

*Value
through
Biochemistry*

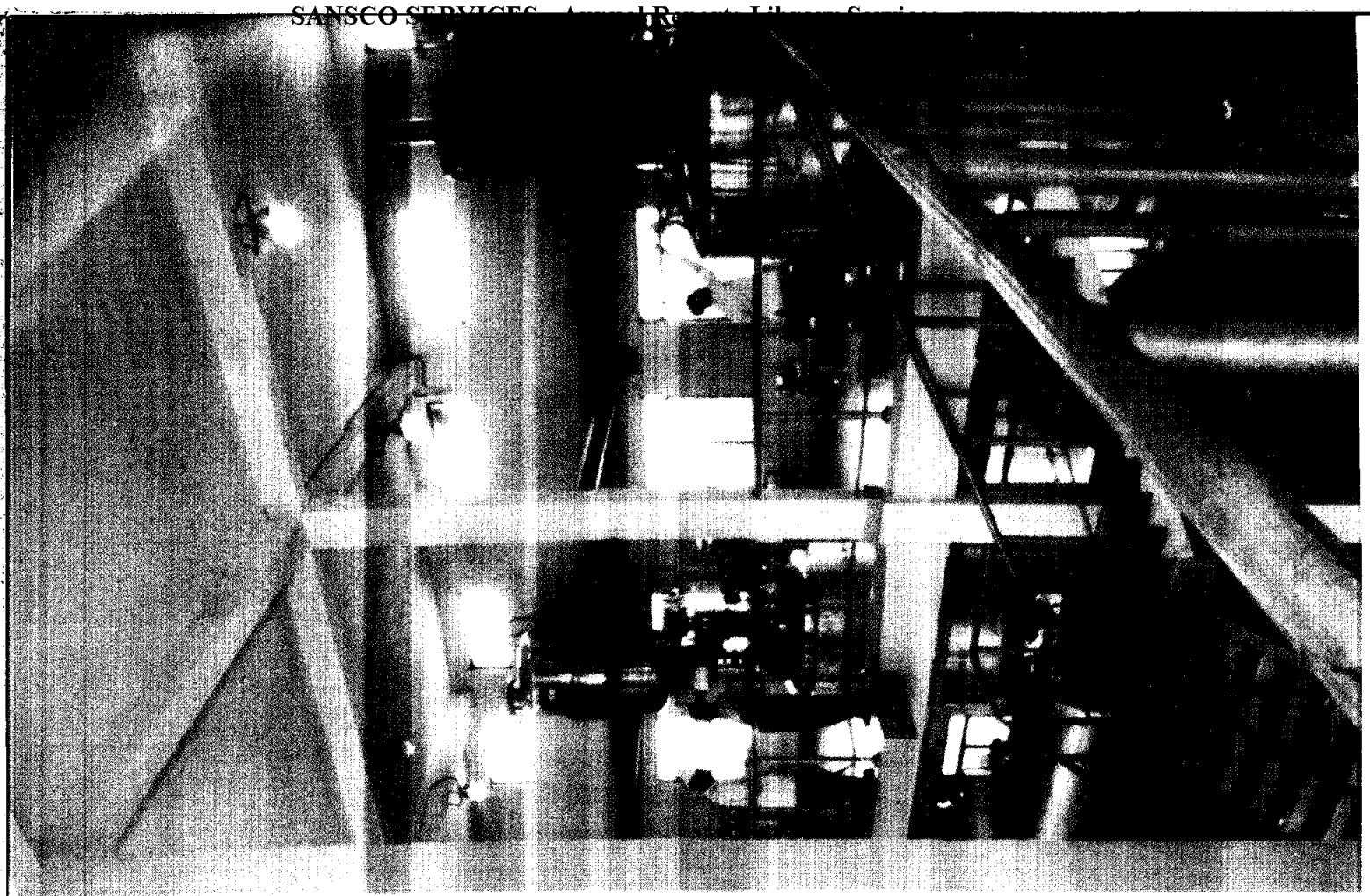


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Ninth Annual Report - 2000-2001

Krebs

KREBS BIOCHEMICALS LIMITED



New Pseudoephedrine Block



About the Company



Krebs Biochemicals Ltd. (KBL) is a Pharmaceutical Company manufactures bulk actives through Fermentation process, one among very few in the world to do so.

KBL was incorporated in December 1991, and commenced its operations at

Unit I

Regadichelika,
Nellore facility in
the year 1994
with an installed
capacity of 60

TPA of

Pseudoephedrine

Hcl. **KBL** went to

public with an IPO in 1994 for part financing the same. **KBL** went on to expand this facility to 150 TPA in the year 1996. Products manufactured from the facilities are Ephedrine and Pseudoephedrine

and its salts, which are used for making formulation of respiratory ailments, anti allergies viz., cough, cold etc.

