

13th

ANNUAL REPORT

2004 - 2005



**COROMANDAL BIOTECH INDUSTRIES
(INDIA) LIMITED**

Coromandal Biotech Industries (India) Limited

BOARD OF DIRECTORS

Shri. D. Mallikarjuna Reddy	Managing Director
Shri. N. Venkata Narasa Reddy	Director
Shri. D. Ramanaiah	Director
Shri. M. Konda Reddy	Director
Shri G. Prasad	Director (APIDC Nominee)

Auditors :

M/s P. Murali & Co.
Chartered Accountants
6-3-655/2/3, Somajiguda,
Hyderabad - 500 082.

Banker :

Bank of Baroda
Masab Tank
Hyderabad - 500 034.

Share Transfer Agents :

Aarthi Consultants (P) Ltd.,
1-2-285, Domalguda,
Hyderabad - 500 029.

Regd. Office :

Sy. No. 962,
Kothakodur (V)
T.P. Gudur (M)
Nellore Dist.

Corporate Office :

7-20, NDR Godown Complex,
Opp. Sanath Nagar Goods Complex,
Moosapeta, Hyderabad - 500 018.

Coromandal Biotech Industries (India) Limited**NOTICE**

Notice is hereby given that the 13th Annual General Meeting of the Members of the Company will be held on Friday 30th September, 2005 at 10:00 A.M. at the Regd off: S.Y.No.962, Kothakodur(V), T.P. GUDUR(M), Nellore Dt, Andhra Pradesh to consider the following Business:

ORDINARY BUSINESS:

1. To receive, Consider and adopt the Audited Balance Sheet as on 31st March, 2005 and the Profit and Loss Account for the period ended 31st March, 2005 and the Report of the Director's and Auditor's thereon.
2. To appoint Mr.N.Venkatanarasa Reddy as Director who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit to pass with or without any modification(s) the following Resolution as an Ordinary Resolution.

"RESOLVED that pursuant to section 224 and other applicable provisions of the Companies Act, 1956, M/S. P.Murali & Co., Chartered Accountants, Hyderabad be and hereby re-appointed as Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company at such remuneration as may be determined by the Board of Directors of the Company."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to Section 293(1) (a) and other applicable provisions of the Companies Act, 1956, consent of the members be accorded to Board of Directors to sell or otherwise dispose of land, buildings and plant and machinery which forms part of whole or substantially the whole of the undertaking of the Company, in one or more tranches."

"FURTHER RESOLVED THAT Mr.D.Mallikarjuna Reddy, Managing Director be and is hereby authorised to initiate action in this regard and to do all such other acts and deeds, required there on."

By order of the Board

COROMANDAL BIOTECH INDUSTRIES (INDIA) LIMITED

Place: Hyderabad **D. MALLIKARJUNA REDDY**
Date : 9/08/2005 (Managing Director)

NOTES:

1. A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS TO BE VALID SHALL BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer books of the Company will be closed from 27th September, 2005 To 30th September 2005. (Both days inclusive).
3. The Members are requested to intimate any change in their address quoting their Registered Folio to our Corporate Office Address.
4. The Members are requested to bring their Annual Report along with them at the time of Annual General Meeting.
5. THE EXPLANATORY STATEMENT REQUIRED BY SEC 173(2) OF THE COMPANIES ACT, 1956 IS ANNEXED HERETO.

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO.4

After diversifying into other activities, Aqua culture operations have been completely stopped for last 3 years. It has become difficult to safeguard from external forces apart from protection and maintenance of Land, Building, Plant and Machinery. The Directors felt it fit to dispose of the whole or substantially whole assets of the Company for which the Share Holders' approval is required through Postal Ballot.

The directors recommend the Resolution for your approval.

None of the Directors is interested in the above Resolution.

"Postal ballot paper along with self addressed envelop as required under postal ballot rules are here with enclosed. Board appointed Mr. V. Harish Kumar, Advocate as Scrutinizer for Postal Ballot Purpose.

You are requested to go through the rules there on and send your postal ballot paper as per time schedule mentioned there in.

