

16TH ANNUAL REPORT

2002-2003

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VIVO BIO TECH LIMITED

(Formerly known as SUNSHINE FACTORS & EXPORTS LIMITED)

VIVO BIO TECH LIMITED

(Formerly known as **SUNSHINE FACTORS & EXPORTS LIMITED**)



BOARD OF DIRECTORS

Sri.D.Krishna Kumar Raju	Chairman
Sri. Ch.Srinivas	Director
Sri.P.V.V.Prasad	Director
Sri.P.Krupavaram	Director
Sri.Koora Chandra Shekar	Director

BANKERS

Syndicate Bank
Development Credit Bank Limited
ICICI Bank

AUDITORS

M/s. P.MURALI& CO.,
Chartered Accountants,
6-3-655/2/3,
Somajiguda,
Hyderabad - 500 082.

REGISTERED OFFICE

110, "B" Block, 1st Floor,
Sri Datta Sai Commercial Complex,
RTC Cross Road, Hyderabad - 500 020.
Ph : 27633752, Fax : 27633252

SHARE TRANSFER AGENTS

M/s. AARTHI CONSULTANTS PRIVATE LIMITED
1-2-285, DOMALGUDA,
HYDERABAD - 500 029.
Ph:27634445, 27638111; Fax :27632184

VIVO BIO TECH LIMITED

(Formerly known as SUNSHINE FACTORS & EXPORTS LIMITED)

**NOTICE**

NOTICE is hereby given that the 16th Annual General Meeting of the Members of M/s VIVO BIO TECH LIMITED will be held on Tuesday, the 30th September, 2003 at 10.00 A.M. at 2-2-647/A/11 & 14, 11th Floor, Saibaba Nagar, Bagh Amberpet, Hyderabad to transact the following business:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Director's Report, Audited Balance Sheet of the Company as at March, 31st March, 2003 and the Profit and Loss Account for the year ended that date together with the Report of the Auditors' thereon.
2. To appoint a Director in place of Sri K. Chandra Shekar, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

II. SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification(s) the following resolutions as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 257 read with other applicable provisions if any of the Companies Act 1956 as amended to date consent of the company be and is hereby accorded to appoint Sri. P. Krupavaram as Director of the company liable to retire by rotation".

5. To consider and if thought fit to pass with or without modification(s) the following resolutions as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 257 read with other applicable provisions if any of the Companies Act 1956 as amended to date consent of the company be and is hereby accorded to appoint Sri. Ch. Srinivas as Director of the company liable to retire by rotation".

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

"RESOLVED that the Registered office of the company situated at 110, "B" Block, 1st Floor, Sri Datta Sai Commercial Complex, RTC Cross Road, Hyderabad – 500 020 be shifted to G-4/B, SEIE, Kattedan, Hyderabad - 500 077, R.R.Dist., Andhra Pradesh with immediate effect".

By order of the Board
for **VIVO BIO TECH LIMITED**

D.KRISHNA KUMAR RAJU
CHAIRMAN

Place: Hyderabad
Date: 04-09-2003

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NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HRS BEFORE THE COMMENCEMENT OF THE MEETING.
2. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF COMPANY SHALL REMAIN CLOSED FROM 25TH SEPTEMBER, 2003 TO 30TH SEPTEMBER 2003 (BOTH DAYS INCLUSIVE).
3. THE EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT 1956 IS ANNEXED TO THIS NOTICE.
4. MEMBERS ARE REQUESTED TO NOTIFY ANY CHANGE IN THEIR ADDRESSES TO THE COMPANY IMMEDIATELY.
5. MEMBERS DESIROUS OF OBTAINING ANY INFORMATION ON THE ANNUAL ACCOUNTS OF THE COMPANY ARE REQUESTED TO WRITE TO THE COMPANY AT LEAST 7 WORKING DAYS BEFORE THE DATE OF THE MEETING TO ENABLE THE COMPANY FOR COMPILATION OF THE REQUIRED INFORMATION MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT AT THE ENSUING ANNUAL GENERAL MEETING.
6. ITEM NO.6 I.E. RESOLUTIONS REGARDING a) SHIFTING OF REGISTERED OFFICE, REQUIRES THE CONSENT OF THE SHAREHOLDERS THROUGH POSTAL BALLOT. A POSTAL BALLOT FORM TOGETHER WITH A SELF-ADDRESSED DULY STAMPS AFFIXED ENVELOPE IS ENCLOSED FOR THIS PURPOSE. DULY COMPLETED POSTAL BALLOT FORM SHOULD REACH THE COMPANY NOT LATER THAN THE CLOSE OF WORKING HOURS ON SATURDAY, THE 27TH SEPTEMBER, 2003. POSTAL BALLOT FORM RECEIVED AFTER THIS DATE WILL BE STRICTLY TREATED AS IF THE REPLY FROM THE MEMBER HAS NOT BEEN RECEIVED.

**EXPLANATORY STATEMENT****(Pursuant to the Provisions of Section 173(2) of the Companies Act, 1956)****ITEM NOS. 4, 5**

Shri P.Krupavaram and Shri Ch.Srinivas were inducted as Additional Directors of the company. Pursuant to the provisions of section 260 of the Companies Act 1956, they hold office till the date of the ensuing Annual General Meeting. The company has received Notices from the Shareholders under section 257 of the Act proposing them as Directors. (Notices received are placed at the Registered Office for Member's inspection any time during the Business Hours).

The Board feels their services would be beneficial to the company as Directors.

Board recommends the Resolution for your approval.

None of the Director is interested / concerned in the Resolution except Shri P.Krupavaram and Shri Ch.Srinivas.

ITEM NO.6

For administrative convenience and co-ordination and to have overall administrative control on the day-to-day affairs, it is desirable the Registered Office of the Company be shifted from 11 "B" Block, 1st Floor, Sri Datta Sai Commercial Complex, RTC Cross Roads, Hyderabad - 500 020, to G-4/B, S.E.I., E., Kattedan, Hyderabad - 500 252, R.R.Dist., Andhra Pradesh.

The change of the Registered Office of the Company is within the State of Andhra Pradesh which requires the approval of members pursuant to section 21 of the Companies Act, 1956.

The Directors recommend passing of the Resolution by the Shareholders by Postal Ballot.

None of the Directors is interested in the resolution.

VIVO BIO TECH LIMITED**(Formerly known as SUNSHINE FACTORS & EXPORTS LIMITED)****ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:**

As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

1. **Name** : **Sri.K.Chandra Shekar**
Age : 35 years
Qualifications : Graduate
Expertise : Vast experience in business of Production Cost Control in basic Drugs and Trading activities.
Other Directorships : NIL

2. **Name** : **P.KRUPAVARAM**
Age : 41 Years
Qualifications : Graduate
Expertise : 10 years Experience in Sales & business Administration
Other Directorships : One (Neocure Therapeutics Limited)

3. **Name** : **Ch.Srinivas**
Age : 41 years
Qualifications : Graduate
Expertise : 10 years experience in Sales of Pharma Products
Other Directorships : Two

VIVO BIO TECH LIMITED(Formerly known as **SUNSHINE FACTORS & EXPORTS LIMITED**)**DIRECTORS' REPORT**

To
The Members

Your Directors have pleasure in presenting the 16th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2003.

CHANGE OF NAME

As the Company is planning to enter into new business ventures like Bio-tech and related activities, the name of the Company was changed from M/s Sunshine Factors & Exports Limited to M/s Vivo Bio Tech Limited. The same was approved by the Shareholders in the previous Annual General Meeting held on 02nd September, 2002.

OPERATIONS

Your Company has already entered in the activity of trading of Bio Tech products & Bulk drugs. As it is not able to cope up with the demand of market, it is in search of good working partners who can join the company and improve the business relating to the Bio Tech.

FINANCIAL RESULTS

	Year Ended 31.03.2003 (Rs.in Lakhs)	Year Ended 31.03.2002 (Rs.in Lakhs)
Income	14.37	5.19
Profit (+) / Loss (-)	0.33	(4.77)
Deferred Income tax	—	(0.13)
Transactional Cumulative Deferred Tax	—	(0.13)
Balance Brought Forward	(340.21)	(334.28)
Balance Carried Forward	(339.68)	(340.21)

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

Pursuant to Clause 49 of the Listing Agreement, a Management Analysis Report is given below:

A. INDUSTRY BACKGROUND

Pharmaceutical Industry is the most important Industry in our Country and the Bio-technology is the latest booming technology by which India is trying to compete in the world market. The Company is trying to take the advantage of this and involve its activity in this booming Bio-Technology.

VIVO BIO TECH LIMITED**(Formerly known as SUNSHINE FACTORS & EXPORTS LIMITED)****B. INDUSTRY OUTLOOK**

As the Market conditions are very favorable now onwards for the Bio-Technology and Pharma Industry, the company has thought that it is the right time to involve in the activities of the present trend and its connected areas of the business opportunities. The company has inducted into the Board the well-experienced people. It has decided to take over few existing profit making business firms which are already in the same line of activities. By these takeovers, The company can meet the challenges in the coming years of connected business activities.

C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has adequate internal control systems commensurate with the size of its operations and for the purpose of exercising adequate controls on the day-to-day operations. Systems are regularly reviewed to ensure effectiveness.

D. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:

During the year there are no material developments in Human Resources as well as Industrial Relations.

ADDITIONAL INFORMATION AS REQUIRED U/S 217(1)(e) OF THE COMPANIES ACT, 1956

- (a) Conservation of Energy : The company is monitoring the consumption of energy and is identifying measures for conservation of energy.
- (b) (i) Technology Absorption, adaptation and innovation : No technology either indigenous or Foreign is involved.
- (ii) Research and Development (R & D) : No research and Development has been carried out.
- (c) Foreign exchange earnings : NIL
- Foreign exchange out go : NIL

DIRECTORS:

Sri K. Chandra Shekar retires by rotation and being eligible offer himself for re-appointment.

Sri P. Krupavaram and Sri. Ch.Srinivas were appointed as the Additional Directors of the company. They hold office till the date of the ensuing annual general meeting. The company has received letters from shareholders proposing Sri P.Krupavaram and Sri.Ch.Srinivas as Directors of the company . The Board recommends their appointment.

During the year Sri Ramacharyulu Chakravarthula and Sri.Prem Kumar S.C.have resigned as Directors. The Board takes this opportunity to thank them for their valuable contribution.

VIVO BIO TECH LIMITED(Formerly known as **SUNSHINE FACTORS & REPORTS LIMITED**)**PARTICULARS OF EMPLOYEES**

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the Directors are to report that no employee was in receipt of remuneration of Rs.24,00,000/- or more per annum or Rs.2,00,000/- or more per month where employed for a part of the year.

STATEMENT PURSUANT TO LISTING AGREEMENT

Presently the company's Equity shares are listed at Hyderabad Stock Exchange (HSE) and Mumbai Stock Exchange (BSE) and the company paid the Annual Listing Fees for the year 2002-03. There are no listing fees dues pending.

CORPORATE GOVERNANCE

In order to bring more transparency in the conduct of business, the Stock Exchanges have amended the listing agreement incorporating the code of corporate governance to listed companies. Your Company has always been committed to the best practices in the governance of its affairs. Your company had taken steps and complied with most of the recommendations during the year. For the year under review, the Compliance Report is provided in the Corporate Governance section in this Report. The Auditors' Certificate on compliance with the mandatory requirements of Corporate Governance is given in "Annexure A" to this Report."

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) which was introduced by the Companies (Amendment) Act, 2000 your Directors' confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and/ of the Profit or Loss of the company for that period;
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a going concern basis.

AUDITORS:

M/s. P. MURALI & CO., Chartered Accountants, retiring auditors of the Company being eligible offer themselves for appointment as auditors of the Company M/s. P.MURALI & CO., Chartered Accountants have furnished a certificate of their eligibility u/s 224(1B) of the