The Company has set up its second unit at Kothapalli Village, Kasimkota Mandal in Visakhapatnam Dist. to manufacture a basket of

fermentation products viz., Lovastatin, Simvastatin, Provastatin etc. The Company is now successful in producing and commercialising Lovastatin and Simvastatin.

Right from the inception, **KBL** has adopted global agenda for its growth by focusing on specific area of expertise in "**Fermentation Technology**".



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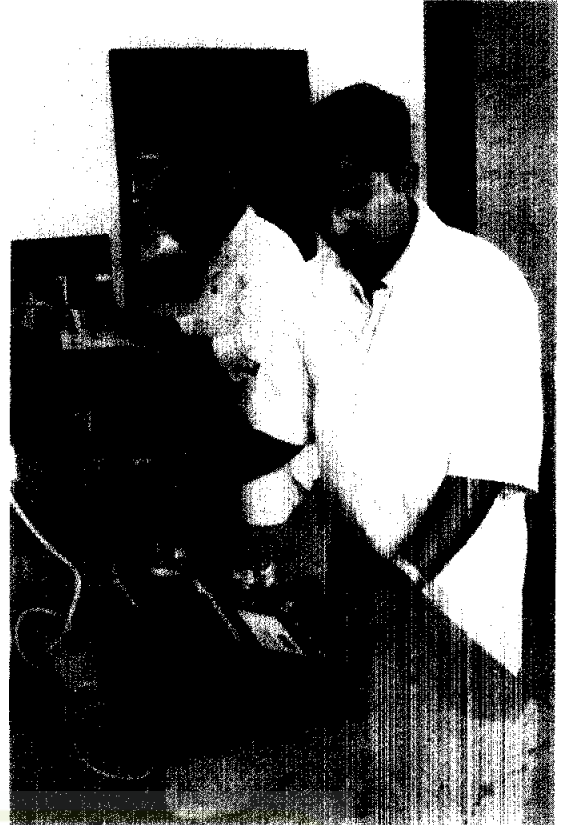
About the Company

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KBL Corporate Office, state-of-art Manufacturing facilities, Q.C & Q.A with the latest testing facilities, are located in the State of Andhra Pradesh, in Southern India, where the technically skilled manpower is available sufficiently.

KBL is a Professionally Managed Company ensuring Good Corporate Governance with about 9000 shareholders spread across the Country, with shares listed on HSE, BSE & NSE.

Today, large proportion of **KBL** products are exported to advanced countries like USA, Germany and also to about 20 countries across the globe. This itself, is a testimony of the quality of our products.



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KBL follow current Good Manufacturing Practices (cGMP) as well as Good Business Practices.

KBL is also concerned about the safety of Human Resources and also our environment and adopt the necessary steps for protection of both.





Mission Statement

KBL is committed:

- To be World-class, Research-driven Manufacturer of Bulk Drugs and Intermediaries to produce latest Quality Products.
- To add Ethical Value to the Business Practices and conduct business with Integrity.
- To serve Customers, Shareholders and Society at large.
- To operate in a Safe and Eco - Friendly atmosphere
- To be researching constantly seeking innovations.



CORPORATE VALUES

The overall philosophy of the Company is to be an ideal and model Corporate Citizen and hence takes on itself to carry out its business by following good corporate practices like

