



# INVINOX

## LABORATORIES LIMITED

**BOARD OF DIRECTORS**

SRI RAMESH CHANDRA AGARWAL	MANAGING DIRECTOR
SRI ASHOK KUMAR AGARWAL	DIRECTOR
SRI PRAVEEN KUMAR AGARWAL	EXECUTIVE DIRECTOR
SRI C.SUDHAKAR	DIRECTOR
Dr. G.SUBRAMANYAM	DIRECTOR

**AUDITORS**

T.S.AJAI, B.COM, F.C.A  
301, GUPTA ESTATE  
BASHEERBAGH X ROAD  
HYDERABAD - 500 001.

**BANKERS**

THE BANK OF RAJASTHAN LIMITED  
SIDDIAMBER BAZAR  
HYDERABAD - 500 012.

**REGISTERED & CORPORATE OFFICE**

4-6-463, ESAMIA BAZAR  
HYDERABAD - 500 027.

**FACTORY & WORKS**

PLOT NO:22,23,24 & 24B,  
S.V.CO-OP.INDL.ESTATE,  
BACHEPALLY, MIAPUR,  
HYDERABAD - 502 235.

NOTICE is hereby given that the **FOURTH ANNUAL GENERAL MEETING** of **INVINEX LABORATORIES LIMITED** will be held on Wednesday, the 29th September, 1999 at 10.00 a.m. at Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, to transact the following business.

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 1999 together with the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri Dr.G.Subramanyam who retires by rotation and being eligible offers himself for reappointment.
3. To consider the reappointment of T.S.Ajai, Chartered Accountant as Auditor to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration and reimbursement of out of pocket expenses as may be mutually agreed upon between the Board of Directors and the Auditor.

#### SPECIAL BUSINESS

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

**"RESOLVED THAT** pursuant section 269, 198, 309 and Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 and subject to the approval of share holders, Sri Ramesh Chandra Agarwal, Managing Director of the Company, be and hereby reappointed as Chairman cum Managing Director of the Company, for a period of Five years with effect from 4th January, 2000.

**RESOLVED FURTHER THAT** Sri Ramesh Chandra Agarwal, shall be paid the following remuneration, perquisites and allowances and commissions, if any, with effect from 4th January, 2000.

#### REMUNERATION

- I. Salary : Rs.45000/- (Rupees Fifty Thousand Only) per month in the scale of 45000-5000-70000,

with increase of Rs.5000/- per annum subject to the compliance of Schedule XIII of the Companies Act, 1956.

Commission : 1% per annum of the net profits of the company.

#### II. PERQUISITES

##### PART - A

- i. Housing
  - a. The expenditure by the Company on hiring furnished accommodation for the Chairman cum Managing Director will be subject to a ceiling of sixty percent of the salary over and above ten percent payable by the Managing Director.
  - b. In case the accommodation is owned by the Company, ten percent of the salary of the Chairman cum Managing Director shall be deducted by the Company.
  - c. In case no accommodation has been provided by the Company, the Chairman cum Managing Director shall be entitled to house rent allowance subject to the ceilings laid down in (a) above.
  - d. The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income Tax Rules, 1962.
- ii. Medical Reimbursement :
 

Expenses incurred for self and family subject to a ceiling of one month salary per year or three months salary in a period of 3 years.
- iii. Leave Travel concession :
 

For self and family once in a year in accordance with any rules specified by the Company.
- iv. Club Fees :
 

Fees of Clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.
- v. Personal Accident Insurance.
 

For an amount the annual premium of which does not exceed Rs.4000/-

##### PART - B

- i. Company's contribution towards Provident Fund will be as per the rules made under Employees

- Provident Fund Miscellaneous Provision Act, 1956.
- ii. Company's contribution towards Pension/ Superannuation Fund, such contribution together with the contribution to the Provident Fund shall not exceed 25% of Salary.
  - iii. Gratuity : Payable in accordance with an approved scheme of the Company.
3. Members/Proxies should bring their attendance slip sent herewith duly filled in for attending the meeting.
  4. The Register of Member's and the "Share Transfer Books" will be closed from Saturday, 25th September'99 to Wednesday the 29th September'99.
  5. Members are requested to bring the copies of Annual Report while attending the Annual General Meeting.

**PART - C**

- i. Free use of Company's car on Company's business.
- ii. Residential telephone shall be provided. All long distance personal calls shall be duly logged and paid for by the Managing Director.
- iii. Earned/Privilege leave - On full pay and allowance as per rules of the Company. Leave accumulated but not availed during his tenure may be allowed to encash as per the rules of the Company."

