

10 Annual Report

2001-2002



**Indrayani
Biotech
Limited.**

**VILLAGE MARKAL,
TAL. KHED, DIST .
PUNE - 412 105.**



Indrayani Biotech Limited

• DIRECTORS

Mr. Vivek V. Malpani,
Chairman and Managing Director

Mr. Shailesh V. Malpani

Dr. A. D. Karve

Mr. Vishwanath D. Malpani

Dr. Vasant K. Hinge

• BANKERS

Federal Bank Ltd.
UCO Bank

• AUDITORS

M/s G. V. Madane and Company, Pune.

• REGISTERED OFFICE

Village Markal, Near Alandi,
Taluka Khed, Dist. Pune - 412105

• ADMINISTRATIVE OFFICE

"INDRAYANI HOUSE",
Behind Baner Telephone Exchange,
Baner, Pune - 411 045.

NOTICE

Notice is hereby given that the Tenth Annual General Meeting of INDRAYANI BIOTECH LIMITED will be held at the Registered Office of the Company, Village Markal, Taluka Khed, Dist. Pune 412 105, on Monday, the 30th September 2002 at 9:00 A.M. to transact the following business:

• ORDINARY BUSINESS •

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2001 and Profit and Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shailesh V. Malpani who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to authorize the Board to fix their remuneration.

• SPECIAL BUSINESS •

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

"RESOLVED THAT Dr. Vasant K. Hinge, who was co-opted as an Additional Director on the Board on 02-09-2002 under the provisions of Section 260 of the Companies Act, 1956 and who holds office only up to the date of this Annual general Meeting and in respect of whom the Company has, under Section 257 of the Companies Act, 1956, received a notice from a member signifying his intention to propose her candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT pursuant to provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 the consent of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease, mortgage, transfer, and/or otherwise dispose off the property including Land & Building, Plant & Machinery, Office Equipment, Furniture & Fixtures, Cold Storage, Green House and/or Divisions of the Company on such terms and in such manner as the Board of Directors of the Company may decide in the interest of the Company, with full power & authority to the Board of Directors to do all such acts and things as may be necessary to implement this Resolution.

6. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions, under Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, and subject to approval by remuneration committee & provisions of schedule XIII of the Companies Act 1956, consent of the members of the Company be and is hereby accorded to reappoint Mr. Vivek V. Malpani, as Managing Director of the Company, for a period of FIVE years with effect from First October 2002, on the following terms and conditions :-

- A) Period of Agreement: FIVE years with effect from 01.10.2002.
- B) Basic Salary: Rs. 15,000/- (Fifteen Thousand Five Hundred only) per month.
- C) perquisites:

Parta : i) Housing: The Managing Director will be entitled and paid House Rent Allowance at 50% of the Salary. The Company would pay, reimburse expenditure on gas, electricity and water to the appointee.

ii) Medical reimbursement for self and family subject to maximum of one month's salary per year.

iii) Club Fees : Fees for clubs subject to a maximum of two clubs.

iv) Personal accident insurance up to Rs.10 Lacs.

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Part b: Contribution to Provident Fund, Gratuity as per rules of the Company. This will not be treated as perquisites.

Part c: Provision of a car with driver and telephone at residence. The perquisite value of the above, if any, will be valued as per the Income Tax Act.

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

"RESOLVED THAT pursuant provisions of section 309(1)(a) of the Companies Act, 1956 and other applicable provisions, if any, the Company do pay consultancy fees upto Rs. 2 Lacs per annum as a remuneration for the professional services to be rendered by Mr. Vishwanath D. Malpani, Director of the Company and lawyer by profession with effect from the date he accepts assignment.

"RESOLVED FURTHER THAT the company do make an application to the Central Government under section 309 of the Companies Act, 1956 to obtain its opinion, whether Mr. Vishwanath D. Malpani is holding requisite qualification to practice the profession."

"RESOLVED FURTHER THAT Mr. Vivek V. Malpani, Managing Director of the company be and is hereby authorised to make necessary application on behalf of the company and to do all such acts, deed, matters and things so as to give effect to the above resolution."

By order of the Board Of Directors,
for Indrayani Biotech Limited

Place: Pune

Date: September 02, 2002

Vivek V. Malpani

Chairman and Managing Director

NOTES :

1. A member entitled to attend and vote at the meeting is, entitled to appoint a proxy to attend & vote instead of himself and such a proxy need not be a member. proxies in order to be effective must be received at the company's registered office not less than 48 hours before the meeting.

2. Explanatory statement as required under section 173(2) of the companies act, 1956 in respect of special business mentioned above is annexed hereto

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

■ ITEM NO. 4 :

During the period, Dr. Vasant K. Hinge, was co-opted as an Additional Director on the Board Pursuant to the provisions of Section 260 of the Companies Act, 1956. He holds office up to the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member along with a deposit of Rs.500/- in cash under Section 257 signifying his intention to propose the candidature of Dr. Vasant K. Hinge for the post of Director of the Company. Dr. Vasant K. Hinge, being eligible offers himself for appointment. Board recommends his appointment.

None of the Directors except the appointee himself is concerned or interested in this resolution.

■ ITEM NO. 5 :

After taking into account every possible option the Board is of the opinion that the Company has no other way but to sell, lease, mortgage, transfer, and/or otherwise dispose off the property including Land & Building, Plant & Machinery, Office Equipment, Furniture & Fixtures, Cold Storage, Green House and/or Divisions of the Company which will generate immediate funds to repay loan from Federal Bank & Other Debts.

