

26th Annual Report 07-08

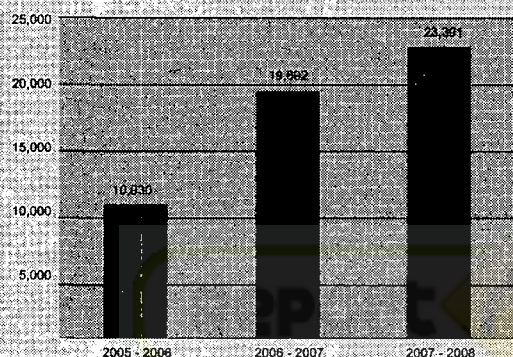


PANAMA PETROCHEM LIMITED

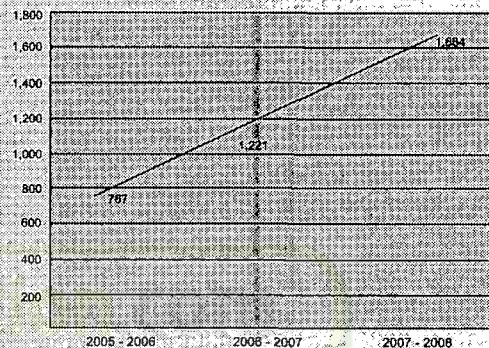
2007 - 08

Working Results at a glance

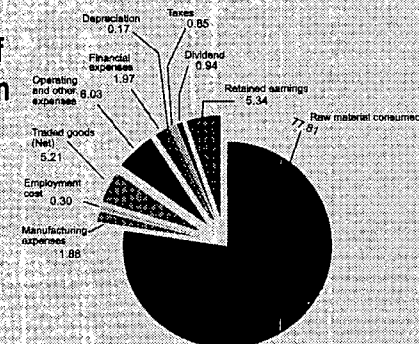
Sales (Rs. in Lacs)



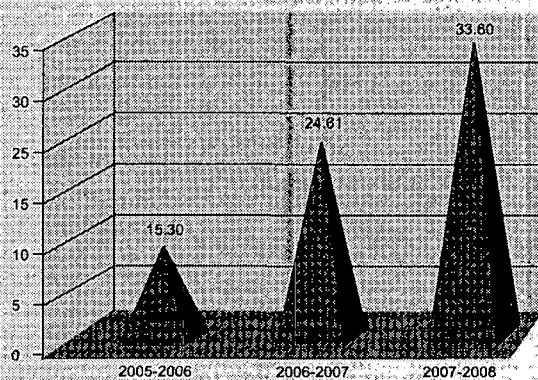
PBT (Rs. in Lacs)



Analysis of Distribution of Income



EPS (Rs.)



BOARD OF DIRECTORS

MR. BADRUDIN KASAMALI	Chairman (Independent)
MR. AMIRALI E. RAYANI	M. D. & C.E.O.
MR. S. K. UKANI	
MR. DILIP S. PHATARPHEKAR	Independent
MR. MADAN MOHAN JAIN	Independent
MR. MUKESH T. MEHTA	Independent
MR. RAJENDRA V. THAKKER	Independent
MR. AMIN A. RAYANI	
MR. SAMIR A. RAYANI	

COMPANY SECRETARY

MR. SANJAYA KHARE

AUDITORSM/S. HABIB & COMPANY
Chartered Accountants, Mumbai**BANKERS**

- INDIAN BANK • DCB LIMITED • CANARA BANK
- HSBC BANK • STANDARD CHARTERED BANK
- HDFC BANK • CITI BANK • DBS BANK LIMITED
- ICICI BANK LIMITED

LISTED AT

BOMBAY STOCK EXCHANGE LTD.

