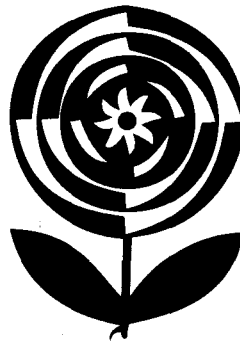
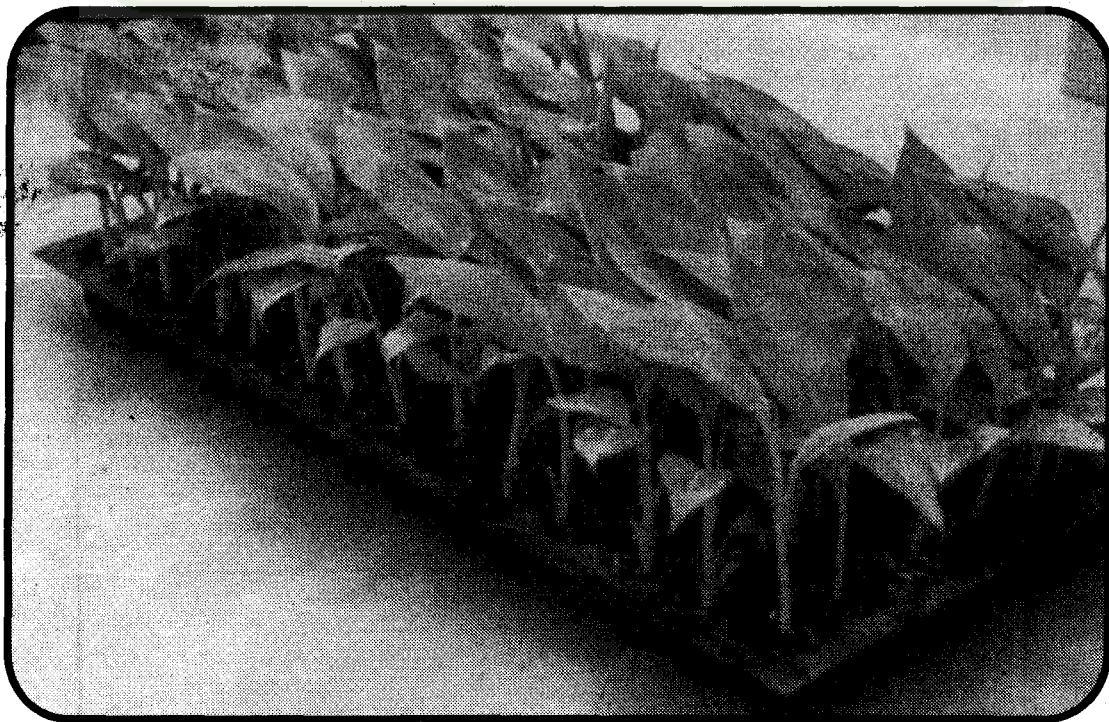


# **11<sup>th</sup> Annual Report**

**2002 - 2003**



## **INDRAYANI BIOTECH LIMITED.**



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

# Indrayani Biotech Limited

## • DIRECTORS

**Mr. Vivek V. Malpani,**  
Chairman and Managing Director

**Dr. A. D. Karve**

**Mr. Vishwanath D. Malpani**

**Dr. Vasant K. Hinge**

## • COMPANY SECRETARY

**Mr. R. K. Suvarna**

## • BANKERS

**HDFC Bank**  
**UCO Bank**

## • AUDITORS

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

## • REGISTERED OFFICE

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

## • ADMINISTRATIVE OFFICE

**8, Peninsula, Near Baner Telephone Exchange,  
Baner, Pune - 411 045.**

## NOTICE

Notice is hereby given that the Eleventh 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 Tuesday, the 30th September 2003 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, 2003 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. V. D. Malpani and Mr. A. D. Karve who retire by rotation and being eligible offer themselves 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 in partial modification of the ordinary Resolution of the members of the Company, passed in the Annual General Meeting held on 30<sup>th</sup> September 2002, appointing Mr. Vivek V. Malpani as Managing Director of the Company for a period of 5 years with effect from 01<sup>st</sup> October, 2002 and in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (Including any statutory modification or reenactment thereof, for the time being in force), the Company hereby approves the increase in remuneration, i.e., salary to Mr. Vivek V. Malpani, Managing Director to Rs. 40000p.m. plus perquisites as admissible at present from 1<sup>st</sup> October 2003 for the remaining tenure of the agreement."

