

**NOTICE**

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Company will be held at 514, D Wing, Floral Deck Plaza, Opp. SEEPZ, Andheri (East), Mumbai 400 093 on Friday, 28<sup>th</sup> September, 2001 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31<sup>st</sup> March, 2001
2. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that Dr. Nitin S. Paranjape, who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 101 of the Articles of Association and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing proposing his candidature for the Office of a Director be and is hereby appointed a Director of the Company liable to retire by rotation"

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

"RESOLVED that Mr. Rajiv Nair, who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 101 of the Articles of Association and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing proposing his candidature for the Office of a Director be and is hereby appointed a Director of the Company liable to retire by rotation"

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

"RESOLVED that Mr. Narendra Mahajani, who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 101 of the Articles of Association and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing proposing his candidature for the Office of a Director be and is hereby appointed 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 the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Anil Goyal & Co., Chartered Accountants, having their office at B-314, Yashwant Shopping Centre, Carter Road no. 7, Borivali (East), Mumbai 400 066, be and are hereby appointed as Auditors of the Company till the conclusion of the next Annual General Meeting in place of M/s. Kuberia & Associates, who have tendered their resignation, at a remuneration to be decided annually by the Board of Directors and the Auditors."

**SPECIAL BUSINESS:**

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

"RESOLVED that the Articles of Association of the Company be altered pursuant to Section 31 of the Companies Act, 1956 in the following manner:

The following definitions be inserted in place of the existing definitions in Article

- (a) 'The Act' means the Companies Act, 1956
- (b) 'These Articles' means these Articles of Association as originally framed or as from time to time altered by a Special Resolution
- (c) 'Beneficial Owner' means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996 and every person holding equity shares of the Company and whose name is entered as Beneficial Owner in the records of a depository shall be deemed to be a Member of the Company
- (d) 'The Company' or 'This Company' means MOONSTAR INVESTMENTS LIMITED
- (e) 'Depository Act' means the Depositories Act, 1996 and shall include any statutory modification(s) or re-enactment thereof for the time being in force
- (f) 'Depository' means a Depository as defined under Clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996
- (g) 'The Directors' means the Directors of the Company for the time being
- (h) 'The Office' means the Registered office of the Company for the time being
- (i) 'The Register' means the Register of Members to be kept pursuant to Section 150 of the Act
- (j) 'Dividend' included bonus but excludes bonus shares
- (k) 'Month' means Calendar Month
- (l) 'Year' means a calendar year and 'Financial Year' shall have the meaning assigned thereto by Section 2(17) of the Act
- (m) 'Proxy' includes Attorney duly constituted under a Power of Attorney
- (n) 'Seal' means the Common Seal of the Company
- (o) 'In written' and 'Written' shall include printing, lithography and other modes of representing or reproducing words in a visible form
- (p) Words importing the singular number only include the plural number and vice versa
- (q) Words importing the masculine gender only include the feminine gender
- (r) Words importing persons include corporation

The existing Article 37 be re-numbered as Article 37(1) and the following new clauses be added:



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|-----|---|---|
| 2)  | Nothing contained in Sub-clause (1) of Article 37 shall apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial owners in the records of a Depository  | Beneficial owner deemed as member                   |
| (3) | In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in fungible form, the provisions of the Depositories Act, 1996 together with its amendments, if any, shall apply  | Securities in fungible form                         |
| 4)  | The provisions contained in this Articles of Association with regard to transfer or transmission of shares, debentures or any other securities shall not apply to transfer or transmission of shares, debentures or any other securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository                         | Transfer of Depository shares and debentures        |
| (5) | With regard to the rectification of Register of transfer, all the provisions of Section 111A of the Act, as may be in force from time to time shall also apply  | Rectification of Register on transfer               |
| (6) | Notwithstanding anything contained in sub-section (1) of Section 113 of the Act or any modification(s) or re-enactment(s) thereof, where the shares, debentures or any other securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such shares, debentures or any other securities as far as practicable. | Allotment of shares and debentures under Depository |
| (7) | Provisions contained in this Articles of Association about recording distinctive numbers of shares or debentures held by each member or debenture holder respectively in the Register of Members or Register of Debenture holders of the Company shall not apply to the shares or debentures or any other securities which are held with a depository                                       | Distinctive numbers not required in a Depository    |
| (8) | The Register and Index of Beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall also be deemed to be a Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purposes of this Articles of Association and the Act.  | Register and Index of beneficial owners             |

For the existing Article 53, the following be substituted:

- |    |  |                      |
|----|--|----------------------|
| 53 | The Company may (subject to the provisions of Sections 100 to 105 of the Act) from time to time by Special Resolution reduce its Share Capital or any Capital Redemption Reserve Account or Share Premium Account in any way authorised by law and in particular may pay off any paid up share capital upon the footing that it may be called up again, or otherwise, and may, if and as far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly. | Reduction of Capital |
|----|--|----------------------|

In the event of any part of the Share Capital of the Company is reduced for the purpose of re-organisation of capital or otherwise the amount cancelled after the reduction of the Share Capital shall be transferred to the Capital Reserve or the General Reserves of the Company.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient for giving effect to the above resolution"



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

"RESOLVED that pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956, the Memorandum of Association of the Company be altered and amended by inserting the following new Sub-clauses immediately after the existing Sub-clause 6 under Clause III A of the Memorandum of Association:

'7. To manufacture, buy, sell, import, export, lease, use, distribute, market, install and otherwise generally deal in all kinds of medical and surgical equipments, apparatuses, gadgets, components, accessories and spares thereof

8. To manufacture, purchase, sell, import, export, distribute, assemble, acquire, market or otherwise generally deal in computer and computer systems, including developing, improving, designing, selling and licensing software programmes, computer aided drafting, word processing, data assimilation and components, accessories and materials used in connection with computers and to provide infrastructure and other facilities to other companies engaged in Information Technology.'

RESOLVED FURTHER that for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or expedient."

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

"RESOLVED that pursuant to the provisions of Section 293 (1) (d) 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 borrow any sum or sums of money from time to time with or without security and upon such terms and conditions as they may think fit notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however, that the total amount so borrowed by the Board of Directors shall not at any time exceed the sum of Rs. 25.00 Crores (Rupees Twenty Five Crores only), borrowed and to be borrowed from Indian / Foreign Banks / Financial Institutions / Mutual Funds / Development Agencies / Overseas Corporate Bodies and other persons / entities."

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

"RESOLVED that pursuant to the 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 creation by the Board of Directors of the Company of such mortgages, charges and / or hypothecations in addition to the existing mortgages / charges, hypothecations and other encumbrances, the sum or sums of moneys aggregating Rs. 25.00 Crores (Rupees Twenty Five Crores only) borrowed or to be borrowed by the Company from Banks, Financial Institutions and others as set out in the Resolution of item no. 4 of the notice.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalize the documents for creating the aforesaid mortgages and / or charges and to do all such acts, deeds, matters and things as may be necessary or expedient for giving effect to this Resolution."



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

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions of the Companies Act, 1956, and other applicable laws, rules and regulations and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, as may be considered necessary by the Board and as may be prescribed in granting such approvals which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to issue, offer and allot Equity Shares / Fully Convertible Debentures / Partly Convertible Debentures / Non-Convertible Debentures and other instruments for an aggregate sum as may be decided by the Board of Directors in their sole discretion provided, however, the resultant paid-up Equity Share Capital shall be within the Authorised Share Capital of the Company from time to time, with or without warrants, to the Promoters / Directors, their friends, associates and relations and Associate / Group companies, Members, Employees, Non-Resident Indians, Indian Public, Overseas Corporate Bodies, International Investors, Companies, Mutual Funds, Financial Institutions, other entities / persons as may be allowed under applicable regulations and to such persons / entities by Public Issue, Rights Issue, Private placement or preferential allotment or by one or more of the above method(s) or by any other permissible method, whether shareholders of the Company, or not and at such time or times as the Board may think fit on such terms and conditions including the face value, premium amount, premium on conversion, number of conversions, number of tranches, exercise price for warrants / options, rate of interest, redemption period, manner of redemption / conversion, nature of security, manner of calls, etc., with authority to retain such over-subscription amount as may be permitted.

RESOLVED FURTHER that such of these Equity Shares / Fully Convertible Debentures / Partly Convertible Debentures / Non-Convertible Debentures and other instruments as are not subscribed may be disposed by the Board in its absolute discretion in such manner as they may deem fit.

RESOLVED FURTHER that for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment of the Equity Shares / Fully Convertible Debentures / Partly Convertible Debentures / Non-Convertible Debentures and other instruments."

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

"RESOLVED that pursuant to the provisions of Section 146 and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Scheme of Amalgamation of the Company with Mediline Equipments & Computer Systems (I) Ltd by the Honorable High Court, Mumbai, consent of the members be and is hereby accorded for shifting of the Registered Office of the Company from 127, Jolly Maker Chamber no. II, 222, Nariman Point, Mumbai 400 021 to 'Maestros House', Sector 2, Millennium Business Park, TTC Industrial Area, Off. Thane Belapur Road, Mahape, Navi Mumbai 400 701, India w.e.f. the date to be decided by the Board of Directors after receiving approval to the Scheme of Amalgamation.