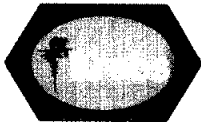
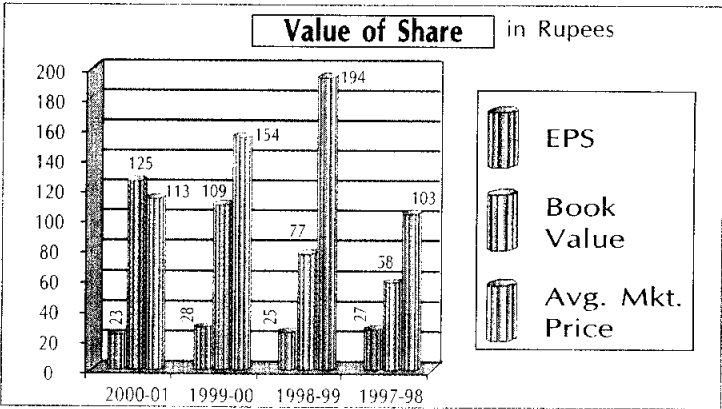
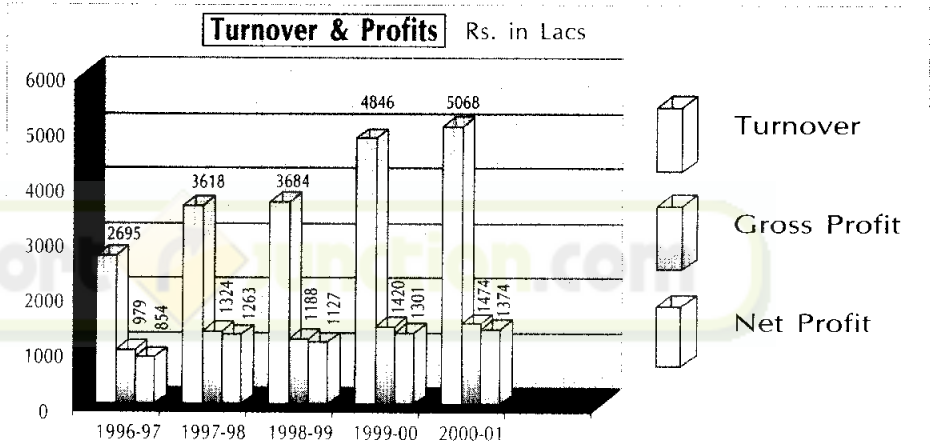
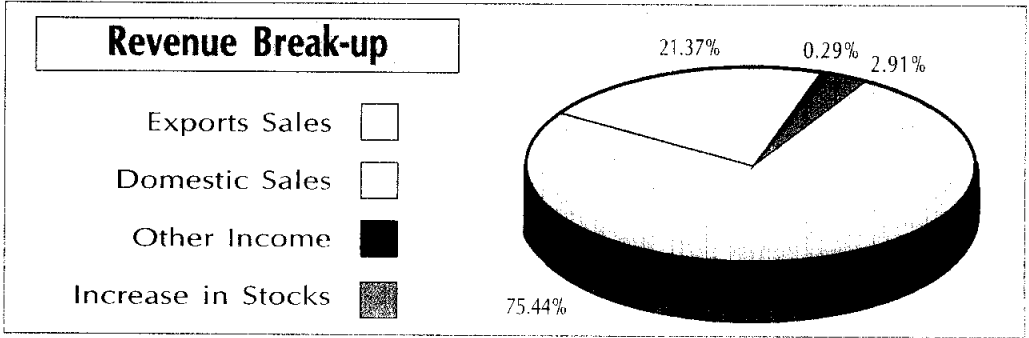
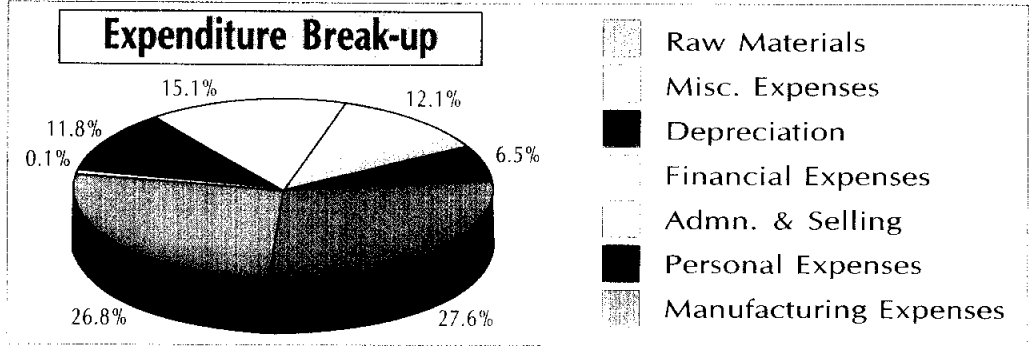
- Good Corporate Governance
 - With Transparency and honesty
 - With Social Responsibility
- With Responsibility towards.. I. Employees II. Shareholders
 III. Customers IV. Suppliers & V. Society at large.



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Performance at a Glance

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KREBS BIOCHEMICALS LIMITED

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ANNUAL REPORT 2000-2001**BOARD OF DIRECTORS**

Dr M Venkataratnam	Chairman IAS (Retd)
Sri R S Vidya Sagar	IDBI Nominee Director
Sri T Damodara Reddy	APIDC Nominee Director
Sri J Jawaharlal	Director
Sri G.V.L.Prasad	Alternate Director (to Sri J.Jawaharlal)
Dr T Kuchroo	Director
Dr R T Ravi	Managing Director

COMPANY SECRETARY

Sri A.Narendra

BANKERS

State Bank of India (Overseas Branch)
Abids, Hyderabad - 500 001.

Andhra Bank.
Somajiguda Branch,
Hyderabad - 500 004.

AUDITORS

M/s G.P.Associates,
Chartered Accountants.
105, 1st Block, 1st Floor,
Divya Shakti Complex
Ameerpet, Hyderabad - 500 016.

