



**Hiran**  
ORGOCHEM LTD

ORGOCHEM LTD.

# ANNUAL

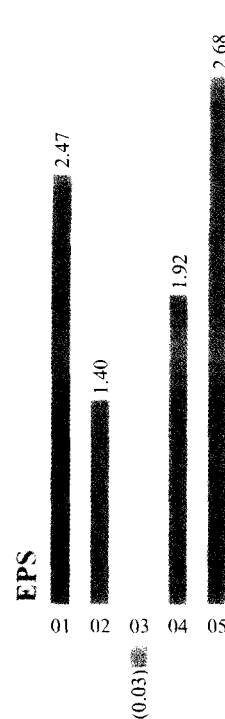
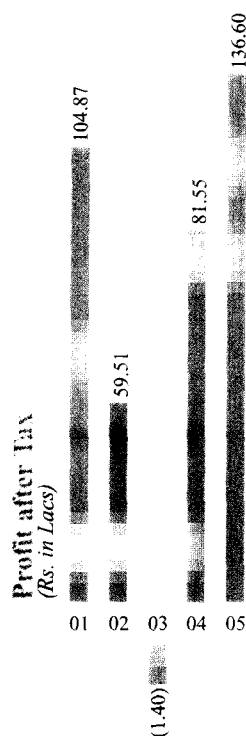
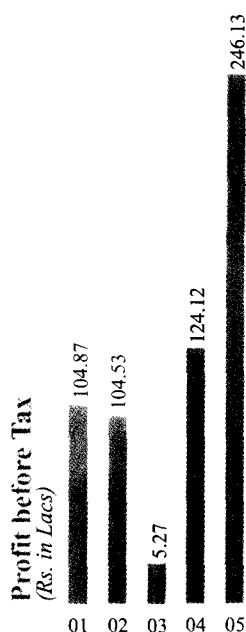
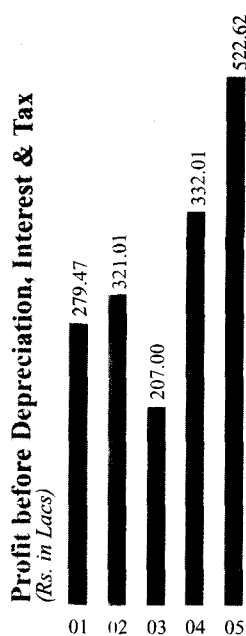
# REPORT

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## FINANCIAL HIGHLIGHTS

	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001
<b>Production (Kgs.)</b>	<b>376840</b>	<b>251866</b>	<b>214405</b>	<b>185114</b>	<b>166025</b>
Local	4,485.24	3,074.50	2,006.15	2,727.30	3,128.47
Export	1,641.39	800.53	1,001.36	1,050.95	813.36
<b>Total sales</b>	<b>6,126.63</b>	<b>3,875.03</b>	<b>3,007.51</b>	<b>3,778.25</b>	<b>3,941.83</b>





*Letter from the **Chairman***

*"Fiscal 2004-2005 marked a year of record achievements in revenue and income.*

*More than any other time in our history, we were able to set the stage for even stronger mid to long-term growth. We have strengthened our resolve to make a difference in the Industry. And we have done so without compromising short-term profitability and balance sheet strength.*

*We are proud that throughout our existence, we have made constant progress towards our goal as the recognized experts in manufacturing of Bulk Active, Ciprofloxacin. We have established loyalty among customer, suppliers, our employees and shareowners.*

*We will continue to set realistic expectations and attainable goals while striving towards excellence..*

*We intend to continue to build our business on the values that underlie our everyday actions:*

*Resourcefulness, Compassion, Service, Integrity, Commitment and Flexibility.*

Kantilal Hiran  
Chairman of the Board and Managing Director

## ***Board of Directors***

### ***DIRECTOR***

***Mr Kantilal M. Hiran***

Chairman and managing Director

***Mr. Uttamchand Hiran***

***Mr. S. P. Tated***

Whole Time Director

***Mr. H. N. Bafna***

***Mr. Mukesh Naik***

***Mr. Vijay K. Hiran***

Whole Time Director

### ***AUDITORS***

***M/s. B. L. Dasharda and Associates***

Chartered Accountants

### ***BANKERS***

***State Bank Of India***

### ***REGISTERED OFFICE***

*E-501, Remi Biz Court, Off Veera Desai Road,*

*Andheri (W), Mumbai - 400053*

*email : [info@hiranorgochem.com](mailto:info@hiranorgochem.com) / [hiran@vsnl.com](mailto:hiran@vsnl.com)*

*website : [www.hiranorgochem.com](http://www.hiranorgochem.com)*

### ***PLANT***

*Plot No. 663, GIDC, Panoli, Ankleshwar, Gujarat - 394116*

### ***REGISTRAR AND SHARE TRANSFER AGENTS***

***Big share Services Pvt. Ltd.***

*E-2, Ansa Industrial Estate, Saki Vihar Road*

*Sakinaka, Andheri (E), Mumbai - 400 072*



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**Hiran Orgochem Limited**



## ***Hiran Orgochem***

*is a Public Limited company engaged in the research, development, manufacturing and marketing of Bulk Active pharmaceuticals and veterinary products in India and internationally.*

*Our Company has two primary missions: to provide high-quality pharmaceuticals that improve the health of our customers, and to operate as an ethical and honorable corporate citizen that rewards our shareholders with increasing value.*

# **ANNUAL REPORT**

**2004-05**



### ***Origins***

*Hiran family entered the Pharmaceutical business in 1992, when Mr. Kantilal Hiran bought M/s Satyamev Trading Limited in Ankleshwar. Over the past 13 years, two generations of the Hiran family have built and expanded the company in India and around the world. It is thanks to the leadership of Kantilal Hiran, Chairman of the Board of Directors of Hiran Orgochem Limited, that Hiran is one of the world's leading producer for CIPROFLOXACIN.*

## Goal and market strategy

Hiran's goal is to grow the business in a sustainable and consistent manner, while constantly improving profitability. The strategy to achieve this has four elements:

- Strive to reach a leading position in attractive markets.
- Focus on capturing an ever-growing share in Bulk Active Segments.
- Work to improve efficiency and cut costs in operations.
- Grow through selective acquisitions, so long as they create shareholder value.



**Making  
OUR Presence  
through  
QUALITY**

## Innovation

Hiran works to continually meet consumers' changing needs. This can be seen in the area of marketing, communication, packaging and delivery systems, where we are a recognized leader. We also work to further improve the quality, safety and cost structure of processes and products. This includes innovation in technology and supply chain management, which reinforces the competitiveness of our global portfolio.



## NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of **Hiran Orgochem Limited** will be held at the Banquet Hall 'Shiva' at Hotel Ambassador, V. N. Road, Churchgate, Mumbai 400 020 on Monday, the 19th day of September, 2005 at 11:00 A.M. to transact the following business:

### ***Ordinary Business:***

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2005 and Balance Sheet as on that date alongwith the Reports of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares of the Company.
3. To appoint a Director in place of Mr. Uttamchand Hiran, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. H. N. Bafna, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### ***Special Business:***

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

*"RESOLVED THAT as per the recommendation of Remuneration Committee and pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII to the Companies Act, 1956 and subject to such other approvals as may be necessary, the consent of the Company be and is hereby accorded for re-appointment of Mr. Vijay Hiran as Whole Time Director of the Company for a period of three years with effect from 1st November, 2005 on a remuneration of Rs. 75,000/- per month with liberty to the Board of Directors of the Company to alter and vary the said terms and conditions including remuneration so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any other amendments thereto, as may be agreed to between the Directors and Mr. Vijay Hiran."*

*"RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Whole Time Director shall be governed by Section II of Part II of Schedule XIII of the Companies Act, 1956 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole Time Director".*

By order of the Board of Directors



**Kantilal M. Hiran**

**Chairman & Managing Director**

Place: Mumbai

Dated: 25th April, 2005

### ***Registered Office:***

E-501/502/503, Remi Biz Court, 9, Shah Industrial Estate,  
Off. Veera Desai Road, Andheri (West), Mumbai - 400 053.



## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.

THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and Share Transfer Books will remain closed from Saturday, 10th September 2005 to Monday, 19th September 2005 (both days inclusive).
3. The payment of dividend, if any, declared at the Annual General Meeting, will be made to those shareholders or their nominees whose names appear as Beneficial Owners as at the end of business hours on Friday, 9th September 2005 in the lists of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held by them in electronic form, and whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before Friday, the 9th September, 2005. Dividend warrants shall be dispatched within thirty days from the date of the Annual General Meeting.
4. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at Big Share Services Pvt. Ltd., E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072 in respect of their physical share folios.
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Managing Director, so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
6. Members/Proxies are requested to bring their copy of Annual Report to the Meeting.
7. Members/Proxies are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
8. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item No. 6 is appended hereto.

**BRIEF RESUME OF PERSONS PROPOSED TO BE RE-APPOINTED  
AS DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING:**

<b>Name</b>	<b>Mr. Uttamchand Hiran</b>	<b>Mr. H. N. Bafna</b>	<b>Mr. Vijay Hiran</b>
Age	45 years	46 years	25 years
Qualification	PUC	M.Com., L.L.B., A.C.S., F.C.A	Diploma in Foreign Trade
Nature of Expertise	Businessman	Practising Chartered Accountant	Export
Experience	Over 20 years	21 years	7 years
Name of other Companies in which also holds Directorship	None	World Water Fun Resorts Limited	None
Name of other Companies in Committees of which holds membership / chairmanship	None	None	None

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

**Item No. 6:**

As per the recommendation of the Remuneration Committee, the Board of Directors of the Company at their meeting held on 25th April, 2005, re-appointed Mr. Vijay Hiran as the Whole Time Director of the Company for a period of three years with effect from 1st November, 2005 on terms and conditions as stated in the resolution.

The appointment of Mr. Vijay Hiran as the Whole Time Director of the Company, would require the consent of the shareholders of the Company pursuant to Section 269, 309, 311 and other applicable provisions of the Companies Act, 1956 and subject to the limits of Schedule XIII of the said Act. The said resolution is therefore, recommended for your approval.

Mr. Vijay Hiran is concerned or interested in the resolution no. 6 for his re-appointment as Whole Time Director. All Directors except Mr. S. P. Tated, Mr. Mukesh Naik and Mr. H. N. Bafna are interested or concerned in the said resolution.

By order of the Board of Directors



**Kantilal M. Hiran**

**Chairman & Managing Director**

Place: Mumbai

Dated: 25th April, 2005