*By order of the Board*

*(Ramesh Chandra Agarwal)*  
*Managing Director*

PLACE : HYDERABAD

DATE : 27.05.99

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

The Board of directors at its meeting held on 27th May, 1999 has appointed Sri Ramesh Chandra Agarwal as Chairman cum Managing Director of the Company effective from 4th January, 2000 for a period of 5 years and for payment of remuneration and perquisites as detailed at Item No: 4 of the Notice. It may be mentioned that the proposed remuneration & perquisites payable to Ramesh Chandra Agarwal are in conformity to Schedule XIII and other applicable provisions of the Companies' Act,1956.

Sri Ramesh Chandra Agarwal would be non-rotational director.

Except Sri. Ramesh Chandra Agarwal, Sri.Praveen Kumar Agarwal and Sri.Ashok Kumar Agarwal who are related to Sri. Ramesh Chandra Agarwal, no other Director of the Company is anyway concerned or interested in the resolution at Item No:4 of the notice.

*By order of the Board*

*(Ramesh Chandra Agarwal)*  
*Managing Director*

PLACE : HYDERABAD

DATE : 27.05.99

**NOTES :**

1. A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of himself/herself and proxy need not be a member Instrument of proxies, in order to be effective, must be deposited at the registered office of the Company not less than 48 hours before the meeting.
2. Members are requested to kindly notify any change in address immediately to the Companies Address.

**TO THE MEMBERS**

Your Directors have pleasure in presenting the FOURTH ANNUAL REPORT for the year ended 31st March, 1999 together with Audited Accounts.

<b>FINANCIAL RESULTS</b>	<b>(Rs.in lakhs)</b>	
	<b>Year ended 31.03.99</b>	<b>Year ended 31.03.98</b>
Sales	731.71	421.66
Profit before Depreciation Interest and Income Tax (PBDIT)	43.00	22.17
Interest & Finance Charges	16.06	11.91
Depreciation	15.62	6.73
Net Profit before Tax	11.32	3.53
Provision for Taxation	—	—
Net Profit carried to Balance Sheet	11.32	3.53

**OPERATIONS :**

During the year 1998-99, the Company achieved a turnover of Rs.731.71 lakhs, an increase of 74% over the previous year. The increase in sales is on account of the effective commencement of operation in the Bulk Drug Division and increase in the Formulation sales. Your Company achieved Profit before depreciation Interest & Taxes is Rs.43.00 lakhs as against Rs.22.17 lakhs of previous year.

Your Company placing more thrust on the Institutional segment for the formulations during the year. Norfloaxcin, the bulk drug, produced by the company is well accepted in the market and your company making all efforts to optimise production operation through requisite creation of utilities. Your company also proposes to manufacture other quinolone group products in near future and your company is confident of posting improved results during the current year subject to the availability of need based working capital facilities.

**FIXED DEPOSITS :**

Your Company has not accepted any Deposits from the Public during the year.

**DIRECTORS :**

Sri. Dr. G. Subramanyam Director of the Company who retires by rotation and being eligible for reappointment, offers himself for reappointment.

**AUDITORS :**

Sri T.S.Ajai, B.Com, F.C.A., Chartered Accountant, Hyderabad Auditor of the Company who retire at the conclusion of the Annual General Meeting has given his consent to be reappointed for the current year.

**YEAR 2000 COMPLIANCE**

The company's computerised systems are year 2000 compliant. All financial accounting and other data processing systems are operating on Y2K compliant systems and management ensured that there

would be no material impact caused by the Y2K issue on the financial statements of the Company nor will it have any impact on the going concern status of the Company.

#### STATUTORY INFORMATION

Information in accordance with sub section 2(A) of section 217 of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 is given in the Annexure I to this report. Information in accordance with clause (C) of subsection (1) of section 217 read with the companies (Disclosure of particular) in the report of Board of Directors) Rules, 1988 and form part of the Director's Report for the year ended 31st March, 1999 is given in Annexure II of this Report.

#### ACKNOWLEDGEMENT

The Board of Directors wish to gratefully acknowledge support extended by the Bank of Rajasthan Limited. Your Company wish to place on record the appreciation for the devoted services rendered by employees at all levels.

The Board also extends its gratitude to the Company's share holders various state and Central Government Authorities, Stockists Distributors, and Doctors for their full co-operation.

*for and behalf of the Board*

Place : Hyderabad  
Date : 27.05.99

(RAMESH CHANDRA AGARWAL)  
MANAGING DIRECTOR

#### ANNEXURE I TO DIRECTOR'S REPORT

STATEMENT ANNEXED TO THE DIRECTORS' REPORT SHOWING THE NAMES AND OTHER PARTICULARS OF EVERY EMPLOYEE OF THE COMPANY PURSUANT TO SECTION 217(2A) OF THE COMPANIES' ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975.

1. Name	:	RAMESH CHANDRA AGARWAL
2. Age	:	50 years
3. Qualification & Experience	:	B.Sc.,L.L.B. , 28 years
4. Designation	:	Managing Director
5. Date of Employment	:	04.01.95
6. Gross Remuneration	:	Rs. 6,48,000
7. Last Employment	:	Nil