE PURPOSE OF THE COMING 7TH ANNUAL GENERAL MEETING.

2. MEMBERS ARE REQUESTED TO PROMPTLY NOTIFY ANY CHANGES IN THEIR ADDRESS TO THE COMPANY AT ITS REGISTERED OFFICE.
3. ALL DOCUMENTS REFERRED TO IN THE NOTICE ARE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY DURING OFFICE HOURS ON ALL DAYS EXCEPT SUNDAY, AND PUBLIC HOLIDAYS BETWEEN 11.00 A.M. AND 1.00 P.M. UP TO THE DATE OF ANNUAL GENERAL MEETING.
4. FOR CONVENIENCE OF MEMBER, AN ATTENDANCE SLIP IS ANNEXED TO THE PROXY FORM. MEMBERS ARE REQUESTED TO AFFIX THEIR SIGNATURE AT THE SPACE PROVIDED AND HAND OVER THE ATTENDANCE SLIPS AT THE PLACE OF MEETING. THE PROXY OF A MEMBER SHOULD MARK ON THE ATTENDANCE SLIP AS PROXY.
5. IF THE MEMBERS HAVE ANY QUERIES ON THE AUDITED ACCOUNTS, DIRECTORS REPORT & AUDITORS REPORT, THE SAME SHOULD BE FORWARDED AT LEAST 7 DAYS BEFORE THE MEETING SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBERS SATISFACTION.
6. MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE REPORT TO ANNUAL GENERAL MEETING.
7. MEMBERS HOLDING SHARES IN THE NAME SET OF NAMES UNDER DIFFERENT LEDGER FOLIOS ARE REQUESTED TO APPLY FOR CONSOLIDATION OF SUCH FOLIOS ALONGWITH SHARE CERTIFICATES TO THE COMPANY.
8. EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, ALONGWITH ABSTRACT OF THE TERMS AND CONDITIONS AS PER SECTION 302 OF THE COMPANIES ACT, 1956, IN RESPECT OF ITEM NOS.2,3,4 & 5 OF THE NOTICE SET OUT IS ANNEXED HERETO.
9. IN ORDER TO EXERCISE STRICT CONTROL OVER THE TRANSFER DOCUMENTS, MEMBERS ARE REQUESTED TO SEND THE TRANSFER

DOCUMENTS/ CORRESPONDENCE, IF ANY, DIRECTLY TO :

SATGURU MANAGEMENT CONSULTANTS (P) LTD.  
UNIT: MERVEN DRUGS PRODUCTS LTD.  
PLOT NO.15, HINDI NAGAR COLONY,  
PUNJAGUTTA, HYDERABAD-500 034.

**EXPLANATORY STATEMENT PURSUANT TO  
SECTION 173(2) OF THE  
COMPANIES ACT, 1956.**

**ITEM NO: (2)**

THE BOARD OF DIRECTORS OF YOUR COMPANY HAS APPOINTED MR. Y. MEHER PRAKASH AS AN ADDITIONAL DIRECTOR W.E.F. DECEMBER 28, 1999.

PURSUANT TO THE PROVISION OF ARTICLE 61 OF YOUR COMPANY'S ARTICLES OF ASSOCIATION READ WITH SECTION 260 OF THE COMPANIES ACT, 1956, MR. Y. MEHER PRAKASH WILL HOLD OFFICE UNTIL THE DATE OF FORTHCOMING ANNUAL GENERAL MEETING. YOUR COMPANY HAS RECEIVED NOTICE IN WRITING FROM SOME MEMBERS IN TERMS OF SECTION 257 OF THE COMPANIES ACT, SIGNIFYING HIS INTENTION TO PROPOSE THE APPOINTMENT OF MR. Y. MEHER PRAKASH AS DIRECTOR OF YOUR COMPANY.

MR. Y. MEHER PRAKASH IS WILLING TO ACT AS A DIRECTOR OF YOUR COMPANY, IF SO APPOINTED, AND HE HAS FILED WITH YOUR COMPANY HIS CONSENT PURSUANT TO SECTION 264(1) OF THE ACT.

