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The power of





**Dr. V. S. Sohoni**  
Chairman



**Mr. K. G. Ananthakrishnan**  
Chief Operating Officer

# Vision

## TO EARN TRUST, EVERY DAY

We aspire to earn trust of doctors and patients as a champion for them and as a company that provides them with a steady flow of innovative science-based medicines and services. By earning trust we will build growth.

# Mission

## TO WORK TO BECOME:

- The innovation, quality and service leader among primary care and speciality customers and patients, and the best customer-touch company in our industry, as judged by our customers.
- The most effective company in our industry at managing product flow.
- The best-managed company as defined by functional competencies, alignment around goals and behaviours, business integrity, teamwork, productivity and cost-consciousness.
- The most improved and ultimately most trusted, company in our industry, by key stakeholders.
- Known for our leadership edge achieved by our passion for excellence.



# FULFORD (INDIA) LIMITED

## Board of Directors



DR. V.S. SOHONI, Chairman  
MR. K.D. SHAH, President & Managing Director (upto December 31, 2006)  
MR. RODNEY UNSWORTH  
MR. ROHAN ABAYASEKARA  
MR. V.G. ATHAVALLE  
DR. S.H. ADVANI  
MR. A.V. SAPRE (Alternate to Mr. Rohan Abayasekara and Whole-time Director)  
**CHIEF OPERATING OFFICER**  
MR. K. G. ANANTHAKRISHNAN (w.e.f. December 8, 2006)

**COMPANY SECRETARY**  
MRS. USHA RAMDOSS

**FUNCTIONAL HEADS**  
MR. A.S. PADMANABHAN, Vice-President – Human Resources  
MR. M.K. RAJAN, Vice-President- Marketing & Sales (upto September 30, 2006)  
MR. P. SURESH, Vice-President – Marketing & Sales- Primary Care (w.e.f. October 3, 2006)  
MR. A.V. SAPRE, Vice-President – Finance  
MR. K. VENKATRAMAN, Vice-President – Commercial  
MR. R.K. RUSTAGI, Vice-President – Corporate Affairs  
DR. NITIN MULGAONKAR, Director – Medical & Regulatory Affairs  
DR. RAJIVA KOTHURKAR, Director-Technical  
MR. VIVEK DILAWARI, Director Sales & Marketing – Speciality Division  
MR. MANJUNATH MOODBIDRI, Manager – Information Technology

**REGISTERED OFFICE**  
EUREKA TOWERS, B-WING, 8<sup>TH</sup> FLOOR,  
MINDSPACE, LINK ROAD,  
MALAD (W), MUMBAI – 400 064

**REGIONAL OFFICE\*/C&F AGENTS**  
Ahmedabad, Ambala, Kolkatta, Chennai, Cuttack, Delhi\*, Dehradun,  
Goa, Guwahati, Bangalore, Hyderabad, Indore, Jaipur, Lucknow, Ludhiana, Patna,  
Raipur, Ranchi, Trivandrum.

**BANKERS**  
STATE BANK OF INDIA  
CANARA BANK  
HDFC BANK

**LEGAL ADVISORS**  
CRAWFORD BAYLEY & CO.

**AUDITORS**  
DELOITTE HASKINS & SELLS

**REGISTRARS AND SHARE TRANSFER AGENTS**  
INTIME SPECTRUM REGISTRY LTD.  
C/13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai – 400 078

### REQUESTS TO MEMBERS

*All correspondence regarding transfer and demat of shares may be addressed to our Registrars and Share Transfer Agents. Members are requested to bring their copy of the Annual Report to the Meeting. Members requiring any information about the accounts are requested to write to the Company at least one week before the date of the meeting so that the information may be made available at the meeting. Shareholders can address their correspondence to our Registrar and Transfer agents at helpline @intimespectrum.com and to the Company Secretary at usha.ramdoss@spcorp.com*



As a pharmaceutical company, one of our responsibilities as a good corporate citizen is to create awareness in people regarding certain disease conditions, some of them being highlighted below.

#### HEPATITIS

Hepatitis is an inflammatory condition affecting the liver and is caused by viruses. Hepatitis B virus (HBV) is detected in blood and body fluids (semen, saliva, nasopharyngeal fluids), and it can be transmitted either sexually or by exposure to infected blood or fluids. The four major modes of transmission are sexual contact, mother-to-child transmission at birth, parenteral (blood-to-blood) and through other infected bodily fluids. The primary source of Hepatitis C virus (HCV) transmission is HCV-infected blood or blood products. Other potential sources of HCV transmission include exposure to an infected sexual partner or multiple sexual partners, frequent exposure to infected blood among health care workers, and perinatal exposure.

