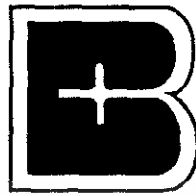


**9TH ANNUAL
REPORT
1998-99**



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Biowin

Pharma (India) Limited

Regd. Office : D-11, Phase 2, MIDC Kalyanshill Road, Manpada, Dombivli - (East) - 421 204. Dist : Thane, MAHARASHTRA.

BIOWIN PHARMA (INDIA) LIMITED

BOARD OF DIRECTORS

Mr. M. P. Misquitta *Chairman &
Managing Director*

Dr. A. C. Arora
Mr. S. S. Balsavar

SECRETARY

Mr. D. S. Nagle

AUDITORS

R. A. Kuvadia & Co.
Chartered Accountants
Mumbai

BANKERS

Union Bank of India,
Dombivli Nagari Sahakari Bank Ltd.

REGISTERED OFFICE

D-11, Phase 2,
MIDC Kalyanshill Road,
Manpada,
Dombivli (East) - 421 204,
Maharashtra.

FACTORY

D-11, Phase 2,
MIDC Kalyanshill Road,
Manpada,
Dombivli (East) - 421 204,
Maharashtra.

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BIOWIN PHARMA (INDIA) LIMITED

NOTICE

Notice is hereby given that the 9th Annual General Meeting of the members of Biowin Pharma (India) Limited, will be held on Wednesday 29th September, 1999, at 11.00 a.m. at Shree Sitavallabh Charitable Trust, Sarvesh Hall, Tilak Road, Dombivli (E), Dist. Thane, MAHARASHTRA, to transact the following business.

D) ORDINARY BUSINESS

- 1) To receive, consider and adopt the audited balance sheet as at 31st March, 1999, the profit and loss account for the year ended on the date and the Report of the Directors and the Auditors.
- 2) To elect a director in place of Mr. S. S. Balsavar, who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint a Director in place Dr. A. C. Arora, who was appointed as an additional Director of the company by the Board of Directors w.e.f. 23/4/1999 pursuant to Article No. 104 A of the Articles of Association of the Company and who, under Section 260 of the Companies Act, 1956, holds office upto the date of the forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 257 of the Act.
- 4) To appoint auditors and fix their remuneration.

SPECIAL BUSINESS :

- 5) Voluntary delisting of the Company's Securities from Stock Exchange at Ahmedabad & Delhi :

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

"RESOLVED THAT subject to the provisions of the Companies Act, 1956, (including any statutory modification (s) or re-enactment thereof for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), consent is hereby accorded to the Board to delist its

Ordinary Shares from the Delhi Stock Exchange and the Ahmedabad Stock Exchange.

NOTES :

- a) The relative Explanatory Statement pursuant to Section 173 of the Companies Act 1956, in regard to the Special Business referred to at Items No. 3 & 5 above is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID AND EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c) Members are requested to notify immediately change of address, if any, to BIOWIN PHARMA (INDIA) LTD., D-11, Phase 2, MIDC, Kalyanshill Road, Manpada, Dombivli (East) - 421 204.

The share transfer book and Register of Members of the company have been closed from Friday, 24th September 1999 to Wednesday September 29th 1999 (both days inclusive).

Documents, if any, referred to in the Notice and the Explanatory statement are open for inspection at the Registered Office of the Company during office hours on all days except Fridays, Sundays, and public holidays between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.

Members desirous of any information regarding accounts are requested to reach their queries in writing to the registered office of the company at least seven days before the date of the meeting.

By Order of the Board

Mr. D. S. Nagle
Company Secretary

Registered Office :
D-11, Phase 2,
MIDC Kalyanshill Road,
Manpada,
Dombivli (East) - 421 204.
Maharashtra.

Place : Mumbai

Dated : 1st September, 1999.

ANNEXURE TO THE NOTICE

Explanatory statement as required by Section 173 of the Companies Act, 1956.

ITEM NO. 3.

Dr. A. C. Arora was appointed Additional Director of the Company with effect from 23rd April, 1999 pursuant to Article 104A of the Article of Association of the Company. Under section 260 of the Companies Act, 1956 Dr. Arora ceases to hold office at this Annual General Meeting and is eligible for appointment. Dr. A. C. Arora is a qualified veterinary doctor who has had a long and distinguished career with M/s. Pfizer Ltd. Notice under Section 257 of the Companies Act, 1956, is received from a member proposing Dr. A. C. Arora's appointment as Director of the Company. The Board considers it desirable to continue to receive benefit of Dr. Arora's advice and guidance and therefore commends his appointment. None of the Directors other than Dr. Arora may be considered to be interested in this resolution.

ITEM NO. 5

Presently Company's securities are listed on the Stock Exchange at Mumbai, Delhi and Ahmedabad. With the networking of centres of Stock Exchange, Mumbai, the members of the Company have access to online dealings in the Company's securities across the country. A small number of members are located in the regions of Ahmedabad and Delhi Stock Exchange. The trading

volumes on the two exchanges in the Company's securities is negligible and the fees appear disproportionately higher. As part of its cost reduction measures, the Company has proposed delisting of its securities from the said two Stock Exchanges and in line with SEBI's regulations for voluntary delisting of the Company's securities by the Company, members approval is sought by a Special Resolution for delisting its securities from Ahmedabad and Delhi Stock Exchanges. The proposed delisting is in the interest of the Company and the Board commends the Resolution for acceptance by members.

