

2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed to this Notice and forms part thereof.
3. The Members Register and the Transfer Books of the Company will be closed from Friday, July 11, 2008 to Monday, July 14, 2008, both days inclusive.

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

**ITEMS NOS. 3, 4 & 5:**

Mr. B.N. Rattan, Mr. K.C. Sharma and Mr. R.K. Walia were appointed as Additional Directors of the Company. As required under Section 257 of the Companies Act, 1956, notice along with requisite deposit has been received from the Members proposing their candidatures. Their induction onto the Board will benefit the Company.

The Board recommends the above resolutions for your approval.

Except Mr. B.N. Rattan, Mr. K.C. Sharma and Mr. R.K. Walia, none of the Directors is interested in the above resolutions.

FOR AND ON BEHALF OF THE BOARD

Sd/-

Place: Hyderabad  
Date: 18.06.2008

K.C. SHARMA  
DIRECTOR

**PARTICULARS PURSUANT TO CLAUSE 49 OF THE LISTING  
AGREEMENT OF DIRECTORS TO APPOINTED**

Mr. B.N. Rattan, aged about 62 years, has more than 38 years of banking experience. He does not hold directorships in any other company.

Mr. K.C. Sharma, aged about 32 years, has more than 10 years of experience in various administrative capacities. He does not hold directorships in any other company.

Mr. R.K. Walia, aged about 59 years, has more than 35 years of experience in various administrative capacities. He does not hold directorships in any other company.

## **NOTICE**

NOTICE is hereby given that the 19<sup>th</sup> Annual General Meeting of the Members of Monozyme India Limited will be held on Monday, July 14, 2008, at 11.00 a.m. at I Floor, Plot No.109, Brig. Syed Road, Bapuji Nagar, Bowenpally, Secunderabad – 500011, to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2008, and the Audited Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Auditors and to fix their remuneration.

### **SPECIAL BUSINESS:**

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

"RESOLVED THAT Mr. B.N. Rattan be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT Mr. K.C. Sharma 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 modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. R.K. Walla be and is hereby appointed as a Director of the Company liable to retire by rotation."

FOR AND ON BEHALF OF THE BOARD

Sd/-

Place: Hyderabad

Date: 18.06.2008

K.C. SHARMA  
DIRECTOR

### **NOTES:**

1. A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING OF THE COMPANY IS ENTITLED TO APPOINT ANOTHER PERSON (WHETHER A MEMBER OR NOT) AS HIS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AT THE MEETING. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the meeting.

DIRECTORS' REPORT

Dear Members,

Your Directors hereby present the Audited Balance Sheet as at 31<sup>st</sup> March 2008, Audited Profit & Loss Account for the year ended on that date and information on various developments during 2007-08.

Financial Performance:

(Rs. In '000)

Particulars	For the year ended 31.03.2008	For the year ended 31.03.2007
Net Sales / Income from operations	344.30	50724.39
Other Income	17493.24	---
Profit before Interest, Depreciation & Taxation	2985.10	4538.32
Interest & Financial Charges	3726.80	4520.69
Depreciation	987.35	1283.67
Loss before Tax	(-) 1729.05	(-) 1266.04
Provision for Taxation (Net of deferred tax)	14.64	878.80
Net Loss carried to Balance Sheet	(-) 1743.69	(-) 13044.84

Management Discussion & Analysis Report:

There was a severe setback to the Company during the months of October 2006, November 2006 and December 2006, due to certain false and frivolous complaints made against the Company and its products. But the lab reports confirmed that our products are absolutely alright and the complaints were wrong. At present, we are in the process of reorganizing the affairs and trying to bring normalcy.

Directors:

Mr. B.N. Rattan, Mr. K.C. Sharma and Mr. R.K. Walia, were appointed as Additional Directors, and have expressed their willingness to be appointed as Directors at the ensuing Annual General Meeting.

Directors' Responsibility Statement:

Pursuant to the requirements 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 annual accounts for the financial year ended 31<sup>st</sup> March 2008, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had 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 as at the end of the financial year and of the profit or loss of the Company for that period;
- c. the Directors had 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; and
  - d. the Directors had prepared the accounts for the financial year ended 31<sup>st</sup> March 2008, on a 'going concern' basis.

#### Auditors:

The old auditors of the Company, M/s. J.B. Reddy & Co., Chartered Accountants, Hyderabad, resigned from their office for personal reasons. M/s. P.M. Rao & Associates, Chartered Accountants, Hyderabad, have expressed their willingness to be appointed as the Auditors of the Company.

#### Deposits:

During the year under review, the Company has not accepted any deposits from the public.

#### Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo:

There are no particulars available pursuant to the provisions of Section 217(1)(e) of Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

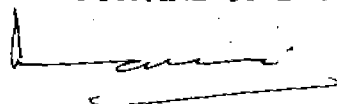
#### Particulars of Employees:

None of the employees of the Company are covered under the provisions of Section 217(2A) of Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

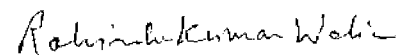
#### Acknowledgements:

Your Directors take this opportunity to thank all the Shareholders for the confidence reposed in the Company during turbulent times. Your Directors look forward for the continued support and co-operation in going ahead with more determination in reviving the Company.

FOR AND ON BEHALF OF THE BOARD



DIRECTOR



DIRECTOR

Place: Hyderabad

Date:

AUDITORS' CERTIFICATE

To,  
The Members of  
Monozyme India Ltd.,  
Secunderabad.

We have examined the compliance of conditions of Corporate Governance by Monozyme India Ltd., for the year ended March, 31 2008, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

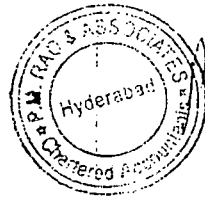
In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has paid listing fee to the Bombay Stock exchange and is taking steps to comply with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that generally no investor grievances are pending for a period exceeding one month 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.

Place: Secunderabad  
Date: 14-07-2008

For P. M. Rao & Associates  
Chartered Accountants



*P. Mastan Rao*  
(P. Mastan Rao-Partner)

## AUDITORS' REPORT

To  
The members of  
MONOZYME INDIA LIMITED.  
Secunderabad.

We have audited the attached Balance Sheet of MONOZYME INDIA LTD., as at 31<sup>st</sup> March, 2008 and also the Profit and Loss account and the Cash Flow Statement for the year ended on that date 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 misstatement. 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 principles used and significant estimates made by the 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, as amended by the Companies (Auditor's Report)(Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section(4) of Section 227 of the Companies Act, 1956, we enclose in the Annexure 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:

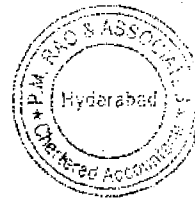
- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit:
- ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts:
- iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with all the mandatory accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v) On the basis of written representations received from the directors as on March 31, 2008 and taken on record by the Board of Directors, in our opinion, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2007 from being appointed as a director in terms of Clause(g) of sub-section (1) of Section 274 of the Companies Act, 1956.

- vi) In our opinion and to the best of our information and according to the explanation 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 principles generally accepted in India.
- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31 March, 2008;
  - b) In the case of Profit and Loss Account, of the Profit of the Company as at 31 March, 2008;
  - c) In the case of Cash Flow statement, of the Cash flows for the year ended on this date.

Place: Secunderabad

Date: 14-07-2008

For P. M. Rao & Associates  
Chartered Accountants



*P. Mastan Rao*  
(P. Mastan Rao-partner)  
M. No.021537

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