**Hepatitis B** virus is probably the most important chronic viral infection affecting Indians. However, despite availability of an effective anti-HBV vaccine, this infection remains a serious threat to public health in India. Hepatitis B virus is the major cause of chronic liver disease and hepatocellular carcinoma. Approximately 4% of the Indian

population is estimated to be carriers of HBV. This gives a total pool of approximately 36 million carriers of HBV in India (Risbud A et al. Sex Transm Infect 2002; 78: 169-173).

**Hepatitis C** is a major health problem due to hepatitis C virus (HCV) which accounts for one-fourth of all cases of chronic liver disease in India. Transmitted by parenteral and nosocomial routes, it is estimated that there are approximately 12.5 million HCV carriers in our country, and at least a quarter of them are likely to develop chronic liver disease in the next 10 to 15 years (Pal S et al. Current Science 2002, Vol. 83, No. 9)

Patients infected with HCV are currently treated with conventional interferon-2b (IFN-2b) or interferon alfa-2a, either alone or in combination with Ribavirin and these are the only approved drugs of choice. However, only 11-45% of the patients respond to this treatment. Modified forms of IFN, such as Pegylated IFN, etc. are available and have been shown to achieve a more sustained virologic response in chronic hepatitis C patients. Addition of polyethylene glycol (PEG) to IFN produces a product that has significantly longer half-life and favourable pharmacokinetics. This pegylation of IFN reduces the dosage to once a week instead of thrice a week as with normal IFN.

Your company continued to conduct screening camps last year in order to further enhance the



awareness of Hepatitis B and Hepatitis C. Your company also organized an Asia Pacific Hepatitis summit which was attended to by reputed physicians, who deliberated on the state of the art treatment of Hepatitis B and Hepatitis C.

#### **RHEUMATOID ARTHRITIS**

Rheumatoid arthritis (RA) is the commonest cause of chronic inflammation of the joints all over the world including India. The overall prevalence of the disease is around 1% in the general population. Rheumatoid arthritis (RA) causes significant disability and shortens the lifespan by 10 years. Although RA is considered as a disease of the joints, it can also exhibit a variety of effects on other parts of the human body (extra-articular manifestations). The disease may thus affect not only the joints but also a variety of other major organs.

The signs and symptoms of the disease may follow a variable course and spontaneous disease fluctuations are common. A small percentage of patients may show a reduction of the disease, generally within two years of disease onset. However, most patients will have a progression of the disease eventually leading to considerable functional and physical disability which causes great discomfort to the patient.

#### **PSORIASIS**

Psoriasis is a common and chronic condition involving the skin and is associated with inflammation, proliferation and disfigurement. It is associated with significant morbidity, with 20-30% of the patients having severe disease. Both genetic and environmental factors have been known to play an important role in the pathogenesis of this condition. Traditional therapies available do not target the underlying causative factors and only produce clinical improvement of the disease. However, the recent development of biologicals, which aim to arrest the disease by targeting the basic pathogenic process, has made a considerable change to the management of patients with psoriasis. These drugs have the advantage of better therapeutic effects and have been responsible for improving the quality of life in psoriatic patients.

Your Company is involved in developing advanced therapies for the management of Rheumatoid Arthritis and Psoriasis.

# FULFORD (INDIA) LIMITED

## Notice



NOTICE is hereby given that the Fifty-Ninth Annual General Meeting of FULFORD (INDIA) LIMITED will be held at M.C. Ghia Hall Bhogilal Hargovindas Building, 2<sup>nd</sup> Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 on Monday, April 30, 2007 at 11.00 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To consider and, if thought fit, to pass with or without modification, as a Special Resolution, the following:  
“RESOLVED THAT the Balance Sheet as at December 31, 2006 and the Profit & Loss Account for the year ended on that date together with the Directors' and the Auditors' Report thereon be and are hereby approved and adopted”.
2. To appoint director in place of Mr. V.G. Athavale, who retires under Article 110 and being eligible offers himself for re-appointment.
3. To consider, and if thought fit, to pass with or without modification, as a Special Resolution the following:  
“RESOLVED THAT pursuant to the recommendation of the Board of Directors, a dividend at the rate of 30% on the equity share capital of the Company for the year ended December 31, 2006 be and is hereby declared out of the profits for that year, payable to:  
(i) those members whose names appear on the Register of Members of the Company on April 30, 2007; and  
(ii) those whose names appear as beneficial owners as at the close of business on April 23, 2007 as per details to be furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited”.
4. To consider and, if thought fit, to pass with or without modification, as a Special Resolution, the following:  
“RESOLVED THAT Messrs Deloitte Haskins & Sells, Chartered Accountants, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company for the financial year ending December 31, 2007 and they shall hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors of the Company”.

