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Sharon

Bio-Medicine Ltd.

16TH

ANNUAL REPORT

2004 - 2005

**SHARON BIO-MEDICINE LTD.****BOARD OF DIRECTORS**

Ms. Savita Gowda
 Mr. Mohan P. Kala
 Dr. V. N. Badoni
 Mr. T. N. Raghunandan
 Mr. Lalit Misra
 Mr. Anand Paul Edly
 Mr. Sohel I. Shaikh

Managing Director
 Director
 Director
 Director
 Director
 Director
 Director

AUDIT COMMITTEE

Mr. Anand Paul Edly
 Mr. M. P. Kala
 Mr. Sohel I. Shaikh

Chairman

AUDITORS

M/s. K. K. Gangwal & Associates,
 Chartered Accountants

BANKERS

Canara Bank

REGISTERED OFFICE

W-34 ,34/1, MIDC, Taloja,
 Raigad, Maharashtra,
 Pin-410208.

CORPORATE OFFICE

Sharon House,
 Plot No. 163, Park Street,
 Smt. Jankidevi Public School Road,
 S.V.P. Nagar, Andheri (W), Mumbai - 53.

ADMINISTRATIVE OFFICE

C-310/312, BSEL Tech Park,
 Opp. Vashi Railway Station,
 Navi Mumbai.

CONTENTS

Particulars	Pg.No.
MD Speech/Notice	02
Directors' Report	08
Company Philosophy on code of Corporate Governance	10
Auditors' Report	14
Balance Sheet	16
Profit & Loss A/c.	17
Schedules	18
Balance Sheet Abstract	23
Cash Flow Statement	24



SHARON BIO-MEDICINE LTD.

FROM THE DESK OF MANAGING DIRECTOR

To,

Dear Members,

It gives The Management of Sharon and me an immense pleasure in briefing you about the growth of your Company in the last fiscal year and the future plans. We have pleasure in informing you, that in comparison with previous years, your Company Sharon has had *very encouraging results in terms of Turnover and Net Profit. The turnover has increased from Rs.2366.83 Lac to Rs.3695.83 Lac (over 55% increase) and the Net Profit has risen by 2.4 times from Rs.57.56 Lac to Rs.196.27 Lac.* The results of the last quarter ending 30/09/2005 indicate the promising results for the coming year.

Further, we are pleased to inform you that the plans for the new Formulation unit have crystallized and the work for the same has commenced in Uttaranchal. The project cost is approximately 37 Crore and scheduled to be in commercial production by August 2006.

The encouraging market dynamics have got us to evaluating prospects of setting up another unit at Dehradun, Uttaranchal for exclusive manufacturing of Oncology Injections. The reason for setting-up of Pharmaceutical Formulation Unit at Dehradun (Uttaranchal) is to get the benefits of Excise Duty, Income Tax, Sales Tax and other subsidies.

The Vision and Confidence of the Management and the support from all Team Members would ensure high growth potential along with stability for the Company and all its members.

Warm Regards,

Sd/-

Ms. Savita Gowda
Managing Director.

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the members of Sharon Bio-Medicine Limited, will be held on Thursday 28th December 2005 at 10:00 AM at its Registered office W-34, W-34/1 MIDC, Talaja Dist. Raigad, Maharashtra to transact the business.

ORDINARY BUSINESS

- 1 To receive, consider, and adopt the audited Balance Sheet as at 30.06.2005 and the Profit & Loss account for the year ended on that date together with the reports of the Director & Auditor.
- 2 To appoint a Director in place of Mr. M. P. Kala who retires by rotation at ensuing Annual General Meeting and being eligible offers himself for re-appointment.
- 3 To appoint a Director in place of Dr. V. N. Badoni who retires by rotation at ensuing Annual General Meeting and being eligible offers himself for re-appointment.
- 4 To appoint auditors and fix their remuneration.

SPECIAL BUSINESS :

5 As Ordinary Resolution

RESOLVED THAT Mr. Anand Paul Eddy be and is hereby appointed a director of the company whose period of office is liable to retirement by rotation.

6 As Ordinary Resolution

RESOLVED THAT Mr. Sohail I. Sheikh be and is hereby appointed a director of the company whose period of office is liable to retirement by rotation.