PLANTS

Ankleshwar, Daman, Taloja & Mumbai

CORPORATE OFFICE

5, Mahavir Darshan, 416 Narshi Natha Street, Mumbai -09
 Tel: 91-22-2342 7700, Fax: 91-22-2342 8702
 Website: www.panamapetro.com
 E-mail: panama@vsnl.com

REGISTERED OFFICE

Plot No: 3303, G.I.D.C. Estate,
 Ankleshwar - 393002, Gujarat.
 Tel: 91-2646-221 068, Fax: 91-2646-250281
 Email: panamaoils@satyam.net.in

REGISTRAR & SHARE TRANSFER AGENTS**BIGSHARE SERVICES PRIVATE LIMITED**

E-2, Ansa Industrial Estate, Sakinaka, Saki- Vihar Road, Andheri (E), Mumbai 400 072, Maharashtra.
 Tel: 91-22-2847 3474, FAX: 91-22-2847 5207 • E-mail: info@bigshareonline.com

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Notice

Notice is hereby given that the **TWENTY SIXTH ANNUAL GENERAL MEETING** of the Members of **PANAMA PETROCHEM LIMITED** will be held at the Conference Hall of the Registered Office of the Company at Plot No. 3303, G.I.D.C. Estate, Ankleshwar - 393 002, Gujarat, on Monday, 29th September, 2008 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31, 2008 and Profit & Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Badrudin Kasamali, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Mukesh Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Habib & Company, Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board of

Directors

Place : Mumbai
Date : 30.07.2008

Sanjaya Khare
Company Secretary

Registered office:

Plot No. 3303, G. I. D. C. Estate,
Ankleshwar - 393 002, Gujarat

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The proxy form should be lodged with the company at its registered office at least 48 hours before the commencement of the meeting.
2. Explanatory statement pursuant to Sections 173 (2) of the Companies Act, 1956, in respect of the special businesses proposed to be transacted at the Meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday the 25th day of September, 2008 to the Monday the 29th day of September, 2008 (both days inclusive).
4. Payment of dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be payable to those Shareholders whose names stand on the Register of Members of the Company as on 25th day of September 2008. In respect of shares held in the electronic form, the dividend will be payable on the basis of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose. Dividend will be paid within 30 days from the date of declaration of dividend.
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Wednesday and Public Holidays between 11.00 A.M. and 1.00 P.M. up to the date of Annual General Meeting.
6. Members desirous of obtaining any information as regards accounts and operations of the Company, are requested to write at least one week before the meeting so that the same could be complied in advance.
7. Members are requested to bring their copies of the Annual Report to the Annual General Meeting.

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the **Twenty Sixth** Annual Report together with the Audited Statements of Accounts of the Company for the year ended March 31, 2008.

Your Directors congratulate you on successful completion of the 26 years and thank you for your continuous support.

FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	For the year ended 31st March, 2008	For the year ended 31st March, 2007
Net Profit before Tax & Extra – Ordinary Items	1625.58	1220.93
Prior Period Adjustments	(58.37)	(6.68)
Net Profit Before Tax	1683.95	1227.61
Less: Provision for Taxes	204.20	178.53
Net Profit After Tax	1479.75	1049.08
Less: Transfer to Reserves	147.98	104.91
Less: Proposed Dividend including Corporate Dividend Tax	222.85	149.59
Net Profit After Appropriations	1108.92	794.58
Profit Brought Forward	1835.79	1041.21
Profit Carried Forward to Balance Sheet	2944.71	1835.79

OPERATIONS

The performance of the Company during the financial year 2007-08 has shown an improvement over the previous financial year 2006-07. The Company has achieved a sales turnover of Rs.23,391.22 lacs as against Rs.19,691.84 lacs in the financial year 2006-07 thereby showing a growth in turnover of 19% (approx.).

With the Increase in sales, the Profit after Tax for the year 2007-08 has gone up to Rs.1,479.75 lacs as against Rs.1,049.08 lacs in the year 2006-07. The Company has achieved a growth in Profit after tax of 41%. This increase is mainly due to the improved sales, addition of the new customers, improved marketing conditions and strategic management decisions.

ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS

During the year under review, pursuant to the shareholders approval at the Annual General meeting held on 29th June, 2007 the Board of Directors on 31st December 2007 issued & allotted 4,25,000 warrants convertible into even no. of Equity shares on preferential basis to the promoters of the company at a price of Rs.150/- per share (including a premium amount of Rs.140 per share). Till 31st March 2008 the company has received an amount of Rs.63.75 Lacs towards these warrants.

CONVERSION OF WARRANTS INTO EQUITY

During the year, 5,00,000 equity shares were allotted to M/s Acme Craft Pvt. Ltd on option being exercised to convert share warrants into equivalent number of equity shares at a conversion

price of Rs.153 per share including a premium of Rs.143 per share and the said amount was utilized for the working capital requirements.