RESOLVED FURTHER that for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or expedient."

#### NOTES:

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



The instrument of proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

2. An explanatory statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under item no. 1 set above is annexed hereto.
3. All documents referred to in the above Notice and the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. to 12.30 p.m. upto the date of the Annual General Meeting.
4. Members / Proxies should bring the Attendance slips duly filled in for attending the meeting.

By order of the Board of Directors,

  
Rajiv Nair  
Director

**Registered Office:**  
127, Jolly Maker Chamber No. II,  
Nariman Point,  
Mumbai 400 021

**Date:** 3<sup>rd</sup> September, 2001





## ANNEXURE TO THE NOTICE

## Explanatory Statement as required under Section 173 of the Companies Act, 1956

## Item No. 2, 3 &amp; 4

The Board of Directors, at its Meeting held on 11<sup>th</sup> August, 2001, appointed Dr. Nitin Paranjape, Mr. Rajiv Nair and Mr. Narendra Mahajani as Additional Directors, in accordance with the provisions of Article 101 of Articles of Association of the Company.

With a medical postgraduation, Dr. Paranjape is a Gynaecologist by profession. He is a well known figure in the Indian IT Industry. He is actively involved in planning, technical design and deployment of projects. He is a Microsoft Certified Trainer (MCT) for Solution Development Discipline - a methodology evolved by Microsoft in implementing high quality client server solutions. He is also the author of a popular weekly column; 'DBF FORUM' featuring in the widely circulated tabloid, Express Computers, contributing more than 100 articles so far. He has been the guest editor for special supplement to Express Computers, focusing on the use of Information Technology In Health Care. Dr. Paranjape has been awarded "Trainer of the Year" award by Microsoft for the year 1999.

Mr. Rajiv Nair has over 10 years of experience in the IT field and has worked on all Software Technologies related to Microsoft Platform. He specialises on Microsoft Technologies and is a Microsoft Certified Systems Engineer.

Mr. Narendra Mahajani is a FCA and FICWA and has over 9 years of experience in corporate finance and company affairs.

The Board considers that the Company would be immensely benefited by the varied experience and valued guidance and advice rendered by these Directors from time to time and commends passing of the Ordinary Resolutions.

All the three directors may be deemed to be concerned or interested in the respective resolutions.

## Item No. 5

The existing auditors of the Company, M/s. Kucheria & Associates, Chartered Accountants, have tendered their resignation vide their letter dated 04/09/2001. It is now proposed to appoint M/s Anil Goyal & Co., Chartered Accountants, having their office at B-314, Yashwant Shopping Centre, Carter Road no. 7, Borivali (East), Mumbai 400 066 in their place. The Company has already received the certificate from M/s Anil Goyal & Co., stating that their appointment, if made, will be within the limits specified under Section 224 of the Companies Act, 1956.

## Item No. 6

With the progress of dematerialisation in the Indian stock markets, your Company intends to go for registration of its shares with National Securities Depository Ltd. (NSDL) and Central Depository Services (I) Ltd. (CDSL). For this purpose, the existing provisions of the Articles of Association need to be modified to facilitate the introduction of the Depository System.

Also, the Board of Directors of your Company have at their meeting held on 26<sup>th</sup> March, 2001 approved the amalgamation of the Company with Mediline Equipment & Computer Systems (I) Ltd., a medical equipment and software company. The Draft Scheme of amalgamation as approved by the Board of Directors has already been approved by the members.

One of the clauses proposed in the said scheme is regarding the reduction of the share capital of the Company by way of reduction of the face value of each share of Rs. 10/- each to Re. 1/- per share and transfer of the balance face value of Rs. 9/- per share to the Capital Reserve Account. For enabling the Company to complete the said transaction it is proposed to alter its Articles of Association and thereby empower the Company to transfer the cancelled share capital to the Capital Reserve or General Reserves of the Company.



The Board commends passing of the Resolution as set out in Item no. 6 of the accompanying Notice. None of the Directors of the Company is concerned or interested in passing of the Resolution.

#### Item No. 7

In light of the fact that RBI has rejected the Company's application for registering as a Non Banking Finance Company (NBFC), it is pertinent for the Company's survival and growth, that it diversifies into service or manufacturing activities where there is a greater scope for value additions. Members are aware that the Company, in accordance with its diversification plans, is in the process of amalgamation with Mediline Equipment & Computer Systems (I) Ltd. (MEDILINE), a software solutions and medical equipment company. One of the clauses in the Scheme of amalgamation of the Company with MEDILINE, is the change of objects of the Company to enable the Company to continue the medical equipment and software consultancy business of MEDILINE. Therefore, the above clauses are proposed to be incorporated in the Main Objects of the Memorandum of Association of the Company.

The Board commends passing of the Resolution as set out in Item no. 7 of the accompanying Notice.

None of the Directors of the Company is concerned or interested in passing of the Resolution.

#### Item No. 8 & 9

Under Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors cannot, except with the approval of the shareholders in general meeting, borrow money in excess of the aggregate of the paid-up share capital and free reserves of the Company. In view of the expansion plans of the Company, the Company may be required to approach various Banks, Financial Institutions, etc., for borrowing of funds. It is therefore proposed to approve a limit of Rs. 25 Crores.

Some of the borrowings of the Company are required to be secured by an appropriate mortgage or charge. As the documents may contain the power to sell, lease or otherwise dispose off the whole, or substantially the whole of the undertaking of the Company in certain events, it is necessary for the Members to pass a Resolution under Section 293 (1) (a) of the Companies Act, 1956.

The Board commends passing of the Ordinary Resolutions referred to in item nos. 8 and 9. None of the Directors of the Company is concerned or interested in passing of the above Resolutions.

#### Item No. 10

After the Scheme of amalgamation, the Company may need to issue further shares for meeting the future expansion plans of the Company. The Board of Directors of the Company wishes to keep their options open to raise the funds as and when required by way of Public issue / or placement of shares privately to the extent of the Authorised Share Capital of the Company.

In view of the provisions of Section 81 of the Companies Act, 1956, new shares / debentures / securities are first to be offered on pro-rata basis to the existing shareholders unless the shareholders at General Meeting decide otherwise, by Special Resolution.

The Board commends passing of the Resolution referred to in Item no. 10. None of the Directors of the Company is concerned or interested in passing of the above Resolution.

#### Item No. 11

Members are aware that pursuant to the approval of the Scheme of amalgamation of the Company, the Company will be acquiring large premises at Millennium Business Park, Navi Mumbai. It is proposed to shift the Registered office of the Company to its premises at Mahape for better administrative convenience. However the shifting of the registered office will only be





**MOONSTAR INVESTMENTS LIMITED**

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effected after the approval of the Scheme of Amalgamation by the High Court at a suitable date as may be decided by the Board of Directors.

The Board commends passing of the Resolutions referred to in Item no. 11.

None of the Directors of the Company is concerned or interested in passing of the above Resolution

By order of the Board of Directors,

  
**Rajiv Nair**  
Director

**Registered Office:**  
127, Jolly Maker Chamber No. II,  
Nariman Point,  
Mumbai 400 021

**Date: 3<sup>rd</sup> September, 2001**

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## DIRECTORS' REPORT

Your Directors take pleasure in presenting the Twenty-Eighth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2001.

## 1. Financial Results

(Amt. in Rs.)

	As on 31/3/2001	As on 31/3/2000
Total Income	57497559	14986252
Less : Expenditure	56785312	12976879
Profit before Depreciation, Finance Charges and Tax	712247	2009373
Less : Interest and Financial Charges	429522	1826758
Less : Depreciation	13314	23954
Profit before Tax	269411	158661
Less : Provision for Taxation	2800	0
Profit after tax	266611	158661
Add : Excess provision for tax on earlier years	0	183712
Add : Balance brought forward from previous year	(1326814)	(1669187)
<b>Profit available for appropriation</b>	<b>(1060203)</b>	<b>(1326814)</b>
Less : Appropriations		
Transfer to General Reserve	---	---
Balance carried forward	(1060203)	(1326814)
<b>Total Appropriations</b>	<b>---</b>	<b>---</b>

## 2. Business Operations

The Company registered profit after tax of Rs. 2,66,611 this financial year compared to Rs.1,58,661 in the previous year.

In light of the fact that RBI has rejected the Company's application for registering as an NBFC, it is pertinent for the Company's survival and growth, that it diversifies into service or manufacturing activities where there is a greater scope for value additions. In accordance with its diversification plans, the Company is in the process of amalgamation with Mediline Equipment & Computer Systems (I) Ltd., a software solutions and medical equipment company.

## 3. Amalgamation

The members are aware that the Board of Directors of the Company, at its meeting held on 26<sup>th</sup> March, 2001 has approved the amalgamation of Mediline Equipments & Computer Systems (I) Ltd with the Company. The Company has already obtained the approval of the members to the said resolution. The Company is in the process of completion various formalities required for obtaining the approval of the Honorable High Court, Mumbai

## 4. Dividend

Considering the need for conservation of resources, the Board does not recommend any further dividend.