7 As Special Resolution

RESOLVED THAT *subject to the consent of the Requisite authorities the Company delist its listing of its shares from the Hyderabad Stock Exchange with immediate effect.*

8 As Ordinary Resolution

RESOLVED THAT *subject to the provisions of section 198, 269, 309, 310 and Schedule XIII and other applicable provisions of the Companies Act 1956, the consent of the company be and is hereby given for re-appointment of Mrs. Savita Gowda as the Managing Director of the Company from 11-8-2005 to 10-8-2010 among other things on the following terms and conditions :*

- 1 Appointment: 5 years with effect 11 th August 2005 to 10 th August 2010.
- 2 Salary : In the range of Rs 25,000 – 5000-50,000
(with the increment of Rs 5,000/- each year)
- 3 HRA : As per the Income tax Act
- 4 Commission : As fixed by the Board Of Directors from time to time .
- 5 Perquisites & : Equivalent to Annual Salary or as decided by the Board Allowances from time to time .
- 6 Retirement : a) Company's Contribution to PF, Superannuation Fund Benefits or Annuity Fund to the extent non taxable under I T Act 1961.
b) Gratuity as per the rules of the company and leave encashment at the end of the tenure.



- 7 Accommodation : Furnished or House rent Allowance or re-imbursement of expenditure on maintenance of self occupied House.
- 8 Medical Expenses : For self and family including Hospitalisation and Operation expenses .
- 9 Telephone : Reimbursement of Telephone Bills at residence and mobile phone bills . However personnel long distance calls will be recovered from the appointee.
- 10 Club membership : Maximum of Two clubs including admission fees.
- 11 Leave Travel Concession: For self and Family .
- 12 Long service benefits : As per company policy.

Mrs. Savita Gowda will not be liable to retirement by rotation and will not be paid any sitting fees for attending the Board or Committee meetings.

RESOLVED FURTHER THAT the Board Of Directors be and are hereby authorised

To provide such increments and modify the terms of her appointment as may be deem fit

RESOLVED THAT the Board Of Directors be and are hereby authorised to take all actions and to do all acts and deeds as may be required for the purpose .

9 As Ordinary Resolution

RESOLVED THAT subject to the provisions of section 198,269,309,310 and Schedule XIII and other applicable provisions of the Companies Act 1956 ,the consent of the company be and is hereby given for appointment of Mr. Lalit Misra as the Wholetime Director of the Company from 11-8-2005 to 10 -8-2010 among other things on the following terms and conditions :

- 1 Appointment: 5years with effect 11 th August 2005 to 10 th August 2010.
- 2 Salary : In the range of Rs 25,000 – 5000-50,000
(with the increment of Rs 5,000/- each year)
- 3 HRA : As per the Income tax Act
- 4 Commission : As fixed by the Board Of Directors from time to time .
- 5 Perquisites & : Equivalent to Annual Salary or as decided by the Board Allowances from time to time .
- 6 Retirement : a) Company's Contribution to PF, Superannuation Fund Benefits or Annuity Fund to the extent non taxable under I T Act 1961.
b) Gratuity as per the rules of the company and leave encashment at the end of the tenure.
- 7 Accommodation : Furnished or House rent Allowance or re-imbursement of expenditure on maintenance of self occupied House.
- 8 Medical Expenses : For self and family including Hospitalisation and Operation expenses .
- 9 Telephone : Reimbursement of Telephone Bills at residence and mobile phone bills . However personnel long distance calls will be recovered from the appointee.
- 10 Club membership : Maximum of Two clubs including admission fees.
- 11 Leave Travel Concession: For self and Family .
- 12 Long service benefits : As per company policy.

Mr. Lalit Misra will not be liable to retirement by rotation and will not be paid any sitting fees for attending the Board or Committee meetings.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to provide such increments and modify the terms of his appointment as may be deem fit.

RESOLVED THAT the Board of Directors be and are hereby authorised to take all actions and to do all acts and deeds as may be required for the purpose .

RESOLVED THAT the remuneration paid to Mr. Lalit Misra earlier be and is hereby ratified .

10 As Special Resolution

RESOLVED THAT subject to the provisions of section 314 and other applicable provisions of the Companies Act 1956 ,the consent of the members be and is hereby given for payment of remuneration and other benefits to Mr. Deepak Kala a relative of the Director for past one year .

RESOLVED THAT the consent of the members be and is hereby also accorded for payment of remuneration and other benefits to Mr. Deepak Kala a relative of the director for future periods in the range of Rs 10,000-Rs 20,000/- Per Month.

