

19th Annual Report 2002-03

CERTIFIED TRUE COPY

For DOCTORS BIOTECH INDIA LTD:

Hatil
Authorised Signatory/Director

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Doctors Biotech India Limited

DOCTORS BIOTECH INDIA LIMITED

19th Annual Report: 2002-2003

BOARD OF DIRECTORS

Mr. Vijay Jain
Mr. Mahesh Adsul
Mr. Anand Singhi
Mr. Vitthal Patil

Chairman NE
Executive Director
Non-Executive/Independent Director
Non-Executive/ Independent Director

SOLICITORS & ADVOCATES

M/s. M.V. Kini & Co.
6th Floor, Savla Chambers,
40 C. P. Street, Fort,
Mumbai – 400 001

STATUTORY AUDITORS

Jain Vinay & Associates
Chartered Accountants
12, Jain Bhawan, 4, Mamlatdar Wadi,
Malad (West), Mumbai -64

BANKERS

The Vysya Bank Limited

REGISTERED OFFICE

F/38, Nanddham Estate,
Marol Maroshi Road,
Andheri (East),
Mumbai 400 059

REGISTRAR & TRANSFER AGENTS

M/s. Adam Comsof Limited
Narayan Building,
23, Lakhamashi Napoo Road, Dadar
(East) Mumbai-14

19TH ANNUAL GENERAL MEETING

Date: 31st Decemeber, 2003

Time: 11.00 a.m.

Venue: F/38, Nanddham Estate, Marol Maroshi Road, Andheri (East), Mumbai-59

CHAIRMAN'S SPEECH

Dear Members,

The progress of mankind in recent years has been inextricably linked with the growth and advancement in the biotechnology sector, which chiefly consist of biotechnology products as its key components. I am delighted to be communicating with you at a time when the Indian economy is in great tempo and is full of a rich smell of recovery. The economic fundamentals are robust and we are poised for achieving sound and durable growth. India's economy stands out in a recession marred world. The Company realize the characteristics of the post 2005 era and therefore, has been active on both ends, creating long term value through research in the field of biotechnology as well as in-house R&D Capabilities. The Company has set higher objectives as well as high standards for itself to create its biotechnology base, which will incash the opportunities in the untapped biotech field. The Company's vision is to create high values through biotechnology, globally and hence it has undertaken a mission to develop brand equity. We have had a bountiful monsoon this year. The corporate results announced so far are profit laden and the business confidence levels are at an all time high in recent years. Expansion and diversification is being planned what has also helped is that the international perception about India is changing. The world now views India as a locomotive economy, which has the potential to drive global growth. Indian entrepreneurs too are changing their outlook and are making moves compatible with international horizons. Your company's performance during the year under review, has also encouraged us to review and recalibrate our business strategy. We have identified biotechnology as gold mines, where we foresee a superb potential for the Company. The changed name indicates our new vision and corporate resolve. Based on expert advice, views and suggestions, we have embarked on a foray into the manufacture of RDNA products, which have a ready untapped market. The projects has been favourably appraised and is poised to be off the drawing board very soon. Keeping in view a buoyant capital market, we have firmed up appropriate plans for funding the planned biotechnology project. India has the potential to repeat its IT success story in the biotech sector and we are confident of boarding this bus, at the right moment. We are confident of the company's capability to embark upon such ventures, and hope to reap rich rewards there from, for our shareholders and other stakeholders.

Sincerely Yours,

(Vijay M Jain)

Chairman

NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the members of Doctors Biotech India Limited (Formerly known as Munoth Hire Purchase Limited) will be held on Tuesday the 30th December, 2003 at 11.00 am at the Registered office of the Company at F/38, Nanddham Estate, Marol Maroshi Road, Andheri (East), Mumbai 400 059 to transact the following business :-

ORDINARY BUSINESS

1. To consider and adopt the Audited Accounts for the year ended 30th June, 2003 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Mahesh Adsul, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration in consultation with the Audit Committee.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

"RESOLVED THAT Mr. Vijay M. Jain, who was appointed as an Additional Director of the Company, with effect from 29th May, 2003, under Section 260 of the Companies Act, 1956, and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Anand Singhi, who was appointed as Director in Casual Vacancy, with effect from 26th February, 2003, under Section 262 of the Companies Act, 1956, and in accordance with the Articles of Association of the Company and who hold office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company."