DIVIDEND

In view of the continuous satisfactory performance of the Company during the Financial Year 2007-08, your Directors are pleased to recommend a dividend @ 40% for the year ended March 31, 2008. Subject to approval of the members in the Annual General meeting. The outgo on account of this dividend will absorb Rs.222.85 Lacs (including dividend tax payable Rs.32.37 Lacs).

CARE RATING

Your Directors are glad to announce that your Company has conducted the credit rating from one of the leading credit rating agency CARE and is assigned a "CARE A+" rating to the Long Term Facilities and "PR1+" rating to the Short Term Facilities.

MERGER & AMALGAMATION

A Scheme of Arrangement for De-merger of Investment Division of Mobil Petrochem Pvt. Ltd to Ittefaq Ice & Cold Storage & Co. Pvt. Ltd and Merger of Residual Business of Mobil Petrochem Pvt. Ltd with Panama Petrochem Ltd. has been proposed by the Board of Directors of these Companies. The scheme has been approved by Bombay Stock Exchange Ltd vide their letter dated 6th June 2008. However, the said scheme is subject to the approval of the Honorable High Court of Mumbai & Ahmedabad and other competent authorities, if any.

LISTING OF SHARES

Your Company's shares are listed on the Bombay Stock Exchange Ltd. The Company has paid the listing fees for the year 2008 – 2009. Your Company has also applied for the listing of the shares with National Stock Exchange Ltd.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the listing agreement with the Bombay Stock Exchange Limited the following have been made a part of the Annual Report:

- Management discussion and Analysis
- Corporate Governance Report
- Auditors Certificate regarding compliance of conditions of Corporate Governance.
- Declaration on compliance with code of Conduct.

PUBLIC DEPOSITS

Your Company has not invited any deposits from public/ shareholders in accordance with Section 58A of the Companies Act, 1956 during the year.

DIRECTORS

As per Article 39 of the Articles of Association Mr. Badrudin Kasamali and Mr. Mukesh Mehta retire by rotation in the forth coming Annual General Meeting and being eligible offers themselves for re-appointment. The Directors recommend their appointment for members approval.

AUDITORS

M/s. Habib & Company, Chartered Accountants, Mumbai, who are the Statutory Auditors, of the Company have expressed their willingness to be reappointed as Statutory Auditors for the financial year 2008-09. Your Board has proposed to reappoint M/s. Habib & Company, Chartered Accountants, Mumbai as Statutory Auditors of the Company to conduct the audit for the financial year 2008-09, subject to the approval of the members in the forthcoming Annual General Meeting. Members are requested to approve the same.

PARTICULARS OF EMPLOYEES

None of the employees of the Company are drawing remuneration as prescribed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended up to date.

EXPLANATION UNDER SECTION 217(3) OF THE COMPANIES ACT, 1956

Note No.4 of the main Auditor's Report states that the Company has not provided for the Leave Encashment payable to employees which is not in accordance with the Accounting Standard 15 as notified by the Companies (Accounting Standards) Rules 2006.

We would like to state that the Company do not have such Human Resource Policy for the payment of Leave Encashment, but we are in the process to incorporate the policy of leave encashment payable to the employees so as to make it in compliance with the Accounting Standard 15 (Revised).

ACKNOWLEDGEMENTS

We thank our Clients, Investors, Dealers, Suppliers and Bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

On behalf of the Board of Directors

Place: Mumbai
Date : 30th July 2008

BADRUDIN KASAMALI
Chairman

Annexure to the Director's Report

Information pursuant to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Director's Report.

CONSERVATION OF ENERGY

The Company has an efficient processing system effecting lesser power consumption. Company has a monitoring system at its Plants at Ankleshwar, Daman, Mumbai and Taloja for energy conservation. As an ongoing process, following measures are undertaken to conserve energy:

- Identification and replacement of low-efficient machinery in a phased manner.
- Conducting continuous energy- conservation awareness and training sessions for operational personnel.

In view of the intermix of the products it is not possible to determine consumption of electricity & fuel per unit of finished products. The required data in respect of the Energy Conservation is given below

FORM 'A'

(Amount in Rs.)