FACTORIES**Unit I :**

Regadichelika, Talamanchi Panchayat
Racharlapadu Post, Nellore Dist
PIN: 524 316
Andhra Pradesh.
Tel : 08622 75104, 75405, 75406

Unit II :

Kothapalli Village, Vedruparthy Post
Kasimkota Mandal, Near Anakapalli
Visakhapatnam Dist
Andhra Pradesh
Tel: 08924-28694, 28687,28695.

REGISTERED OFFICE**Krebs Biochemicals Limited,**

Unit No. 5 & 6, I Floor, 6-3-713, Amrutha Hills
Topaz Complex, Punjagutta, Hyderabad - 500 082.
Tel : 3409281, Fax : 040 3408605
E-mail: krebs@hdl.vsnl.net.in
krebsbio@hdl.vsnl.net.in
Website:http://www.krebsbiochem.com

KREBS BIOCHEMICALS LIMITED**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the Ninth Annual General Meeting of the members of KREBS BIOCHEMICALS LIMITED will be held on Wednesday, the 26th September 2001 at 11.00 A.M at Satya Sai Nigamagadam, 8-3-987/2 Srinagar Colony, Hyderabad - 500073, to transact the following Business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2001, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon;
2. To declare dividend on Equity Shares.
3. To appoint a director in place of Sri J.Jawaharlal, who retires by rotation.
4. To appoint M/s G P Associates, Chartered Accountants from the conclusion of ensuing Annual General Meeting to the conclusion of next Annual General Meeting and to fix their remuneration; The following resolution may be considered:

“RESOLVED that M/s G P Associates, Chartered Accountants, Hyderabad be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting”.

“RESOLVED FURTHER that the Board of directors of the Company be and is hereby authorised to fix the remuneration, out of pocket expenses and fees for other services of the auditors”.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to section 257 and other applicable provisions of the Companies Act, 1956, Sri.G.V.L.Prasad, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to retire by rotation”.

“FURTHER RESOLVED THAT pursuant to Section 314(1)(a) and other applicable provisions of the Companies Act, 1956 if any, consent of the members of the Company be and is hereby accorded that Sri G.V.L.Prasad be paid an amount of Rs.30,000/- (Rupees Thirty Thousand only) per month, as consultancy fee, with effect from 1st October 2001.”

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

“RESOLVED THAT, subject to the approval of Central Government and pursuant to the provisions of Section 314 (1B) and all other applicable provisions of the Companies Act 1956, consent of the Company be and is hereby accorded to Sri Avinash Ravi, a relative of Dr.R.T.Ravi, Managing Director of the Company, to hold office as the Vice-President (Planning & Development) of the Company with effect from 1st October 2001, at a Gross Remuneration of Rs.50,000/- (Rupees Fifty Thousand Only), per month as per the Company's Employment Rules.

“FURTHER RESOLVED that Sri A.Narendra, Company Secretary of the Company be and is hereby authorised to take all the necessary steps for obtaining the consent of the Central Government and comply with all other necessary formalities in this regard.”

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NOTES

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of resolutions set out under item 5 & 6 is annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and such proxy need not be a member of the Company.**
3. The instrument(s) appointing the proxy, if any, shall be delivered at the Registered Office of the Company at Unit No 5&6, 1st floor, Topaz Complex, Amrutha Hills, Panjagutta, Hyderabad-500 082, not less than forty eight hours(48) before the commencement of the Meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 5th September 2001 to 26th September 2001 (Both days inclusive).
5. Members desirous of having any information regarding Accounts are requested to address their queries to the General Manager (Finance & Accounts) at the Registered Office of the Company at least seven days before the date of the meeting, so that the requisite information is made available at the meeting.
6. Dividend if declared, will be paid within the stipulated statutory period for payment of dividend to those members whose names appear on the Company's Register of Members as on 26th September 2001. In respect of shares held in electronic form, dividend will be payable on the basis of beneficial ownership as per the details furnished by NSDL and CDSL for this purpose.
7. The Company has already transferred all unclaimed dividend declared upto the financial year ended 31st March 1995 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of Central Government) Rules, 1978. Members concerned may, therefore, submit their claims in the prescribed form, to the Registrar of Companies, Andhra Pradesh, Kendriya Sadan, Sultan Bazar, Koti, Hyderabad -- 500 001.

Pursuant to the provisions of the Section 205A and 205C of the Companies Act, 1956, any dividend for the financial year ended 31st March 1996 and thereafter which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March 1996 or any subsequent financial years are requested to make their claim to the Company.
8. Members are requested to bring their copy of Annual Report to the Meeting.

by order of the Board
For **KREBS BIOCHEMICALS LTD**

Place : Hyderabad
Dated : 30th July, 2001

(A.Narendra)
Company Secretary