Therefore ordinary resolution is proposed for approval of the Shareholders of the Company. This resolution will delegate the authority to the Board to find out suitable buyers for its property and suitable party to lease or let out the property.

None of the Directors are concerned or interested in this resolution.

■ ITEM No. 6 :

The Board of Directors in their meeting held on 2.09.2002 have reappointed Mr. Vivek V. Malpani, as MANAGING DIRECTOR of the Company for a period of FIVE years from 1st October 2002. He is one of the promoters of the Company and held the office of Managing Director earlier. His appointment is subject to approval by shareholders in Annual General Meeting. The main terms of appointment have been mentioned in the Resolution proposed under item 6 above.

In Compliance with the provisions of the Companies Act, 1956 the terms of remuneration specified above are placed before the members in the General Meeting for their approval.

The company will obtain the necessary approval of the remuneration committee of the Board of Directors & after complying with the provisions for the payment of remuneration to the Managing Director.

Mr. Vivek V. Malpani is concerned or interested in item 6 of the Notice. Mr. Vishwanath D. Malpani and Mr. Shailesh V. Malpani are also interested in the said item 6, being relatives of Mr. Vivek V. Malpani.

The terms of remuneration of Mr. Vivek V. Malpani as set out in the Resolution may be deemed to be an abstract under Section 302 of the Companies Act, 1956.

■ ITEM NO. 7 :

The company proposes to appoint Mr. Vishwanath D. Malpani, Director of the Company as a legal advisor on retainership basis. Mr. Vishwanath D. Malpani is holding the professional qualification and has got relevant experience. Pursuant to the provisions of section 309(1), Special resolution is necessary for paying any remuneration to any director in any other capacity.

Further pursuant to provisions of section 309(1)(b), it is necessary to ascertain the opinion of the Central Government for confirming his eligibility to practice the profession of the Lawyer. The Company will be immensely benefited by his experience.

Therefore the Special Resolution is proposed for the approval of the shareholders.

None of the Directors other than Mr. Vishwanath D. Malpani, Mr. Vivek V. Malpani and Mr. Shailesh V. Malpani are deemed to be concerned or interested in the resolution.

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DIRECTORS' REPORT

Your Directors present herewith the Tenth Annual Report and the Audited Accounts for the year ended 31st March, 2002.

■ FINANCIAL RESULTS :

The income during the year from all sources amounted to Rs. 61.17 lacs and the total expenditure including depreciation of Rs.13.85 lacs amounted to Rs. 105.85 lacs. There is no Tax Liability for the year and the Company incurred net loss Rs. 44.68 lacs during the year as against loss of Rs. 44.55 lacs in the previous year.

■ OPERATIONS :

The turnover of the company has slightly reduced due to poor market rates for flowers and market fluctuations during the year. There is a growing demand for the company's Tissue Culture Banana Plants from various domestic markets. The company has increased the production capacity of the Tissue Culture laboratory. This should further increase the production and turnover in the coming year.

■ DIRECTORS :

In accordance with the provisions of the Companies Act 1956 and the Company's Article of Association, MR. Shailesh D. Malpani, Director, retires by rotation and being eligible, offers himself for reappointment.

During the period Dr. Vasant K. Hinge were co-opted as the Additional Directors on the Board. His terms expire at the ensuing Annual General Meeting & being eligible, he offers himself for the appointment. The Board recommends his appointment.

The Board proposes to reappoint Mr. Vivek V. Malpani as Managing Director for a period of Five Years with effect from October 1, 2002 on the terms & conditions set out in Notice of Annual General Meeting and The Board recommends his reappointment.

■ OTHER MATTERS :

The Federal Bank Ltd. has filed a recovery application in Debt Recovery Tribunal. Discussion on the terms of settlement is going on and the management is hopeful of finalizing the terms of settlement.

The collector, Pune has issued a notice U/s 84 CC of the Bombay Tenancy & Agricultural Lands Act about the alleged breach of terms of permission U/s 63 thereof in regards to the mortgage with Federal Bank etc. The proceedings are pending. The management is hopeful that the notice will be cancelled.

The Company has also applied for permission to sell part of lands in case it becomes necessary to pay the dues of the Federal Bank.

■ DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

(i) That in the preparation of the accounts for the financial year ended 31st March, 2002, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year under review;

(iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2002 on a "going concern" basis.

■ DEPOSITS :

The Company has not accepted any deposits from public or shareholders.

■ PARTICULARS OF EMPLOYEES :

Information concerning the particulars of employees: None of the employees are covered by Sub-Section (2A) of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, as amended.

■ AUDITORS :

M/s G V Madane and Company, Chartered Accountants, Pune auditors of the Company retire and being eligible offer themselves for reappointment.

■ AUDIT COMMITTEE :

Pursuant to the provisions of Section 292 A of the Companies Act, 1956 an Audit Committee comprising the following Directors has been constituted :- (1) Mr. Vishwanath D. Malpani (2) Dr. A. D. Karve. (3) Dr. Vasant Hinge.

■ CORPORATE GOVERNANCE :

As per the listing agreement with the Stock Exchange, Mumbai, your company is required to comply with the requirements of "Corporate Governance" within the year 2002-2003. The Company has taken necessary steps to comply with the guidelines on "Corporate Governance", as applicable to the company.

■ RESEARCH AND DEVELOPMENT, ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION, AND FOREIGN EARNINGS AND OUTGO

Particulars with respect to conservation of energy etc. required as per Section 217(1) of the Companies Act, 1956 are annexed hereto and form a part of the report.

Place: Pune
Date: September 02, 2002

Vivek V. Malpani
Chairman and Managing Director