

PANJON LIMITED, INDORE

ANNUAL REPORT
2009-10

PANJON LIMITED

11/12, Govt. Bazar, 13-14 R.N.T. Marg, Indore (M.P.)

PANJON LIMITED
Regd. Office: 13-14, Dawa Bazar, R. N. T. Marg,
Indore (M.P.)

NOTICE

Notice is hereby given to all the members of the Company that the Annual General Meeting of the Company will be held on Thursday the 30th September, 2010 at 11 A.M. at the Registered Office of the Company situated at 13-14, Dawa Bazar, R. N. T. Marg, Indore, (M.P.) to transact the following:

ORDINARY BUSINESS

1. To receive and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account of the Company for the year ended on 31st March, 2010 and the report of the Directors & Auditors thereon
2. To appoint Auditors to hold the office till the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors in addition to reimbursement of out of pocket expenses.
3. To appoint Director in place of Smt. Sujan Bai Kothari who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Director in place of Shri Amit Mehta who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

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

RESOLVED THAT pursuant to the provision of section 257 of the Companies Act, 1956 Smt. Anjal Shukla, in respect of whom the Company has received a notice under section 257 in writing proposing the candidature for the office of the Director, be and hereby elected and appointed as Director of the company.

For Pannon Limited,

Managing Director

By Order of the Board
PANJON LIMITED


CHAIRMAN

Place: Indore
Date: 02.09.2010

PANJON LIMITED
Regd. Office: 13-14, Dawa Bazar, R. N. T. Marg,
Indore (M.P.)

Notes :

1. MEMBERS ENTITLED TO VOTE CAN BE REPRESENTED BY PROXY. PROXIES TO BE ELIGIBLE MUST BE DEPOSITED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXY NEED NOT BE MEMBER OF THE COMPANY.
2. Members are requested to notify immediately the change, if any in their address with Pin Code giving their Registered folio No., No. of Shares held Etc.
3. Member are requested to bring their copy of the Annual Report at the Meeting
4. For the convenience of the members, attendance slip is annexed to the Proxy Form. Members are requested to fill in and put their signatures at the space provided therefore and handover the Attendance slip at the entrance of the place of the meeting. Proxy/ Representative of a member should mark on the attendance slip "proxy" or Representative as the case may be.
5. The Register of Members and share Transfer Books shall remain closed from 29th September 2010 to 30th September 2010 (both days inclusive)

Explanatory statement pursuant to section 173 of the Companies Act, 1956

Item No. 5

Company has received a notice under section 257 of the Companies Act, 1956 proposing the candidature of Smt. Anjali Shukla, for being appointed as the Director of the company along with the deposit of Rs. 500/- with the Company. Board of Director places before the shareholder the candidature of Smt. Anjali Shukla, for being appointed as director of the company

By Order of the Board
PANJON LIMITED


CHAIRMAN

Place: Indore
Date: 02.08.2010


Managing Director

PANJON LIMITED
Regd. Office: 13-14, Dawa Bazar, R. N. T. Marg,
Indore (M.P.)

DIRECTORS' REPORT

To,
The Members,
PANJON LIMITED
Indore

Your Board of directors have pleasure in presenting their Annual report on the business and operations of the Company along with the Audited Balance Sheet and Profit & Loss Accounts for the year ended 31st March, 2010.

1. FINANCIAL RESULTS:

Financial Results of the company for the year under review alongwith the comparative figures for previous year are as follows:

	Year ended 31st March	
	2010	2009
Total sales/Income from operations	107216758.00	185831767.00
Expenditure	106079343.00	185218270.00
Profit before Tax	337415.00	612497.00
Less: Income Tax (Last year)	18121.00	24519.00
Provision for Income Tax	51000.00	55000.00
Less - Provision For Fringe Benefit Tax	0.00	39420.00
Profit before Deferred Tax	268294.00	493858.00
Add: Deferred Tax Assets	23211.00	85395.00
Profit/(Loss) After Deferred Tax	(291505.00)	(500313.00)

2. DIVIDEND:

Your Directors do not recommend any dividend and proposes to utilize the funds for its Capital needs.

3. REVIEW ON OPERATIONS:

During the year under review, your Company is facing stiff Competition with the multi national companies and small companies like Panjon is facing the sever competition, resulting the profitability of the Company has been adversely affected. Your Directors are making constant more efforts to generate the more profits to the Company. Your directors look forward for better working results in the years to come.

For Panjon Limited,


Managing Director

PANJON LIMITED
Regd. Office: 13-14, Dawa Bazar, R. N. T. Marg,
Indore (M.P.)

4. ENVIRONMENTS, SAFETY AND ENERGY CONSERVATION:

The company is taking the steps for the environment safety and the energy conservation. Your company has recorded further reduction in specific energy consumption over the previous year, through productivity improvements, induction of innovative energy-efficient process technologies and recycling/reuse of energy stream where feasible.

To conserve ground water, your company has embarked on rainwater harvesting projects at the manufacturing site and greening of barren land around factory. Further a comprehensive health check of all its employees.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has reasonably system of internal control comparing authority levels and the powers, supervision, checks, policies and the procedures. The company has constituted the Audit Committee under the Chairmanship of Shri Amit Mehra. The said Committee reviews the adequacy of internal controls systems and the Compliance thereof.