11 As Special Resolution

RESOLVED THAT subject to the provisions of section 314 and other applicable provisions of the Companies Act 1956 ,the consent of the members be and is hereby given for payment of remuneration and other benefits to Mrs. Asha M Kala a relative of the Director for past one year .

RESOLVED THAT the consent of the members be and is hereby also accorded for payment of remuneration and other benefits to Mrs. Asha M Kala a relative of the director for future periods in the range of Rs 25,000-Rs 50,000/- Per Month.



SHARON BIO-MEDICINE LTD.

12 As Special Resolution

RESOLVED THAT subject to the provisions of section 314 and other applicable provisions of the Companies Act 1956, the consent of the members be and is hereby given for payment of remuneration and other benefits to Mrs. Basanti S Misra a relative of the Director for the past One year.

RESOLVED THAT the consent of the members be and is hereby also accorded for payment of remuneration and other benefits to Mrs. Basanti S Misra a relative of the director for future periods in the range of Rs 10,000-Rs 20,000/- Per Month.

13 As Special Resolution

RESOLVED THAT subject to the provisions of section 314 and other applicable provisions of the Companies Act 1956, the consent of the members be and is hereby given for payment of remuneration and other benefits to Miss Preeti S Misra a relative of the Director for the past one year .

RESOLVED THAT the consent of the members be and is hereby also accorded for payment of remuneration and other benefits to Miss Preeti S Misra a relative of the director for future periods in the range of Rs 10,000-Rs 20,000/- Per Month.

14 As Ordinary Resolution

"RESOLVED that consent of the Company pursuant to the provisions of section 293 (1) (d) and other applicable provisions , if any of The Companies Act 1956, be and is hereby accorded to the Board Of Directors of the Company for borrowing from time to time such sum or sums of money as it may consider fit and proper for the purpose of the business of the Company , not withstanding that the monies borrowed, together with monies already borrowed by the Company (apart from temporary loans obtained or to be 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 and outstanding at any time shall not exceed Rs 200 crores (Rupees Two Hundred Cores)."

15 As Ordinary Resolution.

"RESOLVED that pursuant to section 293 (1) (a) consent of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as " the Board" which expression shall be deemed to include any committee which the Board may have constituted or herein constitute to exercise its powers including the powers conferred by this resolution) mortgaging , selling and/or charging in such form and such manner as it may deem fit and proper, the whole or substantially the whole or part thereof of anyone or more undertakings or all of the undertakings of the Company, (present and/or future) wheresoever situate, including the present and/or future properties, whether movable or immovable, comprised in any undertaking or undertakings of the Company, as the case may be, to or in favour of lenders/creditors, including all or any Bank (s), Financial Institution (s) declared or may be declared as Public Financial Institution (s) under section 4 A of the Companies Act 1956, investment or development banks, development corporations or agencies of Central or State Governments, Industrial Reconstruction Bank of India, Industrial development Bank Of India, Industrial credit and Investment Corporation of India, Unit trust of India, Housing Development Finance Corporation Limited, Foreign Agencies/Banks/Financial Institution(s), Trustee and or agents for the Lenders and/or debenture Holders of the Company including Financial Institutions, Banks, Body corporate incorporated under any statute holding debentures of the Company or any other bodies holding debentures of the Company or any other secured lender of the Company (herein collectively referred to as "the lenders") to ensure rupee term loans, debentures, foreign currency loans, bonds, convertible notes and other securities issued against foreign currency and any other loan (herein after referred to as "the said loans ") obtained or to be obtained from the lenders not exceeding an aggregate amount of Rs 200.00 Cores (Rupees Two Hundred Crores) or the aggregate of the paid up capital and reserves (i.e. reserves not set apart for any specific purpose) whichever is greater ."

"RESOLVED FURTHER that the Board of Directors be and are hereby authorised to finalise the said agreements and other documents and execute all such deeds, documents, instruments and to do all acts , deeds , matters and things as may be necessary and expedient for giving full and final effect to this resolution "

16 As Special Resolution

"RESOLVED that the consent of the Company under section 293 (1) (e) and other applicable provisions, if any of the Companies Act 1956, be and is hereby accorded to the Board of Directors of the Company for subscribing, guaranteeing, contributing, and donating in cash or kind from time to time to national, benevolent and other funds and purposes not directly related to the business of the Company or the welfare of its employees provided however that the aggregate amount of such contributions shall not exceed in any financial year exceed Rs 100 lakhs or 5 % of the Company's average profits as determined in accordance with the Provisions of Section 349 and 350 of the Companies Act 1956 during the three financial years immediately preceding whichever is greater."

