

Combat Drugs Limited

22nd ANNUAL REPORT 2007-2008

Report Junction.com
For COMBAT DRUGS LIMITED


Managing Director

COMBAT DRUGS LIMITED

REGD. OFFICE : 185, 186, YELLAMPET, MEDCHAL MANDAL,
R.R. DIST., ANDHRA PRADESH

CORP. OFFICE : 203, KABRA COMPLEX, 61, M.G. ROAD,
SECUNDERABAD-500 003.

Combat Drugs Limited

**22nd
Annual General Meeting**

Date : 30-09-2008
Day : Tuesday
Time : 11-00 a.m.
Venue : 185, 186, Yellampet, Medchal Mandal,
R.R. Dist., Andhra Pradesh

A REQUEST
SHAREHOLDERS
ARE REQUESTED TO BRING
THEIR COPY OF THE
ANNUAL REPORT
TO THE MEETING

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Combat Drugs Limited

BOARD OF DIRECTORS

Sri SUCHIT MOHAN LAL
Managing Director

Sri S.S. MARTHI

Sri SUSHANT MOHAN LAL

Sri A.K. AGARWAL

Sri SANJAY KUMAR AGARWAL

Sri B.N. GNANA PRAKASH

Auditors:

Mahesh, Virender & Sriram
Chartered Accountants
Ameerpet, Hyderabad.
Andhra Pradesh, India.

Bankers:

Karnataka Bank Limited
Raj Bhavan Road, Hyderabad,
Andhra Pradesh, India.

HDFC Bank Limited
Secunderabad.
Andhra Pradesh, India.

Registered Office:

185, 186, Yellampet,
Medchal Mandal,
R.R. Dist.
Andhra Pradesh, India.

Corporate Office:

203, Kabra Complex,
61, M.G. Road, Secunderabad-3.

Legal Advisers:

M. Sudhakar Reddy
N. Rajashekar Reddy
Advocates
Flat No. 204, 2nd Floor,
Hiline Pratap Apartments,
Kachiguda 'X' Road, Hyderabad.
Andhra Pradesh, India.

Combat Drugs Limited

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Combat Drugs Limited will be held on Tuesday, the 30th day of September, 2008 at 11.00 A.M. at the Registered Office of the Company at 185/186, Yellampet, Medchal. R.R. District, A.P. to transact the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2008 and the Profit and Loss account for the year ended as on that date and the Report of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Shri S.S.Marathi, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit to pass the following resolution with or without modification as an Ordinary Resolution:

"RESOLVED THAT M/s Mahesh, Virender and Sriram, Chartered Accountants be and are hereby reappointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on such remuneration as may be fixed by the Board of Directors."

SPECIAL BUSINESS:

4. APPOINTMENT OF SHRI ANJANI KUMAR AGARWAL AS DIRECTOR OF THE COMPANY :

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

"RESOLVED THAT Shri Anjani Kumar Agarwal, who was appointed as an Additional Director of the Company pursuant to the provisions of section 260 of the Companies Act, 1956, by the Board of Directors w.e.f 17.01.2008 and who holds office as such up to the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 read with Section 190 of the said Act, along with a deposit of Rs.500/- proposing him as candidate for the office of Director of the Company be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. APPOINTMENT OF SHRI SANJAY KUMAR AGARWAL AS DIRECTOR OF THE COMPANY :

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

Combat Drugs Limited

"RESOLVED THAT Shri Sanjay Kumar Agarwal, who was appointed as an Additional Director of the Company pursuant to the provisions of section 260 of the Companies Act, 1956, by the Board of Directors w.e.f 17.01.2008 and who holds office as such up to the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 read with Section 190 of the said Act, along with a deposit of Rs.500/- proposing him as candidate for the office of Director of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. APPOINTMENT OF SHRI BATTULA NARASIMHA GNANA PRAKASH AS DIRECTOR OF THE COMPANY :

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

"RESOLVED THAT Shri Battula Narasimha Gnana Prakash , who was appointed as an Additional Director of the Company pursuant to the provisions of section 260 of the Companies Act, 1956, by the Board of Directors w.e.f 17.01.2008 and who holds office as such up to the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 read with Section 190 of the said Act, along with a deposit of Rs.500/- proposing him as candidate for the office of Director of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation."