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification, as a Special Resolution the following:  
“RESOLVED THAT Mr. Rodney Unsworth (who was appointed as Director of the Company with effect from July 21, 2004 by the Board of Directors to fill in the casual vacancy caused by the resignation of Mr. Alberto Surijon and who holds office upto the date of this Annual General Meeting under Section 262 of the Companies Act, 1956 (“the Act”) and being eligible, offers himself for appointment, and in respect of whom the Company has received notice in writing under Section 257 of the Act from a shareholder signifying his intention to propose Mr. Rodney Unsworth as a candidate for the office of Director), be and is hereby appointed as Director of the Company, who shall be eligible for appointment by the system of proportional representation once in every three years.”
6. To consider and, if thought fit, to pass with or without modification, as a Special Resolution the following:  
“RESOLVED THAT Dr. S.H. Advani (who was appointed as Director of the Company with effect from July 21, 2004 by the Board of Directors to fill in the casual vacancy caused by the resignation of Mr. R.D. Thapar and who holds office upto the date of this Annual General Meeting under Section 262 of the Companies Act, 1956 (“the Act”) and being eligible, offers himself for appointment, and in respect of whom the Company has received notice in writing under Section 257 of the Act from a shareholder signifying his intention to propose Dr. S.H. Advani as a candidate for the office of Director), be and is hereby appointed as Director of the Company, who shall be eligible for appointment by the system of proportional representation once in every three years.”
7. To consider and, if thought fit, to pass with or without modification, as a Special Resolution, the following:  
“RESOLVED THAT Dr. V.S. Sohoni (who was appointed as Director of the Company with effect from



## FULFORD (INDIA) LIMITED

### Notice (Contd.)



October 10, 2005 by the Board of Directors to fill in the casual vacancy caused by the resignation of Mr. R.A. Shah and who holds office upto the date of this Annual General Meeting under Section 262 of the Companies Act, 1956 ("the Act") and being eligible, offers himself for appointment, and in respect of whom the Company has received notice in writing under Section 257 of the Act from a shareholder signifying his intention to propose Dr. V.S. Sohoni as a candidate for the office of Director), be and is hereby appointed as Director of the Company, who shall be eligible for appointment by the system of proportional representation once in every three years."

8. To consider and, if thought fit, to pass with or without modification, as a Special Resolution, the following:
- "RESOLVED THAT subject to the provisions of Sections 198, 269, 309 and 310 and other applicable provisions if any of the Companies Act, 1956 (the Act) including Schedule XIII of the Act, as amended upto date and subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. K. G. Ananthakrishnan as President & Managing Director, for a period of five years with effect from the end of the open offer period/certification of Merchant Banker under Regulation 23(6) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997, ("the SEBI Takeover Regulations") in connection with the open offer made by Dashtag to acquire 7,80,000 equity shares from the existing shareholders of the Company, in terms of the SEBI Takeover Regulations, at a remuneration as detailed in the explanatory statement annexed hereto and the agreement between the Company and Mr. K. G. Ananthakrishnan, a copy whereof initialed by the Chairman is hereby specifically sanctioned with liberty and power to the Directors to alter and vary the terms and conditions, in such manner as the Board may deem fit within the limits specified in Schedule XIII of the said Act, as existing or as amended, modified or re-enacted from time to time by the Government of India".
- "RESOLVED FURTHER THAT for the purpose of giving effect to the Resolution, any Director or the Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper".
- "RESOLVED FURTHER THAT the Board of directors are also authorised to make such modifications in the foregoing as may be considered by them to be in the best interest of the Company and the shareholders".

By Order of the Board of Directors

**USHA RAMDOSS**  
Company Secretary

Mumbai, February 15, 2007

**Registered Office:**

8th floor, 'B' Wing, Eureka Towers,  
Mindspace, Link Road,  
Malad (West), Mumbai - 400 064.

