

# **13<sup>th</sup> ANNUAL REPORT**

**2004-2005**

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***Indrayani Biotech Limited.***

VILLAGE MARKAL, TALUKA KHED, DIST PUNE 412 105.

<b>DIRECTORS</b>	:	Mr. Vivek V. Malpani, Chairman and Managing Director Dr. A. D. Karve Mr. Vishwanath D. Malpani Dr. Vasant K. Hinge
<b>COMPANY SECRETARY</b>	:	Mr. R. K. Suvarna
<b>BANKERS</b>	:	HDFC Bank UCO Bank
<b>AUDITORS</b>	:	M/s G. V. Madane and Company, Pune.
<b>REGISTERED OFFICE</b>	:	Village Markal, Near Alandi, Taluka Khed, Dist. Pune - 412105
<b>ADMINISTRATIVE OFFICE</b>	:	8, Peninsula, Near Baner Telephone Exchange, Baner, Pune - 411 045.
<b>SHARE TRANSFER AGENT</b>	:	Intime Spectrum Registry Pvt Ltd, Mumbai. ( for demat shares )

**NOTICE**

Notice is hereby given that the Thirteenth 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 Friday the 30<sup>th</sup> September 2005 at 9:00 A. M. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2005 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 Dr. Vasant Hinge who retire by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Dr. A. D. Karve who retire by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to authorize the Board to fix their remuneration.

By order of the Board Of Directors,

**for Indrayani Biotech Limited**

**R. K. Suvarna**

Company Secretary

Place: Pune

Date : August 30<sup>th</sup>, 2005.

**NOTE :**

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.

**DIRECTORS' REPORT**

Your Directors present herewith the Thirteenth Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2005.

**FINANCIAL RESULTS**

The income during the year from all sources amounted to Rs. 53,83,850/- and the total expenditure including depreciation of Rs. 7,17,690/- amounted to Rs. 61,83,760/-. There is no Tax Liability for the year and the Company made a net loss of Rs. 1,03,975/- during the year as against profit of Rs. 49,576/- in the previous year.

**OPERATIONS**

The Tissue Culture was the main activity of the company. Due to several new suppliers in the field, there is severe competition which has put pressure on pricing. The Sugarcane crop has again replaced Banana as the preferred crop in the western Maharashtra. The turnover is expected to fall in the coming year.

**DIRECTORS**

In accordance with the provisions of the Companies Act 1956 and the Company's Article of Association, Dr. Vasant Hinge, Director and Mr. A. D. Karve, Director retire by rotation and being eligible, offer themselves for reappointment.

**OTHER MATTERS****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 31<sup>st</sup> March, 2005, 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 & of the loss of the Company for that period.
- (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 31<sup>st</sup> March, 2005 on a "going concern" basis.

### DEPOSITS

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

### PARTICULARS OF EMPLOYEES

None of the employee details is required to be furnished under Section 217 (2A) of the Companies Act, 1956, read with the Companies Rules 1975, as amended.

### AUDITORS

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

### 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(I) of the Companies Act, 1956 are annexed hereto and form a part of the report.

### 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, District 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 2004, 31<sup>st</sup> July 2004, 8<sup>th</sup> September 2004, 29<sup>th</sup> October 2004 and 28<sup>th</sup> Jan. 2005. Other details are given below:

Sr. No.	Name of Director	No. of Directorship	No. of Board meetings attended	No. of Directorships* as on 31.3.2004
1.	Vivek Malpani	Managing Director	4 yes	4
2.	Dr. A. D. Karve	Director	4 yes	
3.	V. D. Malpani	Director	2 yes	4
4.	Dr. Vasant Hinge	Director	4 yes	

- 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:

Audit Committee comprises of the following Non Executive Directors :

- 1) Mr. Vishwanath D. Malpani.
- 2) Dr. A. D. Karve
- 3) Dr. Vasant Hinge.

Four meetings of the Audit Committee were held as under:

Name of the member	No. of meetings	attended	Dates of meeting
Dr A D Karve	4	4	16 <sup>th</sup> April 2004
Mr. V D Malpahi.	4	4	24 <sup>th</sup> July 2004
Dr. Vasant Hinge	4	4	29 <sup>th</sup> October 2004
			28 <sup>th</sup> January, 2005

#### Share Transfer Committee and Shareholder's Grievance Committee :

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 name of the compliance officer is Mrs. Ashwini Agnihotri and her designation is office executive. The number of complaints received during the year is 28. The number of complaints not solved is 4 and there were no shares pending transfer for more than 30 days as on 31<sup>st</sup> March 2005.

