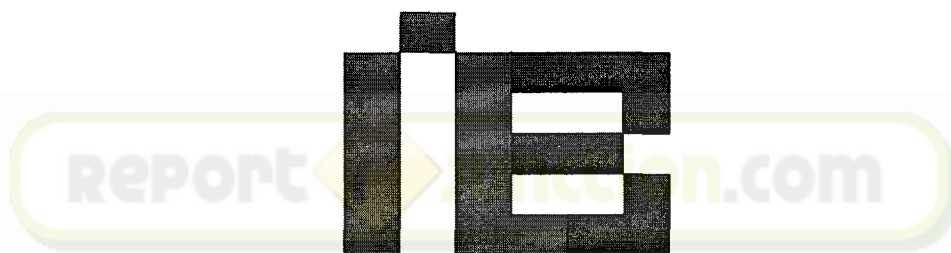


**CERTIFIED TRUE COPY**

**FOR: ARTILLEGENCE BIO-INNOVATIONS LIMITED**

**Director/Authorised Signature.**

# **ANNUAL REPORT 2006**



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**Artillegence  
Bio-Innovations Limited**

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**ARTILLEGENCE BIO-INNOVATIONS LIMITED**

**Regd. Office: Amritdham Suite No. 5 & 6, P.O. Danesh Sekh Lane,  
Nityanand Nagar, Bakultolla, Howrah -711 109.**

**NOTICE**

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting of **M/s ARTILLEGENCE BIO-INNOVATIONS LIMITED** will be held on Friday, the 29<sup>th</sup> day of September, 2006 at its registered office of the company at 11.00 A.M. to transact the following businesses:-

**AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2006 and Profit & Loss Account for the year ended on that date together with the report of the Directors and Auditors thereon.
2. To appoint the Statutory Auditor to hold office from the conclusion of this ensuing annual general meeting until the conclusion of the next Annual General Meeting.
3. To appoint a director in place of Mr. Ashim Sarkar , who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint a director in place of Mr. Dilip N.Shah, who retires by rotation and being eligible offers herself for re-appointment.

**By order of the Board**  
Sd/-  
**( Diwakar Choudhary )**  
Director

**Place:** Kolkata

**Date:** 21<sup>st</sup> August 2006

**Notes:**

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.

1. The Register of Members and Share Transfer Books of the Company shall remain closed from 27<sup>th</sup> September 2006 to 29<sup>th</sup> September 2006 (both days inclusive).
2. Proxies in order to be effective shall be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Members are requested to notify the change, if any, in their address quoting their folio numbers.

**ARTILLEGENCE BIO-INNOVATIONS LIMITED**

Regd. Office: Amritdham Suite No. 5 & 6, P.O. Danesh Sekh Lane,  
NityanandNagar, Bakultolla, Howrah -711 109.

**Report of the Directors to the members of the Company**

To  
The Members,

Your Directors have pleasure in presenting the Twenty Third Annual Report on the business and operations of your Company and the Audited Financial Results for the year ended 31<sup>st</sup> March, 2006

<b>Financial Results</b>	<b>Year ended 31.03.2006 (Rs.In lakhs)</b>	<b>Year ended 31.03.2005 (Rs. In lakhs)</b>
<b>Income from operations</b>	<b>843.44</b>	<b>36.79</b>
<b>NetProfit/(Loss)(before depreciation year)</b>	<b>843.40</b>	<b>36.70</b>
<b>Less: Depreciation</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) before tax</b>	<b>0.04</b>	<b>0.09</b>
<b>Less: Taxation</b>	<b>-</b>	<b>-</b>
<b>Profit /(Loss) after Tax</b>	<b>0.04</b>	<b>0.09</b>

**Dividend**

In view of the inadequacy of profits your Directors do not recommend any dividend for the year under review.

**Fixed Deposits**

During the year under the review, your Company did not accept or invite any deposit from the public under the provisions of section 58A of the Companies Act, 1956 and the Rules made thereunder and therefore the question of compliance or otherwise with such rules does not arise.

**Directors' Responsibility Statement**

In accordance with the requirements of Section 217 (2AA) of the Companies Act, 1956, your Directors wish to confirm the following:

i) that the applicable accounting standards have been followed in the preparation of the annual accounts;

ii) that the Directors have 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 for the year under review;

iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) that the Directors have prepared the annual accounts on a 'going concern' basis

### **Other Aspects**

Provisions relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are not applicable to your Company.

### **Particulars of Employees**

Pursuant to the particulars as required U/s. 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, there was no employee drawing remuneration in excess of the amount prescribed under Section 217(2A) of the Companies Act, 1956 during the year ended 31<sup>st</sup> March, 2006.

### **Auditors & Auditors Report**

The statutory Auditors of the Company M/s. T.N. Datta & Associates, Chartered Accountants, Kolkata, hold office until the conclusion of the forthcoming Annual General Meeting of the company and being eligible offer themselves for reappointment.

### **Corporate Governance**

The Auditors M/s. T. N. Datta & Associates have certified the Company's compliance of the requirements of Corporate Governance in terms of clause 49 of the Listing Agreement. The said certificate together with the management discussions and analysis report is attached which forms part of this report.

### **Acknowledgement**

Your Directors wish to place on record their appreciation for the support of members of your company, customers and constituents and the staff members of your company at all levels.

**By order of the Board**

Sd/-

**(Diwakar Choudhary)**

Director

**Place:** Kolkata

**Date :** 21<sup>st</sup> August 2006

**T. N. Datta & Associates**  
Chartered Accountants

87/B. KSHIPOR Road —  
Block – D. Flat No.8  
Kolkata – 700 002

**AUDITORS' CERTIFICATE TO THE MEMBERS OF**  
**ARTILLEGENCE BIO-INNOVATIONS LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Artillegence Bio-Innovations Limited, for the year ended 31<sup>st</sup> March 2006, as stipulated in clause 49 of the listing agreement of the said company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. 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 and the representations made by the Directors, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the aforesaid Listing Agreement.

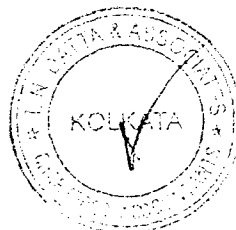
As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that on the report issued by the Registrars of the Company to the Share holders/ Investor Grievance Committee, as on 31<sup>st</sup> March 2006, there were no investor grievance matters against the Company remaining unattended / pending for more than 30 days.

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

**For T.N. Datta & Associates**  
Chartered Accountants

  
**Tarak Nath Datta**  
Proprietor

Place: Kolkata  
Date : 21<sup>st</sup> August, 2006



## ARTILLEGENCE BIO-INNOVATIONS LIMITED

### CORPORATE GOVERNANCE REPORT

This report on Corporate Governance forms part of the report of the Directors to the members. This report complies with the requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges and also provides a window through which one can view the constitution and functioning of the organization in its march to achieve its stated objectives.

#### **Company's Philosophy on Corporate Governance:**

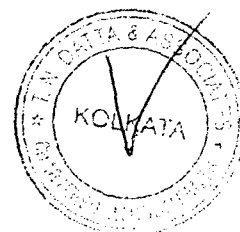
The Company's philosophy on Corporate Governance envisages the attainment of the highest level of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including members, employees, the government and lenders. Your company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time. The Company's Corporate Governance policies recognize the Company's commitment to good and efficient Corporate Governance. The Board of Directors - the Company's high policy making body is committed in its responsibility for all decisions to all constituents, including investors, employees and regulatory authorities. The Company recognizes that the members are ultimately the persons who are catalyst to the economic activities and also the ultimate beneficiaries thereof.

#### **Composition of Board**

The Board, currently has, six members (who are suitably qualified, experienced, and competent), and periodically reviews the need for its expansion. As per the current Articles of Association of the Company, the Board can have a maximum up to 12 (Twelve) Directors.

The Board has been constituted in a manner, which will result in appropriate mix of executive and independent directors. This has been done to preserve the independence of the Board and to separate the board functions of policy decisions and governance and the day-to-day management. The board functions either as a full-fledged board or through committee. Policy formulation, setting up of the goals, evaluation of the performance and control functions vest with the board, while the committee oversees operational issues. The current Board has three independent directors and two executive directors.

Fifteen meetings of the Board of Director were held during the year on 18.04.2005, 24.05.2005, 23.06.2005, 04.07.2005, 27.07.2005, 17.08.2005, 30.08.2005, 14.09.2005, 10.10.2005, 16.11.2005, 14.12.2005, 18.01.2006, 01.02.2006, 15.02.2006 and 29.03.2006



The name of members of the Board of Directors, their attendance at Eighteen board meetings and the number of their directorship are set out below:

Name of the Board Member	Board meeting attended during the year	Attendance at Last AGM	Number of other directorship (Indian & foreign)
Mrs. Maya Devi Asopa	15	Absent	2
Mr. Ashim Sarkar	14	Present	2
Mr. Dilip N. Shah	12	Present	Nil
Mr. Anil D. Doshi	14	Absent	Nil
Ms. Suparna Pal Choudhary	15	Present	7
Mr. Diwakar Choudhary	15	Present	5

### **Committee of Directors**

The board of Directors provides guidance to operating management on policy matters as well as in the monitoring of the action of operating management. This involvement is formalized through the constitution of designated committee of Board. The committees are intended to provide regular exchange of information and ideas between the Board and operating management.