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By the Order Of the Board
For **COMBAT DRUGS LIMITED.**

PLACE: HYDERABAD
DATE: 26-08-2008

Sd/-
SUCHIT MOHAN LAL
MANAGING DIRECTOR

Combat Drugs Limited

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books shall remain closed from 27th September, 2008 to 30th September 2008 (both days inclusive).
3. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and attendance slip duly filled in for attending the Meeting.
4. Members are requested to quote their Registered Folio No. on all correspondence(s) with the Company.
5. Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956 is annexed herewith.
6. The information pursuant to Clause 49 of the Listing Agreement with respect to the details of the Directors seeking appointment / re-appointment in this Annual General Meeting is given under the head "Additional Information", which is annexed herewith.

By the Order Of the Board
For **COMBAT DRUGS LIMITED.**

PLACE: HYDERABAD
DATE: 26-08-2008

Sd/-
SUCHIT MOHAN LAL
MANAGING DIRECTOR

Combat Drugs Limited

EXPLANATORY STATEMENT

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

ITEM NO. 4:

Shri Anjani Kumar Agarwal was co-opted as an Additional Director of the Company with effect from 17th January, 2008, pursuant to Section 260 of the Companies Act, 1956. He holds office as such upto the date of Annual General Meeting. The Company has received notice in writing from a Member along with a deposit of Rs.500/- under Section 190 read with Section 257 of the Companies Act, 1956 proposing the candidature of Shri Anjani Kumar Agarwal for the office of Director, liable to retire by rotation.

The Board recommends the resolution for your approval.

None of the Directors of the Company except Shri Anjani Kumar Agarwal and Shri Sanjay Kumar Agarwal is concerned or interested in the resolution.

ITEM NO. 5:

Shri Sanjay Kumar Agarwal was co-opted as an Additional Director of the Company with effect from 17th January, 2008, pursuant to Section 260 of the Companies Act, 1956. He holds office as such upto the date of Annual General Meeting. The Company has received notice in writing from a Member along with a deposit of Rs. 500/- under Section 190 read with Section 257 of the Companies Act, 1956 proposing the candidature of Shri Sanjay Kumar Agarwal for the office of Director, liable to retire by rotation.

The Board recommends the resolution for your approval.

None of the Directors of the Company except Shri Sanjay Kumar Agarwal and Shri Anjani Kumar Agarwal is concerned or interested in the resolution.

ITEM NO. 6,

Shri Battula Narasimha Gnana Prakash was co-opted as an Additional Director of the Company with effect from 17th January, 2008, pursuant to Section 260 of the Companies Act, 1956. He holds office as such upto the date of Annual General Meeting. The Company has received notice in writing from a Member along with a deposit of Rs. 500/- under Section 190 read with Section 257 of the Companies Act, 1956 proposing the candidature of Shri Battula Narasimha Gnana Prakash for the office of Director, liable to retire by rotation.

The Board recommends the resolution for your approval.

None of the Directors of the Company except Shri Battula Narasimha Gnana Prakash is concerned or interested in the resolution.

By the Order Of the Board
For **COMBAT DRUGS LIMITED.**

Sd/-

SUCHIT MOHAN LAL
MANAGING DIRECTOR

PLACE: HYDERABAD
DATE: 26-08-2008

Combat Drugs Limited

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

(Pursuant to Clause 49 IV (G) of the Listing Agreement)

SRI ANJANI KUMAR AGARWAL:

Sri Anjani Kumar Agarwal, S/o Shri Dayanand Agarwal aged about 33 years is resident of Plot No. 68, A.P. Text Book Colony, Gunrock, Karkhana, Secunderbad – 500 009. He completed his graduation in Management Studies.

He has rich experience in the field of logistics segment on strategy formation since last 12 years. Marketing, Media, Information Technology, Customer Relationship Management, etc are some of the areas where he commands specialization.

He was co-opted in the Board as Additional Director w.e.f. 17.01.2008. He is also a Director on the Boards of DRS Logistics Private Limited, DRS Education Private Limited and DRS Labs (India) Private Limited. He is not a member of any committee other than that of Combat Drugs Limited.