**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, ON A POLL ONLY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. However Proxy Forms duly stamped, completed and signed, should be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from April 24, 2007 to April 30, 2007, both days inclusive.

3. Members are requested to notify any change in their address immediately to the Company or to its Registrars and Share Transfer Agents.
4. Members holding shares in demat mode may please note that, the bank details as furnished by the respective Depositories to the Company will be mandatorily printed on their dividend warrants for the purpose of distribution of dividend through Electronic Clearing Service (ECS) as advised by the Securities & Exchange Board of India (SEBI). In the absence of ECS facility, the bank account details, if available, will be printed on the dividend warrants. Instructions if any, given by them in respect of shares held in physical mode will not be automatically applicable to the dividend paid on shares held in demat mode. Members holding shares in demat mode must, therefore, give instructions regarding bank accounts in which they wish to receive dividend, to their Depository Participants. The Company or the Registrar and Share Transfer Agents will not act on any direct request from these Members for change/deletion in such bank details.
5. In terms of Sections 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund. Members shall not be able to claim any unpaid dividend from the said Fund or the Company thereafter. Members who have not encashed the dividend warrants for the years 2001, 2003, 2004 and 2005 are requested to contact the Registrar and Transfer Agents, Intime Spectrum Registry Ltd. Mumbai. Outstanding dividend for the years prior to 1995 have been transferred to the General Revenue Account of the Central Government. Outstanding dividends for the years 1995, 1996, 1997 and 1998 have been transferred to the Investor Education and Protection Fund. No dividend was declared for the year 1999, and hence in the current year no amount in respect of unpaid/unclaimed dividend is required to be transferred to the Investor Education and Protection Fund.
6. Section 109A of the Companies Act, 1956 provides for Nomination by individuals, who are shareholders of the Company in the prescribed Form No. 2B. Members who hold shares in the physical form can nominate a person in respect of all the shares held by them by filling the prescribed form. Blank forms will be supplied by the Company's Registrars and Share Transfer Agents, Intime Spectrum Registry Ltd. on request. Members holding shares in the dematerialized form may contact their Depository Participant for recording nomination in respect of their shares.
7. Members are requested to note that as prescribed by the Securities and Exchange Board of India (SEBI), trading in securities of the Company is compulsorily in dematerialized form. The Company has already executed tripartite agreements with both the depositories viz. Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL), and Intime Spectrum Registry Limited, the Company's Share Transfer Agent. Accordingly, the equity shares of the Company can be held in an electronic form with any Depository Participant (DP) with whom the Members have their Depository Account. The ISIN No. allotted to the equity shares of the Company is INE521A01017. In view of the numerous advantages offered by the Depository System, members who are yet to dematerialize their shares are requested to avail of the facility of dematerialisation.
8. In view of Clause 49 of the listing agreement with the Bombay Stock Exchange Limited, additional information pertaining to Directors proposed for appointment / re-appointment at the Annual General Meeting is given in the report on Corporate Governance.



# FULFORD (INDIA) LIMITED

## Annexure to Notice



Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

### Item No. 5

Mr. Rodney Unsworth, was appointed as a Director with effect from July 21, 2004 to fill in the casual vacancy caused by the resignation of Mr. Alberto Suriyon. Mr. Rodney Unsworth holds office upto the date of this Annual General Meeting of the Company, being the date till which Mr. Alberto Suriyon would have held office, if he had not resigned. Notice has been received from a shareholder of the Company proposing the candidature of Mr. Rodney Unsworth to the office of Director.

Mr. Rodney Unsworth holds a Degree in pharmacy from the Victorian College of Pharmacy, Australia. He is a highly experienced senior international management executive and has held various international management roles in the pharmaceutical industry with Asia Pacific and Australian Companies. Presently he is Group Vice-President and President Asia-Pacific Region, Global Pharmaceutical Business of Schering-Plough. He previously served as Regional President, Asia-Pacific Region for the erstwhile Pharmacia Corporation. He is on the Board of several Schering-Plough Group companies abroad.

The Board recommends the appointment of Mr. Rodney Unsworth.

Except Mr. Rodney Unsworth, no other Director is concerned or interested in the said Resolution.