### **Appointment of Directors, Re-appointment of directors at the forthcoming Annual General Meeting**

Mr. Ashim Sarkar & Mr. Dilip N. Shah, the Directors of the Company retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

### **Audit Committee**

To provide assistance to the Board of Directors of the Company the Audit committee was constituted. It consists of Chairman and two other members. The Chairman of the Audit Committee is independent Non-Executive Director. The Audit Committee provides direction to and oversees the Audit and the Risk Management functions, reviews the financial accounts, interacts with statutory auditors and reviews matters of special interest.

### **Composition, Name of Members, Chairman and other Details \***

1. Mrs. Maya Devi Asopa,
2. Mr. Ashim Sarkar
3. Mr. Dilip N. Shah
4. Mr. Anil D. Doshi
5. Ms. Suparna Pal Choudhary
6. Mr. Diwakar Choudhary





**Meeting and Attendance during the Year**

Members	Meeting Held During the Tenure of Directors	Meetings Attended
Mrs. Maya Devi Asopa	4	4
Mr. Ashim Sarkar	4	3
Mr. Dilip N. Shah	4	2
Mr. Anil D. Doshi	4	2
Ms. Suparna Pal Choudhary	4	4
Mr. Diwakar Choudhary	4	4

**General Body Meeting**

Location and time for the last three Annual General Meetings:

Description of Meeting	Location	Date	Time
21 <sup>st</sup> AGM	AmritDham, Suit No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah-711109	30 <sup>th</sup> September, 2003	11.00 AM
22 <sup>nd</sup> AGM	AmritDham, Suit No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah-711109	30 <sup>th</sup> September, 2004	10.30 A.M.
23 <sup>rd</sup> AGM	AmritDham, Suit No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah-711109	30 <sup>th</sup> September, 2005	11.30 A.M.

No postal ballots were used / invited for voting at the above meetings. There were no special resolutions to be passed. There is no proposal to pass any special resolution by Postal Ballots at the ensuing Annual General Meeting.

**Location and time for the last three Extra-ordinary General Meetings:**

Date	Time	Venue
NONE	N/A	N/A

**General shareholders' Information**

**Compliance Officer:** Ms. Diwakar Choudhary

**(a) Twenty Fourth Annual General Meeting**

**Date** : 30<sup>th</sup> September, 2006  
**Time** : 3.30 P.M.  
**Venue** : AmritDham, Suit No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah-711109.



(b) **Financial Calendar****Publication of Unaudited Results:****Quarter ending**

June 30, 2005  
 September 30, 2005  
 December 31, 2005  
 March 31, 2006

**3<sup>rd</sup> / 4<sup>th</sup> week of**

July, 2005  
 October, 2005  
 January, 2006  
 April, 2006

- (c) **Book Closure Date** : 27<sup>th</sup> September 2006 to 28<sup>th</sup> September, 2006  
 (Both days inclusive)

(d) **Listing on Stock Exchanges**

The Equity Shares of the Company are listed on The Stock Exchange, Mumbai and The Calcutta Stock Exchange Association Limited. The Company confirms that it has paid annual listing fees to the Stock Exchange, Mumbai and The Calcutta Stock Exchange Association Limited for the year 2005-06.

(e) **Stock Code**

The stock code of the shares listed at the Stock Exchanges, where the shares of the Company are listed, are given below:

<b>Name of the Company</b>	<b>Code</b>
(i) The Stock Exchange, Mumbai	512642
(ii) The Calcutta Stock Exchange Association Limited	10019117

(f) **Market Price Data**

The high & low of the share price of the Company during each month in the last financial year at the Stock Exchange, Mumbai are as follows:

<b>Month</b>	<b>High</b>	<b>Low</b>
April 2005	8.72	6.91
May 2005	11.68	6.50
June 2005	12.42	9.00
July 2005	19.00	9.00
August 2005	19.50	13.00
September 2005	14.70	8.70
October 2005	10.85	6.00
November 2005	8.25	6.50
December 2005	7.15	5.03
January 2006	7.74	5.25
February 2006	5.60	4.11
March 2006	4.46	2.66

(g) **Name of depository with whom the Company has entered into Agreement**

The Company has signed the Agreement with National Securities Depository Limited and Central Depository Services (India) Limited.