MR. Y. MEHER PRAKASH IS HAVING EXPERTISE IN MARKETING FIELD. THUS CONSIDERING THE LEVEL OF EXPERIENCE POSSESSED BY MR. Y. MEHER PRAKASH THE BOARD CONSIDERS THAT THE APPOINTMENT OF MR. Y. MEHER PRAKASH WILL BE BENEFICIAL TO THE COMPANY AND ACCORDINGLY RECOMMENDS THE ACCEPTANCE OF THE RESOLUTION SET OUT IN ITEM NO.3 OF THE CONVENING NOTICE.

MR. Y. MEHER PRAKASH IS CONCERNED AND INTERESTED IN THE RESOLUTION CONCERNING HIS APPOINTMENT.

SAVE AS AFORESAID NO DIRECTOR OF YOUR COMPANY IS CONCERNED OR INTERESTED IN THE PASSING OF THE SAID RESOLUTION.

**ITEM NO:3**

THE BOARD OF DIRECTOR OF YOUR COMPANY HAS APPOINTED MR. BHUPATHIRAJU VENKATRAMARAJU AS AN ADDITIONAL DIRECTOR W.E.F. DECEMBER 28, 1999.

PURSUANT TO THE PROVISION OF ARTICLE 61 OF YOUR COMPANY'S ARTICLE OF ASSOCIATION READ WITH SECTION 260 OF THE COMPANIES ACT, 1956, MR. BHUPATHIRAJU VENKATRAMARAJU WILL HOLD OFFICE UNTIL THE DATE OF FORTHCOMING ANNUAL GENERAL MEETING. YOUR COMPANY HAS RECEIVED NOTICE IN WRITING FROM SOME MEMBERS IN TERMS OF SECTION 257 OF THE COMPANIES ACT, SIGNIFYING HIS INTENTION TO PROPOSE THE APPOINTMENT OF

**MERVEN****MERVEN DRUG PRODUCTS LIMITED**

MR. Y. MEHER PRAKASH AS DIRECTOR OF YOUR COMPANY.

MR. BHUPATHI RAJU VENKATRAMA RAJU IS WILLING TO ACT AS A DIRECTOR OF YOUR COMPANY, IF SO APPOINTED, AND HE HAS FILED WITH YOUR COMPANY HIS CONSENT PURSUANT TO SECTION 264(1) OF THE ACT.

MR. BHUPATHI RAJU VENKATRAMA RAJU IS HAVING EXCELLENT EXPERIENCE IN FINANCE FIELD. THUS CONSIDERING THE LEVEL OF EXPERIENCE POSSESSED BY MR. BHUPATHIRAJU VENKATRAMA RAJU THE BOARD CONSIDERS THAT THE APPOINTMENT OF MR. BHUPATHI RAJU WILL BE BENEFICIAL TO THE COMPANY AND ACCORDINGLY RECOMMENDS THE ACCEPTANCE OF THE RESOLUTION SET OUT IN ITEM NO.3 OF THE CONVENING NOTICE.

MR. BHUPATHI RAJU VENKATRAMA RAJU IS CONCERNED AND INTERESTED IN THE RESOLUTION CONCERNING HIS APPOINTMENT.

SAVE AS AFORESAID NO DIRECTOR OF YOUR COMPANY IS CONCERNED OR INTERESTED IN THE PASSING OF THE SAID RESOLUTION.

**ITEM NO.4**

THE MEMBERS OF THE COMPANY ARE REQUESTED TO NOTE THAT THE COMPANY HAS RECEIVED A LETTER FROM M/S. P.R.KATARIA & ASSOCIATES, CHARTERED ACCOUNTANT, MUMBAI, EXPRESSING THEIR INABILITY TO CONTINUE AS THE STATUTORY AUDITORS OF THE COMPANY FROM THE FINANCIAL YEAR 2000-2001. THE BOARD PLACE ON RECORD THEIR APPRECIATION FOR THE VALUABLE SERVICES RENDERED BY THEM.