Particulars	As on March 31, 2008	As on March 31, 2007
A) Power & Fuel Consumption		
1. Electricity	3,03,045	2,49,318
a) Purchase of Units	16,72,418	15,61,445
Total Cost	5.52	6.26
Rate per Unit		
b) Own Generation		
1) Through Diesel Generator	NIL	NIL
2) Through Steam Turbine/Generator	NIL	NIL
2. Coal	NIL	NIL
3. Furnace Oil	NIL	NIL
4. Diesel Oil	NIL	NIL
5. Others (Gas)		
Quantity	37,679	7,961
Total Cost	4,99,272	75,200
Rate per Unit	13.25	9.45

TECHNOLOGY ABSORPTION

The Company has an updated R & D Center at its Ankleshwar Plant. It is equipped with all the advanced technological facilities with the latest instruments. The R & D Center is operated by the team of well qualified and experienced technocrats.

On behalf of the Board of Directors

Place: Mumbai
Date : 30th July 2008

BADRUDIN KASAMALI
Chairman

Management Discussion And Analysis Report

Industry Structure and Development

Panama Petrochem Limited is one of the growing companies in the field of various grades of petroleum specialty. The Company manufactures specialty petroleum products for diverse user industries like printing, textiles, rubber, pharmaceuticals, cosmetics, power and other industrial oil. The Product Portfolio of the Company consists of Transformer Oil, Liquid Paraffin, Petroleum Jelly, Cable Jelly, Ink Oil, Rubber Process Oil, and Antistatic Coning Oil.

The demand for Transformer Oil depends on the development of power projects and industrialization in the country. The development of Liquid Paraffin and Petroleum Jelly business depends on the growth of cosmetics, pharmaceuticals and related fields. The Cable Jelly is used as a filling and flooding compound in the telecom cables. The demand for the Ink Oil is based on conditions in the Printing Ink and Resin manufacturing business. The Rubber Process Oil is used for processing of rubber for automobile tyres, tube and various rubber products. The Antistatic Coning Oil is required in texturing the synthetic yarn like viscose, nylons and polyesters. With the overall improvement in the Indian economy since past two years, the general demand for petroleum products has been steadily improving. The Company has captured a significant share in the market for the various grade of petroleum specialty.

The Company manufactures more than 80 product variants used across 6-7 broad industry segments. Over the years, the Company has nurtured strong relationships with the leaders in their respective segments. The Company's clientele includes Bharat Petroleum Corporation, Micro Inks, Alok Industries, Merck, Cipla and Government Ordinance factories. The products are usually manufactured according to the client's individual specifications, thus enhancing the probability of repeat orders from the clients.

Opportunities:

With increasing industrialization, focus on infrastructure development, quota free regime in textiles and out sourcing boom, the demand for the petroleum products manufactured by the company is likely to further improve in the coming years. The relationship established by the company with the above said clientele would augur further growth in its business. Moreover, the company has been increasing its presence in the export markets of USA, Africa, Europe and Asia.

The Company has developed a new product called Mining Oil. This product is still in its testing stage and will than be introduced in the market for the consumption in the Mining Industries.

Threats:

Changes in Government policies, especially regarding import of Base Oil will have an adverse impact on the performance of the company. However, considering the multifarious purposes for which the Base Oil is used and the domestic supplies are not adequate to meet the domestic demand, the possibilities for such adverse changes in Government policies appear to be remote.

Future Outlook

The Company is planning to expand its operations to withstand against the negative market forces. During the year 2007-2008, the Company has achieved a remarkable increase in the turnover. There are considerable profits from all the four plants of the company and the Company is hopeful to override the adverse effects of the price fluctuations in the petroleum industry by resorting to bulk purchases and cost control measures.

Risks and Concerns

The performance of the Company is subject to the Government Policies for tax structure, interest rates, Export incentives etc. The profitability of the Company depends on the prices and availability of the Base Oils. The prices of base oil have increased during the last year and have resulted in corresponding increase in cost of production. However as a general practice in the industry, the higher input costs are passed on to the customers.

Internal Control System and their adequacy

The Company has an effective and adequate system of internal control to ensure that all assets are safeguarded against loss and all transactions are authorised, recorded and reported correctly. The Company has set up an Internal Audit Committee to review the operational efficiencies. The Committee evaluates the performance of the Company and puts forth its findings and suggestions before the Audit Committee for its review.