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

**Vivek V. Malpani**  
Chairman & managing Director

Place: Pune  
Date : July 30th, 2003.

## 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

Mr. Vivek V. Malpani was reappointed as Managing Director of the Company for 5 years w.e.f. 1<sup>st</sup> October 2002 on the terms and remuneration as approved by the Board of Directors in their meeting held on 02/09/2002 and also approved by the shareholders in their Annual General Meeting held on 30<sup>th</sup> September 2002. Keeping in view the progress in the activities of the Company and considering the managerial expertise and experience of Mr. Vivek V. Malpani and his increased responsibilities, the remuneration of Mr. Vivek V. Malpani is proposed to be increased w.e.f. 1<sup>st</sup> October 2003 for the remaining tenure of term of his office as set out in the proposed ordinary resolution and draft supplementary agreement to be placed before the meeting. The other allowances, perquisites payable to Mr. Vivek V. Malpani will remain unchanged.

The revised 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.

Mr. Vivek V. Malpani is concerned and interested in item 4 of the Notice. Mr. Vishwanath D. Malpani is also interested in the said item no.4 being father of Mr. Vivek V. Malpani.

For and on behalf of the Board of Directors  
for Indrayani Biotech Limited

**Vivek V. Malpani**  
Chairman & managing Director

Place: Pune  
Date : July 30th, 2003.

# Indrayani Biotech Limited

## DIRECTORS' REPORT

Your Directors present herewith the Eleventh Annual Report and the Audited Accounts for the year ended 31st March, 2003.

**Financial Results :** The income during the year from all sources amounted to Rs. 39.12 lacs and the total expenditure including depreciation of Rs.10.46 lacs amounted to Rs. 84.62 lacs. There is no Tax Liability for the year and the Company incurred net loss Rs. 46.81 lacs during the year as against loss of Rs. 42.31 lacs in the previous year.

**Operations :** The turnover of the Company has reduced to Rs. 39,12,650. This is due to severe water problem in the region. The company had to give up its production plans of Gerbera flowers and Colour Capsicums due to shortage of water in the bore wells and from river Indrayani.

The Company has continued its production and supply of Tissue Culture Banana plants to various parts of India. As mentioned in the previous year's report the turnover of the Tissue Culture Division has increased significantly and is expected to increase further in the coming year.

**Directors :** In accordance with the provisions of the Companies Act 1956 and the Company's Article of Association, Mr. V. D. Malpani, Director and Mr. A. D. Karve, Director retire by rotation and being eligible, offer themselves for reappointment.

**Other Matters :** The Federal Bank Limited had filed a recovery application in the Debt Recovery Tribunal. The company has arrived at settlement with the bank and the entire settlement amount has been paid to the bank. The suit is withdrawn by the Bank.

The collector Pune had issued a notice under section 84 CC of Tenancy Act. The notice has been withdrawn and the Collector has allowed the company to sell its lands.

**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:

- That in the preparation of the accounts for the financial year ended 31st March, 2003, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 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;
- 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;
- That the Directors have prepared the accounts for the financial year ended 31st March, 2003 on a "going concern" basis.

**Management :** It is proposed to increase remuneration of Managing Director to Rs. Forty thousand per month plus perquisites and allowances as admissible at present by adopting an ordinary resolution by members in Annual General Meeting. Members are requested to adopt the resolution.

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

**Particulars Of Employees :** Information concerning the particulars of employees, as required by Sub-Section (2A) of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules -1975, as amended, is Not Applicable.

**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 :** Company's Philosophy on the Code of Governance:

The Company is committed to good Corporate Governance and has in all material respects complied with the Listing Agreement. The company's plant location is at Village Markal Taluka Khed Dist Pune and at Karve Nagar, Pune. The compliance certificate from the auditors and the qualifications in the auditors report are as per the report enclosed.