CONSEQUENTLY, IN REPLY TO THE OFFER LETTER MADE BY YOUR BOARD OF DIRECTOR, M/S. NAYAK & RANE, CHARTERED ACCOUNTANTS, MUMBAI, HAVE ACCEPTED THE OFFER FOR THEIR APPOINTMENT AS THE STATUTORY AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2000-2001, AND HAS ALSO CONFIRMED BY WAY OF THEIR LETTER THAT THEIR APPOINTMENT AS THE STATUTORY AUDITORS OF THE COMPANY, IF MADE, WILL BE WITHIN THE LIMIT PRESCRIBED UNDER SECTION 224(1B) OF THE COMPANIES ACT, 1956.

YOU ARE REQUESTED TO ACCORD YOUR ASSENT FOR THE AFORESAID CHANGE IN AUDITORS OF THE COMPANY AND FIX THEIR REMUNERATION, ACCORDINGLY.

NONE OF THE DIRECTOR OF THE COMPANY ARE INTERESTED IN PASSING THE SAID RESOLUTION.

**ITEM NO.5**

IT MAY BE RECALLED THAT MR. T. MALIKARJUNA REDDY WAS APPOINTED AS A MANAGING DIRECTOR OF THE COMPANY FOR THE TERMS OF FIVE YEARS W.E.F. 04/11/1993 AT THE ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY HELD ON 29/09/1994 AND THE SAID TERM OF HIS APPOINTMENT AS THE MANAGING DIRECTOR OR THE COMPANY EXPIRED ON 03/11/1998.

LOOKING AFTER HIS SUCCESSFUL TERM AS A MANAGING DIRECTOR OF THE COMPANY, AND SUBJECT TO THE APPROVAL OF THE SHAREHOLDERS AT THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON JULY 31, 2000 MR. T. MALIKARJUNA REDDY WAS APPOINTED TO THE POSITION OF EXECUTIVE CHAIRMAN OF THE COMPANY FOR A PERIOD OF THREE YEARS W.E.F. OCTOBER 01, 2000.

MR. T. MALIKARJUNA REDDY IS B. COM, M.A. AND HAVING NEARLY 15 YEARS OF EXPERIENCE IN THE RELATED FIELDS AND PHARMACEUTICAL MARKET. HE HAS UNDERTAKEN A VERY EXTENSIVE STUDY OF PHARMACEUTICAL MARKET AND TECHNOLOGY SOURCES IN THE COUNTRY. HE HAS ALSO STUDIED THE LARGE COMPANIES IN THE PHARMA FIELD AND HAD CONSULTATIONS WITH LARGE TRADING HOUSES, IN INDIA AND ABROAD.

CONSIDERING THE QUALIFICATION AND EXPERIENCE POSSESSED BY MR. T. MALIKARJUNA REDDY, THE BOARD OF DIRECTORS RECOMMENDS PASSING OF THE SAID RESOLUTION.

MR. T. MALIKARJUNA REDDY, IS CONCERNED OR INTERESTED IN THE RESOLUTION CONCERNING HIS APPOINTMENT. SAVE AS AFORESAID, NO DIRECTOR OF YOUR COMPANY IS CONCERNED OR INTERESTED IN THE RESOLUTION.

ABSTRACT OF THE TERMS AND CONDITION AS PER SECTION 302 OF THE COMPANIES ACT, 1956.

SALARY : RS.25000/- (RUPEES TWENTY FIVE THOUSAND ONLY) PER MONTH.

**PART : A**

PROVIDENT & OTHER FUNDS: BENEFIT OF THE PROVIDENT FUND, SUPERANNUATION, ANNUITY AND SUCH OTHER SCHEMES WHICH THE COMPANY MAY FRAME FROM TIME TO TIME.

**PART : B**

RETIREMENT BY ROTATION:

MR. T. MALIKARJUNA REDDY TO BE LIABLE TO RETIRE BY ROTATION DURING THE TENOR OF HIS APPOINTMENT.