On behalf of the Board of Directors

BADRUDIN KASAMALI

Chairman

Place: Mumbai

Date: 30th July 2008

Corporate Governance Report

1. Brief statement on Company's philosophy on code of governance

Panama Petrochem Limited believes in adopting the best practices in the area of Corporate Governance and follows the principles of fair representation and full disclosure in all its dealings and communications, thereby protecting the rights and interests of all its stakeholders.

2. Board of Directors

The composition of the Board of Directors is as follows:

- | | |
|--|----------------------------|
| 1. Promoter Directors | 2 |
| 2. Executive Directors | 4 (2 included in 1. Above) |
| 3. Non-Executive Directors | 5 |
| 4. Independent Non-Executive Directors | 5(5 included in 3. Above) |
| 5. Nominee & Institutional Directors | Nil |

Seven Board Meetings were held during the year 2007-08 on following date.

- | | |
|---------------|---------------|
| 1. 29.06.2007 | 5. 31.12.2007 |
| 2. 31.07.2007 | 6. 10.01.2008 |
| 3. 31.08.2007 | 7. 31.01.2008 |
| 4. 31.10.2007 | |

Attendance of each Director at the Board Meeting and the last Annual General Meeting:

	Board of Directors as on March 31, 2008	Attendance details	
		Board Meeting	Last AGM
1	Mr. Badrudin E. Kasamali	6	Yes
2	Mr. Amirali E. Rayani	7	Yes
3	Mr. S. K. Ukani	7	Yes
4	Mr. Amin A. Rayani	7	Yes
5	Mr. Samir A. Rayani	3	Yes
6	Mr. Mukesh T. Mehta	5	No
7	Mr. Rajendra V. Thakker	3	No
8	Mr. Dilip S. Phatarphekar	4	No
9	Mr. Madan Mohan Jain	3	No

Details of other Directorships / Committee Chairmanship or Membership of each Director:

	Board of Directors as on March 31, 2008	No. of Directorships in other Boards*	No. of other committees (Other than Panama Petrochem. Ltd) in which Chairman/Member	
			Chairman	Member
1	Mr. Badrudin E. Kasamali	Nil	Nil	Nil
2	Mr. Amirali E. Rayani	Nil	Nil	Nil
3	Mr. S.K. Ukani	1	Nil	Nil
4	Mr. Amin A. Rayani	Nil	Nil	Nil
5	Mr. Samir A. Rayani	Nil	Nil	Nil
6	Mr. Mukesh T. Mehta	Nil	Nil	Nil
7	Mr. Dilip S. Phatarphekar	1	1	2
8	Mr. Madan Mohan Jain	Nil	Nil	Nil
9	Mr. Rajendra V. Thakker	Nil	Nil	Nil

Excludes Directorships in Private Limited Companies, Foreign Companies and Companies registered under Section 25 of the Companies Act, 1956.

Details of Directors seeking appointment/re-appointment:

Sr. No.	Particulars	Name of the Director	
		Mr. Badrudin Kasamali	Mr. Mukesh Mehta
1.	Date of Birth	17.10.1935	20.07.1958
2.	Date of Appointment	30.09.2005	30.09.2005
3.	Qualification	Senior Cambridge	B.Com
4.	Experience in specific Field	Mr. Kasamali possesses rich experience in fund management business nearly three decades. He is well versed in financial and accounting matters and has good analytical skills.	Mr. Mehta has vast experience in field of export and has good knowledge in formulation of business plans and export strategies
5.	List of Co. in which as a Director	NIL	NIL
6.	Membership Held	Audit Committee, Remuneration Committee & Shareholders Grievance Committee of Panama Petrochem limited	Audit Committee, Remuneration Committee & Shareholders Grievance Committee of Panama Petrochem limited

3. Audit Committee (AC)

Terms of reference of Audit Committee.

Review of the Company's financial statements and financial/risk management policies. Review of the adequacy of the internal control systems. Discussion with the Management

and the External Auditors, the Audit Plan for the financial year and a joint post-audit review of the same.