17 As Special Resolution

"RESOLVED that the approval of the Company in terms of Provisions of Section 372 and other applicable provisions of the Companies Act 1956, be and is hereby accorded to the Board of Directors of the Company for giving loans from time to time to other bodies corporate (apart from the loans granted or to be granted to its subsidiaries) on such terms and conditions as the Board may deem fit, in excess of the limits prescribed or as may be prescribed from time to time under the Provision to Section 372 of the Companies Act 1956, provided that the aggregate of all the loans given and/or to be given to all such bodies corporate whether under the same management as the Company or not shall not exceed the respective limits prescribed or as may be prescribed from time to time pursuant to Section 372 of the Companies Act 1956 for the time in force ."

**SHARON BIO-MEDICINE LTD.****18 As Special Resolution**

"RESOLVED that the approval of the Company in terms of the Provisions of Section 372 and other applicable provisions of the Companies Act 1956, be and is hereby granted to the Board of Directors of the Company for giving Guarantees and/ or providing security on such terms and conditions as the board may deem fit in connection with the loans made/to be made by any other person to or to any other persons by any body corporate whether or not under the same management as the Company (apart from guarantees or security furnished or to be furnished by the Company in respect of the loans given or to be given or guarantees given on behalf of its subsidiaries) or for the performance of the contracts by or any other body corporate or other parties provided that the total amount of such guarantees/security shall not exceed Rs 10 Crores or as per the limit prescribed by law from time to time"

19 As a special resolution

RESOLVED THAT in accordance with the provisions of section 81,81(1), 81(1A), and other applicable provisions, if any, of the Companies Act 1956, and enabling provisions in the Memorandum and Articles of Association of the company, and subject to the approval of and/or guidelines issued from time to time by Securities and exchange Board of India (SEBI), Reserve Bank of India(RBI) and all other concerned authorities, if any and the extent necessary and such other approvals and sanctions as may be necessary and subject to such other conditions and modifications as may be prescribed or imposed by any of them while granting approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the company and/or duly authorised committee thereof for the time being exercising the powers conferred by the Board, the consent of the company be and is hereby accorded to the Board to issue/offr equity shares and /or convertible debentures, (Fully paid up) and/or non convertible debentures, all or any of the aforesaid with or without detachable or non detachable warrants, and/or warrants of any nature, and /or secured premium notes, and/or floating rate notes/bonds/ Global depository receipts and/or any other financial instruments as the board at its sole discretion may at any time or times herein after which when issued or allotted would ultimately result in an increase in the paid up capital of the company by an amount not exceeding 105,00,000 (One hundred Five Lakhs Equity Shares) or 10.50 Crores.

Registered Office:

W-34, 34/1, M.I.D.C Taloja,
Raigad
Maharashtra-410208

By The order of the Board of Directors
For Sharon Bio-Medicine Limited

Sd/-

Savita Gowda
Managing Director

Place : Mumbai
Date : 29-11-2005

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NOTES

- 1 A MEMBER ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2 THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 3 THE REGISTER OF MEMBERS AND THE SHARE TRANSFER REGISTER OF THE COMPANY SHALL BE REMAINED CLOSED FROM 25th DECEMBER TO 28th DECEMBER 2005. (both days inclusive)
- 4 THE RELEVANT EXPLNATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT 1956 IN RESPECT OF THE SPECIAL BUSINESS TO BE TRANSACTED IN THE ANNUAL GENERAL MEETING IS ATTACHED AND FORMS PART OF THIS NOTICE .
- 5 The Member are requested to :
 - a) Intimate changes if any in their registered address to the Registrar and Transfer agents of the company.
 - b) Quote ledger folio number in all their correspondence
 - c) Get the multiple folio consolidate and also get the shares transferred in joint names if they are held in single name to avoid inconvenience in future,
 - d) Bring their copies of annual reports and attendance slips with them at the Annual General Meeting.
 - e) Write atleast 10 days prior to the date of meeting, any information which they desire on accounts, to enable the management to keep the information ready.
- 6 THE MEMBERS ARE REQUESTED TO BRING THE COPY OF THE BALANCE SHEET AT THE ANNUAL GENERAL MEETING .

Registered Office:

W-34, 34/1, M.I.D.C Taloja,
Raigad
Maharashtra-410208

By The order of the Board of Directors
For Sharon Bio-Medicine Limited

Sd/-

Savita Gowda
Managing Director

Place : Mumbai
Date : 29-11-2005



SHARON BIO-MEDICINE LTD.

EXPLANATORY STATEMENT PURSUANT TO SECTION 172(2) OF THE COMPANIES ACT 1956 IN RESPECT OF THE ITEM NOS 5 TO 12 MENTIONED IN THE NOTICE OF THE SIXTEENTH ANNUAL GENERAL MEETING.

1 ITEM NO 5

The Board Of Directors of the company had appointed Mr. Anand Paul Eddy as the Additional Director of the company from 29-4-2005. He hold office upto the ensuing Annual General meeting of the Company. The Company has received notice from some members along with the requisite deposit nominating his name for his appointment as the director of the Company in the ensuing Annual general meeting. Accordingly the resolution for his appointment as the director of the company is placed before the members for approval. The directors feel that the association of Mr. Anand Paul Eddy will benefit the company immensely.

The directors recommend passing of the resolution.

Except for Mr. Anand Paul Eddy none of the other directors are concerned or interested in the resolution.

2 ITEM NO 6

The Board Of Directors of the company had appointed Mr. Sohail I Sheikh as the Additional Director of the company from 29-4-2005. He hold office upto the ensuing Annual General meeting of the Company. The Company has received notice from some members along with the requisite deposit nominating his name for his appointment as the director of the Company in the ensuing Annual general meeting. Accordingly the resolution for his appointment as the director of the company is placed before the members for approval. The directors feel that the association of Mr. Sohail I Sheikh will benefit the company immensely.

The directors recommend passing of the resolution.

Except for Mr. Sohail I Sheikh none of the other directors are concerned or interested in the resolution.

3 ITEM NO 7

The companies shares are listed in the Hyderabad Stock Exchange presently. However there are hardly any trading of the shares of the company at Hyderabad Stock Exchange. Hence it is proposed to delist the listing of the shares of the company from Hyderabad Stock Exchange to enable the company to have cost advantage.

The directors recommend passing of the resolution.

None of the directors are deemed to be concerned or interested in the resolution.

4 ITEM NO. 8

Mrs. Savita Gowda was appointed the Managing Director of the Company for a period of five years from 11-8-2000. Her period office expired on 10-8-2005. Mrs. Savita Gowda was re-appointed as the Managing Director of the Company for Five years from 11-8-2005 to 10-8-2010. The consent of the members is sought for the re-appointment and payment of remuneration to Mrs. Savita Gowda as the Managing Director of the company.

The directors feel that the re-appointment of Mrs. Savita Gowda as the Managing Director of the company will benefit the company immensely.

The Directors recommend passing of the resolution.

Except for Mrs. Savita Gowda none of the other directors are concerned or interested in the resolution.

5 ITEM NO. 9

Mr. Lalit Misra was appointed the Wholetime Director of the Company for a period of five years from 11-8-2005 to 10-8-2010. The consent of the members is sought for the re-appointment and payment of remuneration to Mr. Lalit Misra as the Wholetime Director of the company.

The directors feel that the re-appointment of Mr. Lalit Misra as the Wholetime Director of the company will benefit the company immensely.

The Directors recommend passing of the resolution.

Except for Mr. Lalit Misra none of the other directors are concerned or interested in the resolution.

6 ITEM NO. 10

The company had employed Mr. Deepak Kala a relative of one of the Director of the company. The company has been paying remuneration and other benefits to him. The resolution for seeking consent of the members for ratifying the payment of remuneration and other benefits to Mr. Deepak Kala and for seeking consent for paying remuneration and other benefits to him for future periods is placed before the members for approval.

The directors recommend passing of the resolution.

Except for Mr. Mohan Kala none of the other directors are concerned or interested in the resolution.

7 ITEM NO. 11

The company had employed Mrs. Asha M. Kala a relative of one of the Director of the company. The company has been paying remuneration and other benefits to her. The resolution for seeking consent of the members for ratifying the payment of remuneration and other benefits to Mrs. Asha M. Kala and for seeking consent for paying remuneration and other benefits to her for future periods is placed before the members for approval.

The directors recommend passing of the resolution.

Except for Mr. Mohan Kala none of the other directors are concerned or interested in the resolution.