None of the Directors of the Company may be considered to be concerned or interested in the said resolution.

By Order of the Board

Mr. D. S. Nagle
Company Secretary

Registered Office :
D-11, Phase 2,
MIDC Kalyanshill Road,
Manpada,
Dombivli (East) - 421 204,
Maharashtra.

Place : Mumbai

Dated : 1st September, 1999.

BIOWIN PHARMA (INDIA) LIMITED

DIRECTORS REPORT

To,

The Members,

BIOWIN PHARMA (INDIA) LIMITED

Your Directors have pleasure in presenting the Ninth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

	Rs. (in lacs)	
	1998-99	1997-98
Turnover & other Income	2042.35	1728.04
Profit Before Interest & Depreciation	136.23	106.67
Less : Interest	82.85	65.80
Depreciation	15.03	11.30
Profit Before Tax	38.35	29.57
Less : Provision for Taxation	4.04	3.10
Profit after Tax	34.31	26.47
Less : Adjustments for earlier years	0.66	2.61
Net Profit	33.65	23.86
Add : Surplus brought forward from previous year	39.06	35.20
Amount available for appropriation	72.71	59.06
Appropriation to 1) General Reserve	40.00	20.00
2) Balance carried to balance sheet	32.71	39.06

OPERATIONS

During the year under review the Company managed to increase its sales from Rs. 1667 lacs to Rs. 1977 lacs. The net profit also increased substantially to Rs. 33.65 lacs. The Company has diversified into veterinary products and also the Company has manufactured products for export and supplied to reputed exporters. The Company has also participated in Government Tenders/Rate Contracts for supply of Speciality Products.

DIRECTORS

Mr. S. S. Balsavar, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment. We commend that his appointment may be considered favourably by the shareholders.

Mr. V. J. H. Crasto and Dr. H. M. Lal, were Directors on the Board of the Company since 12/10/94 & 24/11/94 and resigned w.e.f. 29/4/99 & 23/4/99 respectively. The Directors take this opportunity to place on record their sincere and warm appreciation of their counsel and active participation which has significantly contributed to the growth of the Company.

Dr. A. C. Arora was appointed by the Board from April, 1999 as Additional Director pursuant to Article No. 104A of the Articles of Association of the Company. The said Director ceases to hold office at this Annual General Meeting and is eligible for appointment.

DIVIDEND

In spite of improved profits, the Company has been unable to secure the additional Working Capital requirements for the current years operations since banks are not very supportive. The Directors deem it prudent to augment the long term resources by retaining the earnings. Hence, after due deliberation it has been decided not to recommend any dividend for the year under review.

FUTURE PROSPECTS

The Company continues to focus on its area of core competence by maximising capacity utilisation and direct selling to large Institutions / Exporters thereby substantially reducing selling expenses. The Company has diversified into veterinary products and will also launch some speciality capsules and liquid orals. Some leading Companies have appraised our manufacturing facilities and have shown interest in entering into long term arrangements.

VOLUNTARY DELISTING OF THE COMPANIES SECURITIES FROM DELHI AND AHMEDABAD STOCK EXCHANGES

The Company's securities are listed at Stock Exchange at Mumbai, Ahmedabad & Delhi. With computerisation of Stock Exchanges at Mumbai and the ready accessibility to these networks by the members of the Company situated even in remote areas, the listing of Company's securities on Stock Exchanges at Delhi and Ahmedabad is no longer necessary. The trading volume on these Exchanges is negligible and the fees paid are disproportionately higher. The Company, therefore, intends to delist its securities of Ahmedabad and Delhi Stock Exchanges. The delisting has to be approved by a Special Resolution as per guidelines issued by the SEBI.

FIXED DEPOSITS

The Company has not invited any deposits from the Public Under Sec 58-A of the Company's Act, 1956 during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO.

Information as required under Section 217 (1) (c) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 regarding to conservation of energy, technology absorption and foreign exchange earning /

outgo is appended hereto as Annexure I of the Report.

PERSONNEL

Information required as per Sec. 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees Rules 1975) is provided in Annexure II.

AUDITORS

M/s. R. A. Kuvadia & Co. Chartered Accountants retire at the ensuing Annual General Meeting, and are eligible for reappointment.

INDUSTRIAL RELATIONS

The Company has maintained excellent relations with the employees at all levels in the organisation and this has resulted in better productivity and mutual appreciation of the problems and positions of each other on various issues. It will be our endeavour to maintain the same.

INDUSTRIAL RELATIONS

Your Directors wish to record their sincere appreciation of the assistance and support extended by the Food & Drug Administration, Government Departments, Company's Bankers, Shareholders, Customers, Suppliers and Employees of the Company at all levels.

FOR & ON BEHALF OF THE BOARD
M.P. MISQUITTA
Chariman

Place : Mumbai

Dated : 01-09-99

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