NOTE: THE REMUNERATION MENTIONED HEREIN BEFORE SHALL NOT EXCEED THE AMOUNTS PRESENTLY PERMITTED UNDER SCHEDULE XIII OF THE COMPANIES ACT, 1956 OR AS MAY BE AMENDED FROM TIME TO TIME IN FUTURE.

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS.

SD/-  
T. MALIKARJUNA REDDY  
CHAIRMAN

PLACE : MEDAK  
DATE : JULY 31, 2000.

**MERVEN DRUG PRODUCTS LIMITED****MERVEN****DIRECTORS' REPORT**

DEAR MEMBERS,

YOUR DIRECTORS PRESENT THE SEVENTH ANNUAL REPORT OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2000.

**FINANCIAL RESULTS**

(AMOUNT RS. IN LAKHS)

	For the year 1999-2000	For the year 1998-1999
INCOME	185.82	284.25
EXPENDITURE	258.38	478.38
INTEREST	205.22	266.47
DEPRECIATION	68.92	67.67
PROFIT BEFORE TAX/(LOSS)	(343.69)	(528.27)
NET PROFIT/(LOSS) FOR THE YEAR	(343.69)	(528.27)
PROFIT/LOSS BROUGHT FORWARD FROM EARLIER YEARS	(823.79)	(295.52)
BALANCE OF PROFIT/(LOSS) CARRIED FORWARD	(1167.48)	(823.79)

IN VIEW OF LOSSES, YOUR DIRECTORS ARE NOT IN A POSITION TO RECOMMEND ANY DIVIDEND FOR THE YEAR.

**OPERATIONS**

DURING THE YEAR UNDER REVIEW THE COMPANY RECEIVED AN INCOME OF RS. 185.82 LAKHS INCLUDING JOB PROCESSING CHARGES AS AGAINST RS. 284.25 LAKHS FOR THE PREVIOUS YEAR.

THE COMPANY IS CURRENTLY ENGAGED IN ONLY JOB WORK FOR OTHER COMPANIES AS THE COMPANY DO NOT PRODUCE ITS PRODUCTS DUE TO THE NON-AVAILABILITY OF WORKING CAPITAL FACILITY. THE COMPANY HAS INCURRED LOSS OF RS. 343.69 LAKHS AND TOGETHER WITH CARRIED FORWARD LOSS OF

THE EARLIER YEARS OF RS. 823.79 LAKHS, WHICH HAS COMPLETELY ERODED THE NETWORK OF THE COMPANY WITHIN THE MEANING OF SECTION 3 (1) (D) OF THE SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985.

**FUTURE PROSPECTS**

YOUR COMPANY HAS PROPOSED TO IMPROVE THE CAPACITY UTILISATION OF THE PLANT AND TO UNDERTAKE MORE CONVERSIONS WORK ON JOB ORDER BASIS WHICH IN TURN WILL EASE OUR FINANCIAL CRUNCH. YOUR DIRECTORS ARE GIVING MORE STRESS ON THE BETTER UTILIZATION OF ALL THE AVAILABLE RESOURCES.

**PARTICULARS OF EMPLOYEES:**

NONE OF THE EMPLOYEES IS IN RECEIPT OF REMUNERATION AS STIPULATED UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975.

**DIRECTORS**

Mr. Umesh V. Bhatia & Mr. Arun H. Merchant resigned from the office of Director with effect from 28th December, 1999. The Board places on record its appreciation for the valuable service, contribution by them during their association with the company.

Mr. Y. Meher Prakash & Mr. Bhupathi Raju Venkatarama Raju were appointed as additional Directors at the Board Meeting held on 28th December 1999. The company has received notices pursuant to section 257 of the Act together with necessary Deposit from some members proposing their candidature for appointment of Directors.

**AUDITORS**

M/s. P. R. Kataria & Associates. Chartered Accountants, Mumbai will retire at the ensuing Annual General Meeting and it is proposed to appoint M/s Nayak & Rane. Chartered Accountants as Statutory Auditors, since the retiring Auditors have expressed their inability to continue. The Board places on record appreciation for the valuable services rendered by them.