Composition, name of member and Chairman of Audit Committee

	Name	No. Of AC Meetings held during the year	No. of AC Meetings attended
1	Mr. Badrudin E. Kasamali (Chairman)	4	4
2	Mr. Rajendra V. Thakker	4	4
3	Mr. Mukesh T. Mehta	4	4
4	Mr. Amin Rayani	4	4
5	Mr. Sanjaya Khare (Company Secretary)	4	4
	Special Invitees		
	Mr. Amiral E. Rayani (Managing Director & C.E.O.)	4	4

4. Remuneration Committee (RC)
Terms of reference of Remuneration Committee

The Remuneration Committee is responsible for determining the compensation payable to the Managing Director and Whole time Directors based on industry practice and performance of the individual

Composition, names of Members of Remuneration Committee and their attendance at Meeting.

	Name	No. of RC Meeting held during the year	No. of RC Meeting attended
1	Mr. Badrudin Kasamali	1	1
2.	Mr. Rajendra V. Thakker	1	1
3.	Mr. Mukesh T. Mehta	1	1
4.	Mr. Sanjaya Khare (Company Secretary)	1	1

Remuneration Policy

Payment of remuneration to Managing Director and Whole time Directors will be governed by the terms of their respective appointments and will be recommended by the Remuneration Committee and further is subject to the approval of the limits set by the Shareholders at the Annual General Meeting.

	REMUNERATION	DIRECTORS		
		Executive Directors		Non-Executive Directors (Rs.)
		Mr. Amiral E. Rayani (Rs.)	Mr. S.K. Ukani (Rs.)	
(a)	Salary & Allowances	1,44,000	3,50,000	NIL
(b)	Benefits & Perquisites	NIL	NIL	NIL
(c)	Bonus / Commission Additional Salary		NIL	NIL
(d)	Pension, Contribution to Provident fund & Superannuation Fund	NIL	NIL	NIL
(e)	Directors Sitting Fee	NIL	NIL	30,000
(f)	Stock Option Details (if any)	The Company does not offer any Stock Options.		

5. Shareholders' Grievance Committee
Composition of Shareholders' Grievance Committee

1	Mr. Badrudin Kasamali	Independent & Non Executive Director-Chairman
2	Mr. Mukesh Mehta	Independent & Non Executive Director-Member
3	Mr. Amiral E. Rayani	Managing Director & C.E.O.-Member
4	Mr. S.K. Ukani	Executive Director-Member
5	Mr. Sanjaya Khare	Company Secretary

Name & Designation of the Compliance Officer

Mr. Sanjaya Khare, Company Secretary is the Compliance Officer of the Company. .

Shareholders may send their complaint for redressal to the e-mail ID: **cs@panamapetro.com**

During the year, 15 complaints were received from the shareholders and all of which have been resolved to the satisfaction of the shareholders to the date. There are no outstanding complaints as on March 31, 2008. There are no transfer requests pending at as on March 31, 2008

6. General Body Meetings
Annual General Meeting during the last three years

During the last 3 years, the Annual General Meetings were held at the Registered Office of the Company i.e. at Plot No:3303, GIDC Industrial Estate, Ankleshwar-Gujarat 393 002 on the following dates.

Financial Year Date and time

2006-07 Saturday, September 29, 2007 at 11.00 A.M.

2005-06 Friday, September 29, 2006 at 11.00 A. M.

2004-05 Friday, September 30, 2005 at 11.00 A.M.

No Special Resolution was passed through Postal Ballot during the last year.

7. Disclosures
a) Related Party Transactions

Materially significant related party transactions are disclosed in Note No. 10 of Schedule Y as a part of the Annual Accounts as required under the Accounting Standard 18 relating to Related Party Disclosures.

b) Disclosure of Accounting treatment

In the preparation of the financial statements, the Company has followed the accounting standards notified by the Companies (Accounting Standards) Rules, 2006 to the extent applicable.

c) Proceeds from Preferential issue.

During the year under review, the Company has issued 4,25,000 warrants convertible into even no. of Equity shares of Rs.10/- each to promoter and the same are outstanding for conversion.

The money received on said issue has been utilized for the purpose which it has been raised.

