

13th

ANNUAL REPORT

YEAR 1999-2000



ABNER
PHARMACEUTICALS
LIMITED

C-2/41, Safdarjung Development Area,
New Delhi - 110 016.

BOARD OF DIRECTORS

S.K. GUPTA

Chairman & Managing Director

USHA GUPTA

Dr. S.R. MOORTHY

R.K. PURWAR

UPSIDC Nominee

G.C. JAIN

SBBJ Nominee

BANKERS

STATE BANK OF BIKANER & JAIPUR

AUDITORS

SURMELA & ASSOCIATES

Chartered Accountants

New Delhi

REGISTERED OFFICE

C-2/41, Safdarjung Development Area

New Delhi - 110016

Report  Junction.com

NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the members of Abner Pharmaceuticals Limited will be held on Thursday, the 28th December, 2000 at 3.00 P.M. at The Executive Club, 439 Village Shahoorpur, PO Faridpur Beri, New Delhi-110 030 to transact the following business :

ORDINARY BUSINESS

1. To receive and adopt Audited Balance Sheet as at 30th June, 2000 and Profit and Loss Account of the company for the period ended on that date together with the Auditors Report and the Report of the Directors thereon.
2. To elect a Director in place of Smt Usha Gupta, who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint M/s. Surmeela & Associates, Chartered Accountants, the retiring Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Board to fix their remuneration.
4. Any other matter with the permission of the chair.

SPECIAL BUSINESS

5. To consider and if thought fit , to pass the following resolutions with or without modification(s) as special resolutions :

" Resolved that Clause V and 3rd of the Memorandum and the Articles of the Company be and shall always be deemed to have been substituted by the following :

V. The Share Capital of the Company is Rs. 24,00,00,000.00 (Rupees Twenty Four Crores Only) divided into 2,40,00,000 (Two Crores Forty Lacs Only) Equity Shares of Rs. 10/- each (Rupees Ten each)."

6. To consider and if thought fit, to pass the following resolution with or without modification(s) as special resolutions:

" Resolved that the Board of Directors be and are hereby authorised to allot upto 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each for cash at par to anyone or more existing shareholders or to outsiders or partly to existing and partly to outsiders as the Board may deem fit without offering any shares to all the existing shareholders. The board is further authorised to make calls in a manner it thinks fit on such shares."

7. To consider and if thought fit , to pass the following resolutions with or without modification(s) as special resolutions :

" Resolved that Clause I and I a of the Memorandum and the Articles of the Company be and shall always be deemed to have been changed as the Board of Directors may decide subject to the approval of the name by the Registrar of Companies, Delhi & Haryana and the Central Government."

8. Any other matter with the permission of the Chair.

NOTES

- a) A member is entitled to attend and to vote at the meeting and is entitled to appoint proxy. The proxy need not be a member of the company. Proxy forms should be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
- b) Share Transfer books will remain closed from 29.12.2000 to 31.12.2000 (both days inclusive)
- c) Members are requested to bring their copy of Annual Report as extra copy will not be provided in view of cost of paper and printing.

Members are requested to intimate to the Company change, if any, in their registered address immediately.

Dated : 2nd December, 2000

For and on behalf of the Board

Registered Office
C-2/41 SDA
New Delhi-110 016

(SK Gupta)
Managing Director



EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No. 5

In pursuance to Section 31 and all other applicable sections, if any, of the Company's Act 1956. Board of Directors shall not alter capital clause in the Memorandum and Articles of Association of the Company except with the consent of the Company as an ordinary and special resolution respectively in General meeting of the company. The Directors of the company propose to make Preferential allotment. For that purposes Authorised Capital is to be increased from Rs.14,00,00,000.00 (Rupees fourteen crores) divided into 1,40,00,000 (one crore forty lacs) equity shares of Rs.10/- (Rupees ten each). Consequently clause V of the company is proposed to be altered.

A copy of the Memorandum and articles of the association of the Company together with the alteration is available for inspection by the members of the company at its registered office, between 11 a.m. to 1 p.m. on any working day.

The Directors of the company may be deemed to be concerned or interested in the Preferential issue of the shares to the extent of the allotment being made to the companies, the members of which may be remotely related, although they do not constitute Promoter or Promoter group. Your Directors recommend the resolution for your approval pursuant to section 31 and all other sections applicable, if any, of the Companies Act, 1956.

Item No.6

As the shares of the Company during the last six months are being traded at much below par value, the existing shareholders except

Crust Trading Private Limited

Stallone Trading Private Limited

Ansh Trading Private Limited

Three Sons Trading Private Limited

Jingle Trading Private Limited

may not be interested in purchase of the shares of the company. It is therefore decided and resolved that the new shares need not be offered to all the other existing shareholders.

In pursuance of Regulation 3 (c) (ii) of SEBI (Substantial Acquisition of shares & takeovers) Regulation Act, 1997 for preferential allotment of shares it is being explained that such allotment will increase the holding of proposed allottees by more than 5% of the post issue capital of the company. As stated earlier the allotment is proposed to be made at Rs.10.00 per share. The allotment is proposed to be made to five private limited companies as below. The purpose of such allotment is to create new divisions of the company

to increase profitability of the company. As explained earlier that ordinary member of the public will not be interested in purchasing shares at Rs.10.00 per share when the market price of the share is much below par. Although this preferential allotment will confer substantial voting rights upon the allottees to change the Board of Directors of the company and power to change control of the company but the present management does not foresee any threat of change in the control over the company, as these shares are likely to be diluted by the proposed allottees.