Shareholding in the Company: Nil

SRI SANJAY KUMAR AGARWAL:

Sri Sanjay Kumar Agarwal, S/o Shri Dayanand Agarwal aged about 30 years, is a resident of Plot No. 68, A.P. Text Book Colony, Gunrock, Karkhana, Secunderbad – 500 009. He is a technical graduate and occupies himself into business. He was co-opted as Additional Director on the Board considering his expertise and knowledge, which would help the Company in its operations at large in the long run.

He has experience in handling and operating the purchase and credit control departments and is specialized in ventures like real estate, infrastructure and credit control

He is also a Director on the Boards of DRS Logistics Private Limited, DRS Education Private Limited and DRS Labs (India) Private Limited. He is not a member of any committee.

Shareholding in the Company: Nil

SRI BATTULA NARASIMHA GNANA PRAKASH:

Sri Battula Narasimha Gnana Prakash, S/o Battula Narasimha aged about 63 years, is a resident of 10-3-68/A/6, Humayun Nagar, Hyderabad -28. He completed his Bachelor of Science and LLB. He is a Retired, additional commissioner of Income Tax.

He was co-opted as Additional Director on the Board considering his rich expertise in Accounts, law, and Finance.

Combat Drugs Limited

He serves as an independent Director on the Board of the Company and provides his advisory services on the matters related to Accounts, Law and Taxation, whenever called upon to do so.

He is not a member of any committee other than that of Combat Drugs Limited.

Shareholding in the Company: Nil

SRI S.S.MARTHI:

Sri S.S. Marthi, aged about 52 years, is a practicing Company Secretary since last 16 years. He has completed Masters in Commerce, and is a Law Graduate. He has also done Post Graduate diploma in Personnel Management and is a Fellow member of the Institute of Company Secretaries of India.

He serves as an independent Director on the Board of the Company and provides his advisory services on the matters pertaining to Corporate Laws and the Corporate Governance.

He is also a Director on the Boards of Transgene Biotek Limited, Kistler Morse Automation Limited and Sree Padma Corporate Services Private Limited.

Committee membership (of other companies) - He is the member of Audit committee, Remuneration committee and share holders grievance committee of Transgene Biotek Limited.

Shareholding in the Company: Nil.

Combat Drugs Limited**DIRECTORS' REPORT**

The Directors have pleasure in presenting the Twenty Second Annual Report on the business and operations of the Company and Financial accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS**(Rs. In Lacs)**

Particulars	2007- 2008	2006- 2007
Net Sales	38.39	36.42
Other Income		
(including sundry balances written back)	7.84	99.43
Total Expenditure	39.53	46.24
Profit before Interest, Depreciation & Tax	6.70	89.62
Interest and Financial Charges	0.36	4.87
Depreciation	4.76	4.33
Profit before Tax	1.59	80.41
Provision for Tax	-	0.85
Provision for FBT	0.14	0.32
Net Profit (After Tax)	1.45	79.25

DIVIDEND:

Your Directors are unable to recommend any dividend for the financial year 2007-2008 due to inadequate profits during the year.

OPERATIONS & PROSPECTS FOR THE FUTURE:

During the year under review your Company, instead of taking up manufacturing of all its products has concentrated on consolidating few Brands and appointing Distributors and Marketing Franchise Partners in unrepresented areas.

The Renovations and additions to the buildings as required for W.H.O. Gmp Unit are going on in full swing and is expected to be completed in another six months.

The manufacturing activities in the First phase for the Betalactum section of Tablets and Capsules with the existing Plant and Machinery along with Full fledged Quality Assurance Laboratory is expected to start by November 2008.

In the second phase, Non Betalactum products of Tablets, Liquids and Capsules will be set up and is expected to be completed by December 2008. The full fledged production in the unit is expected to start by January 2009.

Your Directors have drawn up plans to restructure the equity and operations of the Company as all the liabilities of the Banks, Financial Institutions and Statutory Liabilities have been satisfied and the Company is now ready for take off and regain its lost glory.