Further the annual financial statement of the company are reviewed and approved by the committee and placed before the Board for the consideration. The Committee also reviewed the internal controls system during the year.

6. SHARE CAPITAL & LISTING:

The Company has applied for listing of the 49,82,600 equity shares of Rs. 10/-each issued on preferential basis on 1st June 2002 and 5,00,000 shares further issued at premium of Rs. 1/- each on preferential basis on 7th Feb. 2006. Necessary approval from the Madhya Pradesh Stock Exchange & Mumbai are awaited. The Company's Existing Equity Shares before preferential allotment are listed with the M. P. Stock Exchange (Regional) & Stock Exchange (Mumbai).

The Equity Shares of the Company may also be kept in the electronic form as your company has connectivity from the Central Depository Services Ltd. (CDSL) and National Security Depository Services Limited (NSDL).

The trading of the Equity Shares of the Company has been suspended by the BSE w.e.f. 20th September 2006. The Company is making all the efforts to revocation of the suspension in order to regularize the trade in the shares of the company in the best interest of the investors.

7. DIRECTORS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning. Shri Prakash Doshi and Shri Bijay Singh Thakur, directors of the Company will retire at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment.

During the year Board has appointed Mrs. Anjali Shukla as Additional Director of the Company. Company has also received a notice under Section 257 of the Companies Act, 1956 specifying the candidature of Mrs. Anjali Shukla to be appointed as Regular Director.

FOR THE COMPANY


Managing Director

PANJON LIMITED
Regd. Office: 13-14, Dawa Bazar, R. N. T. Marg,
Indore (M.P.)

8. AUDITORS' AND THEIR REPORT:

Comments of the Auditors in their report and the notes forming part of the Accounts are self explanatory and need no comments. M/s. Triok Jain & Co., has to vacate their office at the conclusion of the ensuing Annual General Meeting and being eligible offers them selves for re-appointment. The Company has obtained a certificate from them in accordance with the provisions of section 224(1B) of the Companies Act, 1956.

9. DEPOSITS:

Your Company has not accepted within the meaning of the provisions of section 56A of the Companies Act, 1956. There was no overdue/unclaimed deposit as at the date of the Balance Sheet.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956, your directors state that:

- (i) In the preparation of accounts, the applicable accounting standards have been followed.
- (ii) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company as at the end of March 31, 2010 and the profit of the company for the year ended on that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- (iv) The annual accounts of the company have been prepared on the going concern basis.

11. CORPORATE GOVERNANCE:

Corporate governance assumes a great deal of importance in the business life of the company. The driving forces of the corporate governance of company are its core values, belief in people, entrepreneurship, customers orientation and the Pursuit of Excellence. The company's goal is to find creative and productive ways of delighting its stakeholders, i.e., investors, customers and associates, while fulfilling the role of a responsible corporate representative committed to the best practices.

12. PERSONNEL:

The Company continued to have cordial relations with its employees during the year under review.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1989 is enclosed herewith:

Per:  Managing Director

Managing Director

PANJON LIMITED
Regd. Office: 13-14, Cowd Bazar, R. N. T, Marg,
Indore (M.P.)

14. ACKNOWLEDGEMENTS:

Your directors wish to place on record their sincere appreciation and acknowledge with gratitude for the assistance, cooperation and encouragement by valued customers, suppliers, bankers, shareholders and employees of the company and look forward for their continued support.

By Order of the Board
PANJON LIMITED


CHAIRMAN

Place: Indore
Date: 02.03.2010


Managing Director

PANJON LIMITED
 Regd. Office: 13-14, Dawa Bazar, R. N. T. Marg,
 Indore (M.P.)

Annexure to the Directors Report
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1958 are as under:

A. CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

1. Efficient maintenance of traps, valves, pipe lines etc. to reduce fuel consumption in boiler.
2. Replacement of old type steam traps by bucket traps.
3. Proper control of the bumpers and safety valves.
4. Efficient control of air conditioning on and off times.
5. Use of dry process (Roll Compactor) for panjon tablets in place of weight process and drying in fluidized bed drier which has reduced a lot of power consumption.

(b) Additional investments and proposals, if any being implemented for reduction of consumption of energy. Apart from the above-mentioned measures, no areas are continuously explored and decided to reduce the consumption of energy.

(c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

The above measures have resulted in energy saving and consequent decrease in cost of production.

(d) Total energy consumption and energy consumption per unit of production:

B. POWER AND FUEL CONSUMPTION:

	Current	Previous Year	
1. Electricity (Purchased) Units			
2. Total amount (Rs.)	1124508	1205815	
3. Rate per unit (Rs.)			
2. Electricity (Generated) units through Diesel Generators units		No	No
Units per Lit. Of Diesel Oil		No	No
Cost per Unit (Rs.)		No	
No			
3. Coal (Specify quality & where used) Coal used in			

C. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT:

(1) Research & Development:

- Successfully developed and fully in house indigenous circular oriented printing machine, which can print capsules in a circumference of 250 degrees. - Process debottlenecking at all stages of production etc.
- Development in the area of timing collection by efficient vacuum cyclone system.
- Automation in the area of physical test checking for finished product.
- Automation in the area of packing section.

R&D Expenditure: Not quantified separately.

(2) Technology Absorption, adaption and innovation:

(a) Efforts in brief made towards technology absorption, adoptions innovation:


Managing Director