- d) Conversion of warrants into equity:** During the year, 5,00,000 equity shares were allotted to M/s Acme Craft Pvt. Ltd on option being exercised to convert share warrants into equivalent number of equity shares at a conversion price of Rs.153 per share including a premium of Rs.143 per share and the said amount was utilized for the working capital requirements.

e) Disclosure of Risk management

The Company has initiated the risk assessment and minimization procedure.

f) CEO Certification

In terms of the requirements of Clause 49(v) of the Listing Agreement, the CEO has submitted necessary certificate to the Board at its meeting held on 30th July 2008 stating the particulars specified under the said clause.

Details of Non-compliance

The Company has ensured the necessary compliance with the requirements of the Stock Exchanges, SEBI and other authorities related to capital market and the details of non-compliance and penalties are not applicable.

8. Means of Communication

The Company's website www.panamapetro.com provides comprehensive information about its portfolio of businesses.

The Quarterly and Annual Results are published in the widely circulating national and local newspapers. All these results including the entire Report and Accounts, are posted on SEBI's Electronic Data Information Filing and Retrieval System (EDIFAR) website.

Information relating to the shareholding pattern is also displayed on SEBI's EDIFAR website.

The Management Discussion & Analysis Report forms part of this Annual Report.

9. General Shareholder Information

AGM date, time and venue

The Annual General Meeting is scheduled on Monday, 29th September, 2008 at 11.30 A.M. at the Conference Hall, Registered Office of the Company at Plot No: 3303, GIDC Industrial Estate, Ankleshwar -393 002 Gujarat

Financial Calendar

First Quarter Results- By the end of July' 2008
Second Quarter Results- By the end of October'2008
Third Quarter Results- By the end of January'2009
Result for the year ending- By the end of June' 2009

Date of Book Closure : 25th September, 2008 to 29th September, 2008 (Both days inclusive)

Dividend payment date : within 30 days from the declaration of the dividend.

Listing on Stock Exchange

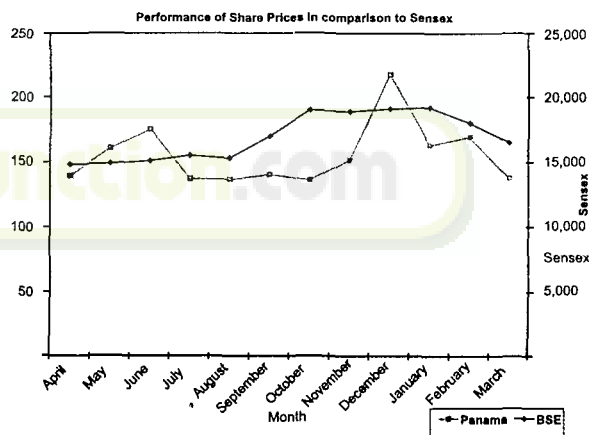
Bombay Stock Exchange Ltd. Mumbai (Stock Code 524820)

Market Price Data

The high and low Market Price of the Company's shares traded on the Stock Exchange, Mumbai during each month in the financial year ended March 31, 2008 is given below.

At Bombay Stock Exchange Ltd.

Month	High (Rs.)	Low (Rs.)
April	151.90	128.00
May	165.00	136.00
June	193.40	160.05
July	182.50	132.30
August	150.60	128.00
September	156.00	130.60
October	149.50	125.00
November	184.60	140.00
December	224.90	153.00
January	269.90	136.75
February	220.00	150.00
March	167.30	115.25



Registrar & Share Transfer Agent

BIGSHARE SERVICES PRIVATE LIMITED

Unit: PANAMA PETROCHEM LIMITED
E-2, Ansa Industrial Estate, Saki-Vihar Road,
Sakinaka, Andheri (E), Mumbai: 400 072
Tel. No.: 91-22-2847 3474 Fax No: 91-22-2847 5207
Email: info@bigshareonline.com
Contact Persons: **Ms. Rajeshree / Mr. Flavia D'Souza**

Share Transfer System

The Company has constituted Share Transfer and Shareholders Grievance Committee which normally meets twice in a month to process the share transfer. The shares of the Company can be transferred by lodging Transfer Deeds and Share Certificates with the Registrars & Share Transfer Agents viz. M/s Bigshare Services Pvt. Ltd. (Address as mentioned above). The Shareholders have option of converting their holding in dematerialised form and effecting the transfer in dematerialised mode.