6 **BORROWING POWERS OF THE BOARD**

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

"RESOLVED THAT pursuant to sub section (1) (d) of section 293 of the Companies Act, 1956 and other enabling provisions, if any, of the said Act, and subject to the approval of such authority, institution, government department of the Government, whether within or outside India as may be required, the Board of Directors of the Company be and it is hereby authorised and shall be deemed to have always been so authorised to raise or borrow, for and on behalf of the Company, any sum or sums of monies from time to time, from State or Central Government or one or more bodies corporate, or Banks or Financial Institutions or Overseas Corporate bodies, or Foreign Financial Institution, or

any other agency, either domestic or foreign or the public, either Resident/Non Resident, by way of cash credit, advances, deposits or bridge loans, Term Loans , Foreign Currency loan, FCNR(B) loan or any other loans, either in Indian currency or in foreign currency, whether unsecured or secured by mortgage, charge, hypothecation or pledge of the Company's assets and properties, whether movable and/or immovable or stock in trade (including book debts, bills, raw materials, stores and spare parts and components in stock or in transit) and debts and advances notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed in the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but so that the total amount up to which the moneys may be so borrowed shall not at any one time exceed Rs. 5 Crores (Rupees Five Crores only)"

7. MORTGAGE/HYPOTHECATION OF THE COMPANY'S PROPERTY

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

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to the creation by the Board of Directors of the Company of such mortgage(s), charge(s) and hypothecation(s) in addition to the existing mortgage(s), charge(s) and hypothecation(s) created by the Company as the Board may direct, on such of the assets of the Company, both present and future, in such manner as the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of all or any of the financial institutions/banks/any other investing agencies in connection with availing of term loans, Foreign Currency loans, as the case may be from any of the financial institutions, banks, any other investing agencies or any other person, bodies corporate to secure rupee , foreign currency loan (s) , the value of which, not to exceed Rs. 5 Crores (Rupees Five Crores only)" together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premium on pre-payment, or on redemption, costs, charges, expenses and all other moneys payable by the Company to the concerned lenders or any of them under the Agreement(s) / Arrangement(s) entered into / to be entered into by the Company in respect of the said loan(s), Foreign Currency loan(s) etc ".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to finalize with the concerned Financial Institutions/ Banks or other investing agencies, the documents for creating the mortgages/charges/Hypothecation and accepting or making any alterations, changes, variations to or in the terms and conditions and to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary, for the purpose of giving effect to this Resolution".

8. TO MAKE INVESTEMENT, TO GIVE LOAN, GUARANTEE AND TO PROVIDE SECURITY

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

“RESOLVED THAT pursuant to Section 372 A and other necessary provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, the Board of Directors of the Company, be and is hereby authorised to make Investments of the unutilized funds of the Company, to give loans and to give any guarantee or provide any security in connection with a loan or loans made by any other person to, or to any other person by, any body corporate, provided that the aggregate value of such Investment, loans and guarantee(s) given or securities provided and outstanding shall not exceed Rs. 5 Crores (Rupees Five Crores only)” at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine the amount and conditions of such Investments, loans and guarantee or security and to decide all or any other matters arising out of or incidental thereto and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf.”

9. **ISSUE OF FURTHER SHARES**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Special Resolution**:

“RESOLVED THAT pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and subject to all norms, guidelines, regulations in force and statutory approvals as may be necessary, consents, permissions and/or sanctions of the Government of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchange(s) , Registrar of Companies, and all other appropriate authorities, institutions or bodies and subject to such conditions as may be prescribed by them in granting any such approval, consents, permission or sanctions, (hereinafter referred to as “the Requisite Approvals”), the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee of Directors which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this resolution) be authorised on behalf of the Company, to issue and allot, in the course of National/International offerings on private placement basis, rights basis or otherwise in Indian/one or more foreign markets, Equity Shares, Cumulative or Non-Cumulative Preference Shares, Debentures, Bonds, Debt Instruments and/or securities convertible into Equity Shares at the option of the Company and/or the holders of the securities linked to Equity Shares and/or Non Convertible securities and/or securities with or without detachable/non-detachable warrants/notes with a right exercisable by the warrants/notes holder to subscribe for Equity Shares at such price and manner and during such period as the Board may decide, and/or any instruments or securities representing Equity Shares or convertible securities either through Global Depository Receipt Mechanism/American Depository Receipt Mechanism/Eurobonds/notes etc. or by an issue to or by private placement with Foreign/Indian investor(s) including institutional investors, Banks, Non Resident Indians, and Overseas Corporate Bodies, and/or Foreign Institutional Investors, Mutual Funds, whether members of the Company or not, subject to the Memorandum of Association of the Company through prospectus and/or offering letter or circular and/or private

placement basis for an amount (inclusive of such premium as may be determined) not exceeding Rs. 15 Crores (Rupees Fifteen Crores only)"

or equivalent thereof in any other currency(ies), such issue and allotment to be made at such time or times, in such tranche(s), at such price or prices (including at a discount or premium to market price or prices) and in such manner as are in conformity with any guidelines or directions or norms, statutory or otherwise and as may be finalised by the Board, in consultation with the Lead Managers and/or Underwriters and/or other advisors, and otherwise on such terms and conditions as may be decided and deemed appropriate by the Board.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the securities may have all or any terms or combination of terms in accordance with Indian/International norms/practices including but not limited to terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service whatsoever, besides terms as to security if any, to be created for any of the securities with such ranking as the Board may determine and including terms for issue of additional Equity shares or variation of the conversion price of the security during the duration of the securities."