**Board Of Directors :** During this year, five Board meetings were held on 30<sup>th</sup> April 2002, 30<sup>th</sup> July 2002, 2<sup>nd</sup> September 2002, 26<sup>th</sup> October 2002 and 31<sup>st</sup> January 2003. Other details are given below:

Sr. No.	Name of Director.	Category of Directorship	No. of Meetings attended	No. of Directorship* as on 31.03.2003	No. of Other Committee Member	Chairman
1.	Vivek Malpani	M. D.	5	5	--	--
2.	Dr. A. D. Karve	Director	5		2	1
3.	V. D. Malpani	Director	4	5	1	2
4.	Dr. Vasant Hinge	Director	2		3	--
5.	Shailesh Malpani	Director	1		--	--

- Includes Directorship in other private Limited Companies.
- Except the Managing Director, other Directors retire by rotation. The Managing Director is appointed by the shareholders for a term of 5 years.
- All directors had attended last Annual General Meeting.

**Audit Committee and Shareholder's Grievance Committee :** The Board had constituted the Audit Committee and Shareholders Grievance Committee to deal with all the matters indicated in clause 49 of the Listing Agreement. In all, three meetings of the Audit and Shareholders Grievance Committee were held as under:

Name of the member	No. of meetings attended	Dates
Dr. A. D. Karve	3	26 <sup>th</sup> October 2002
Mr. V. D. Malpani	3	31 <sup>st</sup> January 2003
Dr. Vasant Hinge	3	15 <sup>th</sup> March 2003

**Remuneration Committee :** It consists of the following members:

Dr. A. D. Karve  
Dr. Vasant Hinge

**Share Transfer Committee and Share Transfer System :** The share transfer committee consists of any one Director and the Company Executive.

It meets regularly. The company processes the physical share transfers internally and any defect is intimated to shareholders immediately by objection letter. The shares received for transfer are promptly processed and the transferee is advised regarding the demat procedure. The name of the compliance officer is Mrs. Ashwini Agnihotri and her designation is office executive. The number of complaints received is 22. The number of complaints not solved is seven and number of pending share transfers is 2500.

**Remuneration paid to the directors :** The Managing Director's remuneration is shown in the notes to accounts. The salary proposed is Rs.40,000 and all other benefits are to the extent of 50 % of salary. Other directors are paid only the sitting fees.

**Means of communication :** The Unaudited quarterly results are taken on record by the directors and are communicated to the Stock Exchanges from time to time.

The annual results are published in the Free Press Journal news paper.

The management discussion and analysis is stated in Directors report

**General Body Meetings :** Venue and time of the last three Annual General Meetings is as follows:

28<sup>th</sup> June 2000, 29<sup>th</sup> August 2001 and 30<sup>th</sup> September 2002 all at 9 AM at the Registered Office of the company.

No special resolution by postal ballot was carried out.

**Market Price Data :** The shares of the company are regularly traded on the Mumbai Stock Exchange.

Year 2002	Price		Sensx	
Month	High	Low	High	Low
April	4.45	3.00	3538	3297
May	4.55	2.85	3478	3098
June	4.95	3.00	3378	3149
July	8.00	3.50	3367	2932
August	5.40	3.25	3185	2932
September	4.50	2.85	3227	2974
October	3.40	2.45	3039	2828
November	4.30	2.75	3246	2929
December	4.70	2.75	3414	3187
January	3.90	2.50	3417	3199
February	3.3	2.05	3342	3218
March	3.35	1.50	3312	3040

**Disclosures :** The company has complied with the statutory provisions rules and regulations of the capital market during the last three years and no restrictions have been currently imposed by the Mumbai or Pune stock exchanges or by SEBI.



# Indrayani Biotech Limited

The materially significant related party transactions are as per note 2 to the accounts.