The company has obtained certificate from the Statutory Auditors that all the guidelines of SEBI relating to the Preferential Allotment of Shares have been complied with. The shareholding pattern after the proposed allotment will be as follows :

TOP 10 SHAREHOLDERS

Crust Trading Private Limited	20,00,000
Stallone Trading Private Limited	20,00,000
Three Sons Trading Private Limited	20,00,000
Jingle Trading Private Limited	20,00,000
Ansh Trading Private Limited	14,41,800
Sh. S.K. Gupta	8,44,300
Chaman Security & Finlease P Ltd	6,00,000
UP State Industrial Development Corporation of UP Ltd	50,000
Sh. Sachin Gupta	35,800
Rekha Gupta	30,500

PROPOSED ALLOTTEES

Crust Trading Private Limited	upto 20,00,000
Stallone Trading Private Limited	upto 20,00,000
Ansh Trading Private Limited	upto 20,00,000
Three Sons Trading Private Limited	upto 20,00,000
Jingle Trading Private Limited	upto 20,00,000

Item No. 7

In pursuance to Section 21 and all other applicable sections, if any, of the Company's Act 1956, the name clause can be changed by the Board of Directors with the previous approval of the members in General Meeting of the Company. The Board feels the need for the change in the company's name so as to reflect the field of biological technology in which the company is proposing to specialise after gaining expertise in the manufacture of biological and non-biological drugs.

None of your Directors are interested in the aforesaid resolution.

DIRECTORS REPORT

Your Directors have pleasure in presenting the 13th Annual Report together with Audited Statement of Accounts for the period 1st April, 1999 to 30th June, 2000.

FINANCIAL DATA

The financial results of the company during the year mentioned above are as under :

	Current Period (Rs. in Lacs) (of 15 months)	Previous Period (Rs. in Lacs) (of 12 months)
Total Income	366.06	197.35
Gross Profit	47.70	37.06
Add		
Depreciation	1.08	0.27
Profit / Loss during the year	46.62	36.79
Less / Add : Brought Forward (-) Loss / Profit	(-) 6.99	(-) 43.78
Profit / Loss carried to Balance Sheet	39.62	(-) 6.99

FUTURE PROSPECTS

The Company's performance during the year was satisfactory and earned a net profit of Rs.46.62 lacs. The Company was able to wipe out its carried forward losses and has been able to post a profit of 39.62 lacs which is being carried forward to the Balance Sheet.

Your Directors are striving for an improvement in the growth trend and are hopeful of showing a still better performance in the ensuing year.

DIRECTORS

In accordance with the provisions of the Company's Act, 1956 and the Articles of Association of the Company Smt. Usha Gupta retire in rotation and is eligible for reappointment.

PARTICULARS OF EMPLOYEES

The company had no employee drawing remuneration of Rs.12,000/- per month or more during the year or in the category of employees specified under section 217 (2A) of the Companies Act, 1956.

DEMATERIALISATION

Your company has listed its securities with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) which would facilitate the holding and trading in securities of your Company in electronic mode. Your company's shares have already been admitted as an eligible security in the depository system by both NSDL & CDSL and can be dematerialised at the option of the shareholder. According to SEBI, your company's share will be traded compulsorily in demat form from 29.1.2001.

AUDITORS

M/s Surnela & Associates, Chartered Accountants, the retiring Auditors of the company have expressed their willingness to hold office from the conclusion of the Annual General Meeting of the company until the conclusion of the next Annual General Meeting of the company.

ADDITIONAL INFORMATION

The information required to be furnished in terms of section 217 (1) (e) read with the companies (disclosures of particulars in the report of the Board of Directors) Rule 1988.

A) CONSERVATION OF ENERGY

The company could not do much to conserve energy because of the type of products.

B) TECHNOLOGY ABSORPTION

The company is in the phase of expansion and the foreign technology will be absorbed in the ensuing years.

C) FOREIGN EXCHANGE EARNING AND OUTGO

The products of the company are indigenously used so no foreign exchange was earned during the year. The company has used indigenous raw material and there is no foreign exchange out go during the year.

D) NOTES ON ACCOUNTS

The observations of Auditors and notes on accounts are self explanatory and do not require any clarification.

INFORMATION UNDER THE LISTING AGREEMENT

S. No.	Name of the Stock Exchange	Listing Fees paid	Remarks
1.	The Delhi Stock Exchange, Delhi	Upto 2003	
2.	The Stock Exchange, Mumbai	2000-01	
3.	The Calcutta Stock Exchange, Calcutta	31.03.92	

YEAR 2000 COMPLIANCE

The companies operating systems are Y2K ready and the switchover was easy and without causing any damage to the companies operation.

ACKNOWLEDGEMENTS

The Directors place on record their deep appreciation of the shareholders, employees, State Bank of Bikaner & Jaipur and PICUP for their patronage, co-operation and support during the period under review.

New Delhi
2nd December, 2000

(S.K. GUPTA)
MANAGING DIRECTOR

(USHA GUPTA)
DIRECTOR