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint or to enter into and execute all such arrangements with one or more, Lead Manager(s), Manager(s), Banker(s), Broker(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s), Trustee(s) and all such agencies as may be involved or concerned in such offering of securities and to remunerate all such institutions and agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such securities in one or more International Stock Exchanges and/or The Stock Exchanges in India.

RESOLVED FURTHER THAT the Company and/or an agency or body authorised by the Board may issue Depository Receipts representing the underlying Equity Shares in the capital of the Company or such other securities in registered or bearer form with such features and attributes as are prevalent in Indian/International Capital Markets for instruments of this nature and providing for the tradeability or free transferability thereof as per Indian/International norms, practices and regulations and under the terms and practices prevalent in Indian/International Markets.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted directly or upon conversion of any securities or as may be necessary in accordance with the terms of offering all such shares ranking 'paripassu' with the existing Equity Shares of the Company in all respects, excepting the right to dividend as may be declared in the financial year in which such Equity Shares are issued, shall be in proportion to the amount paid up on such shares and pro rata for the period during which such amount paid up thereon.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine the terms of payment, issue price, premium/discount, interest on Debentures and/or Bonds and/or other securities and such terms of issue.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to accept and make, in the interest of the Company, all such modifications, and alterations to the terms and conditions concerning any aspect of the issue including increases or decreases in the aggregate value of the issue, retention of over subscription, rate of premium/ discount, interest or other charges payable or any other matters as may be considered necessary or expedient and/or as may be specified in the requisite approvals and to take all such actions as may be necessary or desirable to effect such modifications and alterations and to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose including without limitation the entering into of underwriting, marketing, depository and custodian/trustees/ agents arrangements with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares/Securities as it may in its absolute discretion deem fit."

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A BLANK PROXY FORM IS ENCLOSED AND IF INTENDED TO BE USED IT SHOULD BE RETURNED TO THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE ANNUAL GENERAL MEETING DULY COMPLETED.
2. Members / Proxies should fill the attendance slip for attending the meeting .
3. Members who hold the shares in dematerialised form are requested to bring their client ID or DP ID Nos. for easier identification of attendance at the meeting.
4. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto and forms part of this Notice.
5. The Register of Members and Share Transfer Books of the Company, will remain closed from 29th December, 2003 to 30th December, 2003 (both days inclusive).
6. Share transfer documents and all correspondence relating thereto, should be addressed to the Company, Registrar and Share transfer Agents of the Company - M/s. ADAM COMSOF LTD, Narayan Bldg., 23, L.N.Road, Dadar (E), Mumbai - 400014.
7. Members are requested to notify immediately any change in their addresses to the Company, at the above address.
8. Over the years, if is possible that multiple folios have been created. In order to render better and efficient services, we request you to consolidate the multiple folios existing in the same names and in identical order. Consolidation of folios does not amount to transfer of shares and therefore no stamp duty or expenses are payable by you. In case you decide to consolidate your folios, you are requested to forward your share certificates to the Company's Registrar and Transfer Agent.
9. A member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her queries to the Company atleast seven

working days prior to the meeting, so that the required information can be made available at the meeting.

10. In all correspondence with the Company, members are requested to quote their account/folio number and in case their shares are held in dematerialized form they must quote their client ID and their DP ID numbers.
11. Securities & Exchange Board of India, has made trading in the shares of the Company, compulsory in dematerialised form for all investors, with effect from 16th April, 2001. Shareholders are requested to open an account with Depository Participants, if not done so far.
12. Section 109A of the Companies Act, 1956, provides for nomination by the shareholders of the Company in the prescribed Form No. 2B. Shareholders are requested to avail of this facility. The Form 2-B prescribed by the Government, can be obtained from the Company.
13. Shareholders are requested to bring their copy of the Annual Report to the meeting.
14. Pursuant to the provisions of section 205 A of the Companies Act, 1956, as amended, dividends for the financial year ended June, March 31st, 1996 and thereafter, which remain unpaid or unclaimed, for a period of 7 years, will be transferred to the Investor Education and Protection Fund of the Central Government. Members who have not encashed the dividend warrants/cheques so far, for the financial year ended 31st March, 1996 or any subsequent financial years, are requested to make their claim to the share department, at the Registered office of the Company. It may be noted that once the unclaimed dividend is transferred to the government, as above, no claims shall lie in respect of such amount.
15. The Company has changed its custodian for Dematerialization of Shares from M/s Bigshare Services Pvt.Ltd. to Adam Comsof Limited having registered office at Narayan Building, 23, Lakhamashi Napoo Road, Dadar (E), Mumbai-14. Shareholders are requested to send their all correspondences in respect of transfer and demat of shares at the registered office of M/s Adam Comsof Limited.
16. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company, during office hours on all working days. Except Saturday and holidays, between 11.00 a.m. and 1.00 PM. up to the date of the Annual General Meeting.

Registered Office:
F/38, Nanddham Estate,
Marol Maroshi Road,
Andheri (East),
Mumbai 400 059

**By Order of the Board
for Doctors Biotech India Limited**

**Sd/-
Mahesh Adsul
Director**

Mumbai, dated 5th December, 2003