### Item No. 6

Dr. S.H. Advani was appointed as a Director with effect from July 21, 2004 to fill in the casual vacancy caused by the resignation of Mr. R.D. Thapar. Dr. S.H. Advani holds office upto the date of this Annual General Meeting of the Company, being the date till which Mr. R.D. Thapar would have held office, if he had not resigned. Notice has been received from a shareholder of the Company proposing the candidature of Dr. S.H. Advani to the office of Director.

Dr. S.H. Advani holds a degree in MBBS and is also qualified as an MD in General Medicines. He is a renowned oncologist having been accredited with international fellowship. He has received tremendous recognition in the field of medicine, some of the latest ones being, "Lifetime achievement in Oncology" by Harvard Medical International in 2005, "Gifted Teacher Award" by the Association of Physicians in India in 2004, and other significant honours like the "Padmashri" by the Government of India. He continues to hold numerous academic positions in the field. He is closely involved with medical oncology or haematology including interaction with other clinical branches and basic scientists. Presently he is the Director, Department of Medical Oncology, Jaslok Hospital. He does not hold directorship in any other Companies.

The Board recommends the appointment of Dr. S.H. Advani.

Except Dr. S.H. Advani, no other Director is concerned or interested in the said Resolution.

### Item No. 7

Dr. V.S. Sohoni was appointed as a Director with effect from October 10, 2005 to fill in the casual vacancy caused by the resignation of Mr. R.A. Shah. Dr. V.S. Sohoni holds office upto the date of this Annual General Meeting of the Company, being the date till which Mr. R.A. Shah would have held office, if he had not resigned. Notice has been received from a shareholder of the Company proposing the candidature of Dr. V.S. Sohoni to the office of Director.

## FULFORD (INDIA) LIMITED

### Annexure to Notice (Contd.)



Dr. V.S. Sohoni is a B. Tech (Electronic Engineering) and Ph.D. in Information Systems. He has about 40 years of experience in Agro chemicals and pharmaceutical industry. Presently he is the Managing Director of Rallis India Limited. Previously, he was President and Managing Director of Pharmacia India Private Limited. He is also a Director in Advinus Therapeutics Private Limited.

The Board recommends the appointment of Dr. V.S. Sohoni.

Except Dr. V.S. Sohoni, no other Director is concerned or interested in the said Resolution.

#### Item No. 8

Mr. K.G. Ananthakrishnan has joined the Company as Chief Operating Officer with effect from December 8, 2006, as a transition to the position of President and Managing Director of the Company, which was scheduled to take effect from January 1, 2007, as resolved by the Board of Directors ("Board") at their meeting held on November 15, 2006. However in view of the uncertainty caused by reading of the provisions of Regulation 22(7) and Regulation 23(3) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 1997, ("the SEBI Takeover Regulations") the Board has resolved that the appointment of Mr. K.G. Ananthakrishnan as President & Managing Director shall take effect only at the end of the open offer period/ certification from merchant banker under Regulation 23(6) of the SEBI Takeover Regulations, in connection with the open offer made by Dashtag to acquire 7,80,000 equity shares from the existing shareholders of the Company, in terms of the SEBI Takeover Regulations. He would till such time continue to be the Chief Operating Officer of the Company.

Mr. K. G. Ananthakrishnan has a Bachelors degree in Science and Masters degree in Marketing Management. He has a rich experience of about 30 years in the pharmaceutical industry.

The principal terms of appointment and remuneration are as under:

#### Period of Appointment: 5 years

- A. Nature of Duties:** Mr. K. G. Ananthakrishnan shall exercise and perform such powers and duties as the Board of Directors of the Company shall from time to time determine and subject to any directions, supervision, control and restrictions from time to time given and imposed by the Board, he shall have the general control, management and superintendence of business of the Company and substantial powers of management of the Company.
- B. Terms of remuneration:** Subject to the overall limits of the total managerial remuneration of each year as provided under Sections 198, 269 and 309 of the Companies Act, 1956 read with Schedule XIII of the Act, the principal terms of remuneration of Mr. K. G. Ananthakrishnan are as under:
- 1. SALARY:** Rs. 373,333/- per month in the scale of Rs. 3,50,000/- to Rs. 8,00,000/- per month. The increments will be decided by the Board of Directors or its Committee.
  - 2. PERFORMANCE LINKED INCENTIVE:** Performance Linked Incentive not exceeding the annual salary, provided however the same will be payable on pro-rata basis in the event of earlier cessation or termination of the appointment as may be approved by the Board of Directors or its Committee for each year.