## DISTRIBUTION OF SHARE HOLDINGS

Share or Debenture holding of nominal value of Rs.	No.	Share/Debenture holders % of total	Share/Debenture Amount In Rs. (thousand)	Share/Debenture % of total
1,000 - 5,000	25069	95.85	32576	55.40
5,001 - 10,000	725	2.77	3454	5.88
10,001 - 20,000	227	0.87	1633	2.78
20,001 - 30,000	54	0.21	481	0.82
30,001 - 40,000	18	0.07	310	0.53
40,001 - 50,000	20	0.076	414	0.70
50,001 - 1,00,000	16	0.061	290	0.49
1,00,001 and above	25	0.095	19642	33.40
<b>Total</b>	<b>26154</b>	<b>100.00</b>	<b>58800</b>	<b>100.00</b>

**Dematerialisation Of Shares And Liquidity :** Dematerialization of our company's shares has been made compulsory for trading on the Stock Exchanges. As on 31<sup>st</sup> March, 2003, 32 percent shares were dematerialized. There is thus good liquidity.

The Dematerialized shares are managed by M/S Intime Spectrum Registry Ltd., Mumbai.

**General Shareholder Information :** The eleventh annual general meeting will be held on 30<sup>th</sup> September 2003 at 9 AM at Village Markal Taluka Khed Dist Pune.

There are no special resolutions for approval and there is no postal ballot system at the 11<sup>th</sup> Annual General meeting.

**Dates of Book Closure :** The company's books will be kept closed during 30<sup>th</sup> and 31<sup>st</sup> October, 2003. (both days inclusive.)

**The company's equity shares are traded on the following stock exchanges :**

The stock exchange, Mumbai in Demat form. Code: 526445.

The Pune Stock Exchange. in Demat form. Code 526445.

**Research And Development, Energy Conservation And Technology Absorption, And Foreign Earnings And Outgo :**

Nil for F. Y. 2001-2002 & F. Y. 2002-2003

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

For and on behalf of the Board of Directors

Vivek V. Malpani

Chairman & managing Director

Place : Pune

Date : July 30th, 2003

## ANNEXURE TO THE DIRECTORS' REPORT

Information with respect to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo.

A & B : Conservation of Energy and Technology Absorption.

The information as per provisions of Section 217(1)(e) of the Companies Act, 1956 in respect of conservation of energy and technology is Nil.

C : Foreign Exchange earnings and outgo :

	2002-2003	2001-2002
	Rs.	Rs.
Earnings:	Nil	Nil
Outgo:	Nil	Nil

For and on behalf of the Board of Directors

Vivek V. Malpani

Chairman & managing Director

Place: Pune

Date : July 30th, 2003.

## SCHEDULE 3: FIXED ASSETS

(FIGURES IN RUPEES)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS ON 1/4/2002	ADDITIONS/ DELETIONS(-) DURING THE YEAR	AS ON 31.3.2003	UPTO 31.3.2002	FOR THE YEAR	UPTO 31.3.2003	AS ON 31.3.2003	AS ON 31.3.2002
LAND, LAND DEVELOPMENT & CIVIL CONSTRUCTION	10290330	0	10290330	466074	72659	538733	9751597	9824256
FURNITURE & FIXTURES	411322	0	411322	204943	22715	227658	183664	206379
PLANT & MACHINERY	1814591	0	1814591	756989	80710	837699	976892	1057602
LIVE PLANTS	3012184	0	3012184	2948495	63689	3012184	0	63688
GREEN HOUSES	15236733	0	15236733	5144399	723745	5868144	9368589	10095334
TISSUE CULTURE KNOWHOW	3423127	0	3423127	3423127	0	3423127	0	0
OFFICE EQUIPMENTS	890242	7020	897262	580049	34298	614347	282915	310193
VEHICLES	844898	0	614622	714395	48564	591242	23380	130503
		-230276		-171717				
<b>TOTAL :-</b>	<b>35923427</b>	<b>-223256</b>	<b>35700171</b>	<b>14066754</b>	<b>1046380</b>	<b>15113135</b>	<b>20587036</b>	<b>21687955</b>
<b>PREVIOUS YEAR</b>	<b>37614575</b>	<b>-1691148</b>	<b>35923427</b>	<b>13334290</b>	<b>901180</b>	<b>14235470</b>	<b>21687956</b>	<b>24280285</b>