By order of the Board

COROMANDAL BIOTECH INDUSTRIES (INDIA) LIMITED

Place: Hyderabad **D. MALLIKARJUNA REDDY**
Date : 09/08/2005 (Managing Director)

Coromandal Biotech Industries (India) Limited

DIRECTORS' REPORT

To
The Members
**COROMANDAL BIOTECH
INDUSTRIES (INDIA) LIMITED**

Your directors present to you the THIRTEENTH ANNUAL REPORT on the business and operations of your Company for the financial year ended 31st March 2005.

FINANCIAL HIGHLIGHTS:

	(Rs. In Lacs)	(Rs. In Lacs)
	Current Year	Current Year
	ended	ended
	31.03.2005	31.03.2004
Income	...	124.98...
Net Loss	30.13	28.25

OPERATIONS:

During the year under review no operations could be undertaken because of bad market conditions. In spite of the best efforts put in by the Management, your Company's Performance could not be reviewed, however various alternatives are being looked at in the interest of the Share Holders.

The secured loan amount due to Bank of Baroda has been settled under O.T.S.

As a restructure measure, it is proposed to sell land, building, plant & Machinery and resolution is placed before you for approval through postal ballot.

AUDITORS :

P Murali & Co-Chartered Accountants Statutory Auditors of the Company who retire at this meeting have expressed their willingness to act as Auditors of the Company and the Company has received a letter from them to the effect that their appointment if made would be within the limits prescribed U/s 224(1B) of the Companies Act, 1956,

DIRECTORS:

Mr.N.VENKATANARASA REDDY who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

DEPOSITS:

The company has not raised any fixed deposits as on 31st march 2005 so as to attract the provisions of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) rules, 1975 as amended from time to time.

PARTICULARS OF EMPLOYEES:

In pursuance of Section 217(2A) of the Companies Act, 1956 none of the employees of the company was drawing a remuneration exceeding Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month or part thereof.

PERSONNEL:

Your Directors place on record their appreciation for the services rendered by the employees. The relation between the management and the workers has been cordial through out the year.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUT GO:

Details pursuant to Section 217 (1) (e) read with companies (Disclosure of particulars in the report of Board of directors) Rules, 1988 is not applicable to the Company.

FOREIGN EXCHANGE IN FLOW/OUT FLOW:

----- Nil -----

Coromandal Biotech Industries (India) Limited

DIRECTORS RESPONSIBILITY STATEMENT:

Directors responsibility statement pursuant to section 217(2AA) of the Companies Act, 1956 is given here under:

1. In the preparation of Annual Accounts for the year, applicable Accounting Standards have been followed along with proper explanations and there were no material departures.
2. 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 and of the profit of the Company for that period.
3. 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.
4. The directors had prepared the Annual Accounts on a going concern basis.

LISTING DETAILS:

The shares of the Company are listed on Hyderabad and Mumbai Stock Exchanges and listing Fees is paid.

CORPORATE GOVERNANCE;

As required under Clause 49 of the Listing Agreement with Stock Exchanges and as per Section 292A of the Companies Act, 1956 is annexed to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Clause 49 of the Listing Agreement, a Management Analysis Report is given below:

A. INDUSTRY BACKGROUND & OUTLOOK:

As informed earlier the Industry is under severe pressure because of stiff competition and low margins. The operations during the year could not be undertaken and future also looks bleak and alternative strategies are being worked out.

B. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Audit Committee and Board of Directors are regularly monitoring internal control of the Company. Managing Director closely supervises day to day operations of the Company with strict control.

C. MATERIAL DEVELOPMENTS IN HUMAN RESOURCE/INDUSTRIAL RELATIONS:

Relations with employees of the company are cordial and smooth.

ACKNOWLEDGEMENT:

Your Directors wish to express their thanks for the guidance and assistance received from various departments of State and Central Government and the Bank of Baroda and MPEDA.

For and on behalf of the Board of Directors
**COROMANDAL BIOTECH INDUSTRIES
(INDIA) LIMITED**

D. MALLIKARJUNA REDDY
(Managing Director)

M. KONDA REDDY
(Director)

Place: Hyderabad
Date : 9-8-2005