8 ITEM NO. 12

The company had employed Mrs. Basanti S Misra a relative of one of the Director of the company. The company has been paying remuneration and other benefits to her. The resolution for seeking consent of the members for ratifying the payment of remuneration and other benefits to Mrs. Basanti S Misra and for seeking consent for paying remuneration and other benefits to her for future periods is placed before the members for approval.

The directors recommend passing of the resolution.

Except for Mr. Lalit Misra none of the other directors are concerned or interested in the resolution.



SHARON BIO-MEDICINE LTD.

9 ITEM NO. 13

The company had employed Miss Preeti S Misra a relative of one of the Director of the company. The company has been paying remuneration and other benefits to her. The resolution for seeking consent of the members for ratifying the payment of remuneration and other benefits to Mrs. Preeti S Misra and for seeking consent for paying remuneration and other benefits to her for future periods is placed before the members for approval.

The directors recommend passing of the resolution.

Except for Mr. Lalit Misra none of the other directors are concerned or interested in the resolution.

11 ITEM NO. 14

Pursuant to the provisions of clause 293(1)(d) of the Companies Act 1956, the Board Directors cannot borrow more than the aggregate amount of paidup capital and reserves at any one time except with the consent of the members of the company. In view of the expansion plans underway and keeping in view the requirements of additional funds for which the company may be required to borrow funds. It is proposed to take the consent of the shareholders for borrowing upto Rs 200 Crores.

The directors recommend passing of the resolution.

None of the directors are concerned or interested in the resolution.

12 ITEM NO 15

In the resolution set out in the item no (18) of the notice, it has been proposed to authorise the Board of Directors to borrow funds over and above the paidup capital and reserves of the company, to the extent of Rs 200 crores.

The loans to the extent of the borrowing powers may be secured by creation of mortgages/charges on the properties /undertakings of the company in favour of the lenders and or their agents.

Mortgaging / charging by the company of its properties of the whole or substantially the whole or any of the undertakings of the company in favour of the lenders and or their agents in order to secure debt financing within the overall limits of the borrowing powers of the Board of Directors may be regarded as disposal of the companies properties in terms of section 293(1)(a) of the Companies Act 1956. The resolution is therefore placed before the members for seeking their approval for mortgaging/charging the properties of the company.

The directors recommend passing of the resolution.

None of the directors are concerned or interested in the resolution.

13 ITEM NO 16

During the course of the operation of the business at times it may be required to provide guarantees or contribute or donate for national, charitable, benevolent or other funds which are not directly related to the business of the company or for the welfare of the company provided however that such contribution shall not in any financial year exceed Rs 100 Lakhs or 5% of the company's net profits determined in accordance with the provisions of section 349 and 350 of the Companies Act 1956 during the three financial years immediately preceding whichever is greater. As per the provisions of the Companies Act 1956, providing contribution or donation, guarantees would require the permission of the members of the company.

The directors recommend passing of the resolution.

None of the directors are concerned or interested in the resolution.

14 ITEM NO 17

During the course of the business of the company it may be required to give loans from time to time to other body corporate which are under the same management or not, which may exceed the limit provided under section 372 of the Companies Act 1956. The consent of the members would be required under section 372 of the companies act 1956 for providing loans as prescribed under section 372 of the companies act 1956.

The directors recommend passing of the resolution.

None of the directors are concerned or interested in the resolution.

15 ITEM NO 18

During the course of the operations of the company it may be required to provide guarantees or securities in connection with the loans made/to be made by any other person or to any other persons or body corporate whether or not under the same management of the company or not. It is proposed to authorise the Board of Directors to provide guarantees or securities to the extent of Rs 10 Crores or as may be provided by law from time to time.

The directors recommend passing of the resolution.

None of the directors are concerned or interested in the resolution.

16 Item no 19

With the growth of the company it may be required to allot shares to meet the additional funds requirement of the company. The consent of the members is therefore sought to allot shares under section 81 (1) of the companies act 1956 to authorise the board of directors to allot shares to non members and to the members in their disproportionate holdings which required the permission of the members. The resolution is therefore placed before the members for approval.

All the directors are concerned or interested in the resolution to the extent of the shares that may be applied or allotted to them.

The directors recommend passing of the resolution.

Registered Office:

W-34, 34/1, M.I.D.C Taloja,
Raigad
Maharashtra-410208

By The order of the Board of Directors
For Sharon Bio-Medicine Limited

Sd/-
Savita Gowda
Managing Director

Place : Mumbai
Date : 29-11-2005