

# **SUNLINE TECHNOLOGIES LIMITED**

**FOURTEENTH ANNUAL REPORT**  
**2002-2003**

**H.No.845, Banjara Avenue.  
Road No.1, Banjara Hills,  
Hyderabad - 34.**

## **C O N T E N T S**

1. Notice of the Annual General Meeting
2. Director's Report
3. Auditor's Report
4. Balance Sheet
5. Profit and Loss Account
6. Schedule to Balance Sheet and Profit and Loss Account
7. Notes forming part of the Balance Sheet
8. **Cash Flow Statement**
9. **Proxy Form & Attendance Slip**

## **SUNLINE TECHNOLOGIES LIMITED**

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### **DIRECTORS**

Sri. K.Satyanarayana  
Dr. L.Siva Shanker Reddy  
Sri. P.Venkata Srinivas  
Sri. A.Rama Kumar

Director  
Director  
Director  
Director

### **BANKERS**

State Bank of India  
Hyderabad

Bank of Baroda  
Vijayawada

### **AUDITORS**

**M/s. RAJAVENKAT & ASSOCIATES**

CHARTERED ACCOUNTANTS

1C, Parameswara Apts,  
6-2-626, Anand Nagar Colony,  
Khairatabad, Hyderabad.

### **REGISTERED OFFICE**

H.No.845, Banjara Avenue,  
Road No.1, Banjara Hills,  
Hyderabad - 034.

### **REGISTRARS**

Ikon Vision Pvt Ltd,  
33, Sanali Heavens,  
Ameerper,  
Hyderabad – 073.

### **LISTING**

The Hyderabad Stock Exchange Ltd  
The Stock Exchange Ltd, Mumbai  
The Calcutta Stock Exchange Ltd

## **SUNLINE TECHNOLOGIES LIMITED**

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### **NOTICE TO MEMBERS**

NOTICE is hereby given that the 14<sup>th</sup> Annual General Meeting of **SUNLINE TECHNOLOGIES LIMITED** will be held at the Registered Office at H.No.845, Banjara Avenue, Road No.1, Banjara Hills, Hyderabad - 34., on Tuesday the 30<sup>th</sup> September, 2003 at 11.00 AM to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2003 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Dr L.S.S.Reddy Who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Statutory auditors and to fix their remuneration.

#### **SPECIAL BUSINESS:**

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

"Resolved that Mr. A. Rama Kumar, who was appointed as an Additional Director of the company and holds office U/s 260 of the Companies Act, 1956, upto the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Sec. 257 of the Companies Act, 1956, received a Notice in writing proposing his candidature for the office of Director, be and is hereby appointed as 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 a Special Resolution :

"RESOLVED THAT pursuant to Section 17 and other applicable provisions if any of the Companies Act, 1956, Memorandum of Association of the company be amended by inserting the following clauses 7, 8 and 9 after clause 6 of the Main Objects under Clause III (A) of the Memorandum of Association of the company.

(7) To carry on in India or Abroad business to develop, import, export, transfer, lease or carry on research in the field of molecular modeling for various applications in the field of bio-technology or any other stream of basic / complex sciences and to develop, create, manage, market, encourage the establishment of manufacturing facilities / research centers for various applications of bio technology in the fields of development of medicines for human, plant or animal uses.

(8) To promote, establish, organize, maintain, operate, manage in India or Abroad centres engaged in the field of bio informatics and to carry on advanced research in the fields of molecular or gene technology for various commercial or non-commercial applications, to enter into Joint Venture, to take or grant licenses for applications of research and other rights attained by the Company in related areas of operations.

## **SUNLINE TECHNOLOGIES LIMITED**

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(9) To set up laboratories, develop, extract, import export, buy, sell deal in hire the technology, process, methods, systems to manufacture import export buy, sell, deal in, hire the equipment, instruments chemical enzymes, drugs, bulk drugs, pharmaceuticals, medicines, patents, formulations of kinds, types, nature and description of including ayurvedic, unani, allopathic, homeopathic and nature cure for whatsoever purposes such as prevention, curation, prophylactic, nourishment beauty aids and hygienic and any items which are capable of being used in the fields of genetic engineering and any other methodology / process developed from time to time for manufacture vaccine and other related products."

By Order of the Board of Directors  
for **SUNLINE TECHNOLOGIES LIMITED**

Place: Hyderabad  
Date : 16.05.2003

Sd/-  
( K.SATYANARAYANA )  
Director

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## **SUNLINE TECHNOLOGIES LIMITED**

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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 instead of himself/herself and such proxy need not be a member of the Company. Proxy Forms to be valid shall be lodged at the Registered Office of the Company not less than 48 hours before the Meeting.
2. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act in respect of Special Business of the notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain Closed from 27.09.2003 to 30.09.2003 (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
4. Members are requested to notify immediately changes if any, in their addresses to the company quoting their folio number.
5. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting.
6. Shareholders seeking any information with regard to accounts are requested to write to the company at the earliest to keep the information ready.
7. Shareholders are requested to bring their copy of Annual Report to the meeting.
8. Under Section 109A of the Companies Act, 1956 shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form no.2B in duplicate (which will be made available on request) to M/s Ikon Visions Pvt. Ltd. Registrars & Share Transfer Agents, 33, Sanali Heavens, 8-3-948, Ameerpet, Hyderabad 500073. Tel. No. 23744138, Fax. No. 23744356.
9. The Company has sent to the shareholders a separate notice for postal ballot for a special resolution as detailed at item no.5 of the notice, to be passed for amendment to the Memorandum of Association of the company. The result of the ballot will be declared at the Annual General Meeting on 30<sup>th</sup> September, 2003.

## **SUNLINE TECHNOLOGIES LIMITED**

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

#### **ITEM No.4**

Mr. A.Rama Kumar, who was appointed as an additional Director U/s.260 is liable to retire at the ensuing Annual General Meeting. The company has received a valid Notice and requisite Deposit from a member of the Company U/s 257 of the Companies Act, 1956, proposing the candidature of Mr.A.Rama Kumar for the office of Director of the Company liable to retire by rotation. Sri.Alluri Rama Kumar aged 50 years is a Graduate in Electronics & Communication Engineering . He has 25 years of Industrial experience.

Hence Your Directors recommend the resolution for your approval.

None of your directors except Mr. A.Rama Kumar is concerned or interested in the resolution.

#### **ITEM No.5**

As a part of the companies diversification plans, the kind of encouragement given by the Government and the success of the Industry, your company intends to grab the opportunities provided by the Industry by adopting the Biotechnology as one of its main activities. As the main objects of your company does not permit biotechnology activity it is proposed to amend the Memorandum of Association of the Company by adding the Biotechnology objects to the Main Objects of the Company

Pursuant to the provisions of Section 192A of the Companies Act of 1956 read with Companies (Passing of Resolution through Postal Ballot) Rules, 2001 the share holders consent for amendment to the object clause of Memorandum of Association of the Company is required to be obtained by means of Postal Ballot. This is being obtained separately and the result of the same will be announced by the Chairman at the meeting.

Hence Your Directors recommend the resolution for your approval.

None of your directors is concerned or interested in the resolution.

By Order of the Board of Directors

Place: Hyderabad  
Date : 16.05.2003

Sd/-  
( K.SATYANARAYANA )  
Director

# SUNLINE TECHNOLOGIES LIMITED

## DIRECTOR'S REPORT

To  
The members of Sunline Technologies Limited,  
Hyderabad.

We have pleasure in presenting the 14<sup>th</sup> Annual Report and the Audited Statement of accounts for the Financial Year ended 31.03.2003.

### FINANCIAL RESULTS :

	Current Year 2002 – 2003 (Rs. In Lakhs)	Previous Year 2001 – 2002 (Rs. In Lakhs)
Income	11.00	5.12
Profit before Interest and Depreciation	0.11	(1.56)
Interest	—	—
Depreciation	0.15	0.19
Profit before Tax	(0.04)	(1.37)
Provision for Taxation	—	—
Net Profit	(0.04)	(1.37)

### **OPERATIONS:**

During the year under review your company has earned a total income of Rs.11.00 Lacs and a Net Loss of Rs. 0.04 Lacs against an income of Rs. 5.12 Lakhs and Net Loss of Rs.1.37 Lakhs in the previous year. During the year the company has earned income from Software Development of Rs. 11,00,000/-. The company will achieve better results in the coming years.

### **DIVIDEND**

Due to losses your Directors could not recommend Dividend on the capital.

### **DIVERSIFICATION**

As a part of the companies diversification plans, the kind of encouragement given by the Government and the success of the Industry, your company intends to grab the opportunities provided by the Industry by adopting the Biotechnology as one of its main activities. As the main objects of your company does not permit biotechnology activity it is proposed to amend the Memorandum of Association of the Company by adding the Biotechnology objects to the Main Objects of the Company in the ensuing Annual General Meeting.



## **SUNLINE TECHNOLOGIES LIMITED**

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### **DIRECTORS:**

Dr L.S.S.Reddy, Director retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Sri.A.Rama Kumar who was appointed as an Additional Director of the company during the year is liable to retire at the ensuing Annual general Meeting. The company has received a valid Notice and requisite Deposit from a member of the Company U/s 257 of the Companies Act, 1956, proposing the candidature of Mr.A.Rama Kumar for the office of Director of the Company liable to retire by rotation.

### **AUDITORS:**

M/s. Rajavenkat & Associates, Chartered Accountants, Hyderabad, will retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

### **DIRECTORS RESPONSIBILITY STATEMENT:**

In pursuance of Section 217(2AA) of the Companies Amendment Act, 2000, your directors confirm —

- i) that in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanations relating to material departures.
- ii) that 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 and loss account for that period.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the company and for preventing and deleting fraud and other irregularities.
- iv) That the directors had prepared the annual accounts on the going concern basis.

### **PARTICULARS OF EMPLOYEES:**

No employee was in receipt of remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act, 1956 and the rules framed there under, as amended to date.

### **FIXED DEPOSITS:**

Your company has not accepted any deposits and as such no amount of principal or interest was outstanding on the date of the Balance Sheet.

## **SUNLINE TECHNOLOGIES LIMITED**

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Information under Section 217 (1) (e) of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988:

**a) Conservation of Energy:**

The operations of the Company involve very low energy consumption. However adequate measures have been taken to conserve the more energy.

**b) Technology Absorption:**

The Company has not imported any Technology.

**c) Foreign Exchange Earnings & Outgo:**

Foreign Exchange Earnings : Nil

Foreign Exchange Outgo : Nil

### **CORPORATE GOVERNANCE**

Your company has taken necessary measures to comply with the provisions of Clause 49 of the listing agreement with the Stock Exchanges in respect of Corporate Governance.

A report on Corporate Governance along with a certificate of compliance from the Auditors and also the Management Discussion and Analysis report are annexed separately to this Annual report.

### **GENERAL :**

The Company's shares are listed on Hyderabad, Mumbai and Kolkata Stock Exchanges and the listing fee for the year 2002-2003 has been paid.

### **APPRECIATION:**

The Directors wish to place on record their appreciation to employees at all levels for their co-operation. Your directors would also acknowledge the continued support of the Company's Shareholders.

By Order of the Board of Directors

Sd/-  
(K.SATYANARAYANA)  
Director

Place: Hyderabad  
Date : 16.05.2003

Sd/-  
(L.SIVA SHANKER REDDY)  
Director