#### Remuneration paid to the directors:

The Managing Director's remuneration is shown in the notes to accounts. Other directors are paid only the sitting fee which is Rs. 750/- per meeting.

#### Means of communication:

The Unaudited quarterly results are taken on record by the directors and are communicated to the Stock Exchanges immediately thereafter.

#### General Body Meetings :

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

30<sup>th</sup> September 2002, 30<sup>th</sup> September 2003 and 8<sup>th</sup> September 2004 all at 9.00 A. M. and all at the Registered Office of the company. No special resolution was carried out by postal ballot.

#### Market Price Data: Year 2004-05

Month	Price	
	High	Low
April	3.50	3.00
May	3.88	2.75
June	3.30	2.20
July	2.70	2.22
August	4.07	2.31
September	4.45	2.57
October	3.59	2.86
November	8.95	3.00
December	8.10	5.07
January	6.95	4.61
February	7.75	4.70
March	7.40	3.75

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

• **Indrayani Biotech Ltd.** •**SHARE DISTRIBUTION PATTERN AS ON 31<sup>st</sup> MARCH 2005.**

Share Holders Holding of nominal Value of Rs.	Share Holders holders		Share Holders Amount	
	No.	%of total	In Rs. (thousand)	%of total
1000 - 5000	21836	96.54	38589	65.76
5001 - 10000	435	1.93	4084	6.96
10001- 20000	194	0.86	4305	7.33
20001- 30000	59	0.27	1395	2.38
30001- 40000	20	0.08	668	1.14
40001- 50000	19	0.08	1314	2.23
50001- 100000	38	0.16	2703	4.60
100001 and above	18	0.08	5631	9.60
<b>Total</b>	<b>22619</b>	<b>100.00</b>	<b>58689</b>	<b>100.00</b>

**DEMATERIALISATION OF SHARES AND LIQUIDITY:**

The Company's shares are traded in Demat form. As on 31<sup>st</sup> March 2005, 46.07 % shares were dematerialized.

**GENERAL SHAREHOLDER INFORMATION:**

The thirteenth annual general meeting will be held on Friday, 30<sup>th</sup> September 2005 at 9.00 A. M. at Village Markal, Taluka Khed, District Pune.

There are no special resolutions for approval and there is no resolution requiring postal ballot.

**Dates of Book Closure:** The company's books will be kept closed during 28<sup>th</sup> and 30<sup>th</sup> September, 2005. (both days inclusive.) This is in compliance with the listing agreement.

**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, Pune in Demat form.

Code : 526445.

**For and on behalf of the Board of Directors**

**Vivek V. Malpani**

Chairman & Managing Director

Place : Pune

Date : 30<sup>th</sup> August, 2005

**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 : NIL for the current year and previous year.

**For on behalf of the Board of Directors**

**Vivek V. Malpani**

Chairman & managing Director

Place: Pune

Date : 30<sup>th</sup> August, 2005.

**CERTIFICATE**

**To the members of Indrayani Biotech Ltd.**

We have examined the compliance of the conditions of corporate governance by Indrayani Biotech Ltd for the year ended 31<sup>st</sup> March 2005, as stipulated in Clause 49 of the listing agreement of the company with the Stock Exchange.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the company for ensuring the compliance of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.

As required by the guidance note issued by the institute of Chartered Accountants of India, we state that no investor grievance is pending against the company as per the records maintained by the company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For G. V. Madane and Company**

Chartered Accountants

Mr. G. V. Madane

Partner

**G. V. MADANE & CO.**

321, Patil Plaza, Parvati, Pune 411 009.

**AUDITORS' REPORT**

**To The Members Of Indrayani Biotech Limited, Pune.**

- We have audited the attached Balance Sheet of **INDRAYANI BIOTECH LIMITED** as at March 31, 2005 and Profit & Loss Account for the period ended on that date and annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material

misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- As required by The Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure referred a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- Further to our comments in the Annexure referred to above, we report that :-
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
  - The Balance Sheet and Profit and Loss Account, dealt with by this report are in agreement with the books of account;
  - In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - On the written representations received from the directors, as on 31<sup>st</sup> March, 2005 and taken on record by the board of directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2005 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principals generally accepted in India: