

SANJIVANI PARANTERAL LTD.**DIRECTORS' REPORT**

Dear Member,

Your Directors present herewith the Ninth annual report together with the Audited Statement of accounts for the year ended 31st March 2003.

FINANCIAL RESULTS:

	As at <u>31.03.2003</u>	(Rs. In lakhs) As at <u>31.03.2002</u>
Sales & Other Income	1256.52	1918.24
PBID	201.66	176.09
Interest	145.12	123.42
Depreciation	50.80	30.32
Profit/(Loss) before Tax	5.74	22.35
Provision for Tax	0.5	2.00
Profit/(Loss) after Tax	5.24	20.35

FORFEITED OF EQUITY SHARES:

The capital has forfeited 197500 equity shares for non payment of allotment Money vide Board resolution date 31st July 2003.

DIVIDEND:

In view of loss incurred by the company in the year under review your directors regret their inability to declare any dividend.

OPERATIONS:

Last financial year, though the Industry Scenario was not encouraging, but only Pharma Industry were able to survive. Your Company being one of the very few injectable manufactures having WHO Recognition was able to withstand the recession period although the decline in the turnover. Your Directors are confident that in the current year company will achieve 15 to 20% increase in the turnover .

SANJIVANI PARANTERAL LTD.

FIXED DEPOSITS

During year under review the company has not accepted any deposit within the meaning of section 58A of the Companies' Act, 1956 read with the companies (Acceptance of Deposit) Rules, 1975 as amended.

DIRECTORS

Mr. Sanjiv T. Satam retires by rotation at ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

STATEMENT OF DIRECTORS' RESPONSIBILITY:

Pursuant to the requirement of section 217(2AA) of the Companies Act, 1956, the Board of Directors hereby state that:

- (a) in preparation of annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departure;
- (b) the directors had selected such accounting policies and applied them consistently and made judgment 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;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- (d) the directors had prepared and annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to clause 49 of Listing Agreement, a Report on Corporate Governance is given in Annexure.

AUDIT COMMITTEE:

Pursuant to section 292A of the Companies Act, 1956, an audit committee was constituted comprising the following Directors

Name of Directors

A.H. Khemka	Chairman
Ashwin Khemka	Member
Ashutosh Shastri	Member

SANJIVANI PARANTERAL LTD.**DELISTING OF SHARE FROM STOCK EXCHANGE:**

Presently, the equity share of the company are listed on the Stock Exchange, Mumbai, The Stock Exchange Ahmedabad and Magadh Stock Exchange Association Ltd. Since the share of the company are not being trade it has been consideration advisable to propose the delisting of equity share of the company from The Stock Exchange Ahmedabad and Magadh Stock Exchange Association Ltd. Subject to necessary approvals.

AUDITORS:

Messrs. A.P.Doshi & Co., Chartered Accountants, retire as Auditors of the Company at the conclusion of the forthcoming Annual General Meeting and Being eligible offer themselves for re-appointment.

DISCLOSURES:**A) PARTICULAR OF EMPLOYEES**

Since the company does not have any employees drawing remuneration in excess of Rs. 24,00,000 p.a. or Rs. 2,00,000 per month the information required pursuant to provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, have not been given.

B. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Additional information as required in terms of the provisions of section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particular in the report of the Board of Directors) Rule, 1988 in respect to above matters is given below:

	<u>2002-03</u>	<u>2001-02</u>
A) Power and Fuel Consumption		
1. Gas and Electricity		
a) (i) Gas	--	--
(ii) Electricity:		
Unit :	688500	7611191
Total Amt.(Rs.)	2894401	3326477
Rate/per unit	4.20	4.370
b) Own Generation:	--	--
2. Coal	--	--
3. Furnace Oil, LSHS & L.D.Oil :		

4. Other / Internal Generation: -- --

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A.P. DOSHI & CO.
CHARTERED ACCOUNTANTS

The Members of
SANJIVANI PARANTERAL LIMITED.

We have audited the attached Balance Sheet of SANJIVANI PARANTERAL LIMITED, at 31st March, 2003 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books,
- iii. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- iv. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of Section 211 of the Companies Act, 1956;
- v. On the basis of written representations received from the directors, as on 31st March, 2003, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2003 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2003; and
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

FOR A. P. DOSHI & CO.
CHARTERED ACCOUNTANTS.



(AMIT P. DOSHI)
PROPRIETOR

PLACE : MUMBAI
DATED : 28th August, 2003

201, Bhaveshwar Complex, Opp. Railway Station, Vidya Vihar (West), Mumbai 400 086
 Tel : 2514 68 54/ 2514 68 55 E- Mail : apdoshi@rolltanet.com

A.P. DOSHI & CO.
CHARTERED ACCOUNTANTS

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The Fixed Assets have been physically verified by the management at regular interval and no material discrepancies were noticed on such verification.
2. None of the Fixed Assets have been revalued during the year.
3. The stock of finished goods and spare parts have been physically verified by the management during the year. In our opinion, the frequency of the verification is reasonable.
4. In our opinion and according to the information and explanations given to us the procedure of physical verification of stock followed by the management were found reasonable and adequate in relation to the size of the company and nature of its business.
5. No material discrepancies have been noticed during such physical verification.
6. On the basis of our examination of stock records in our opinion, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles.
7. In our opinion, the rate of interest and other terms and conditions on which loan have been taken from company listed in the Register maintained u / s. 301 of the Companies Act, 1956 and from companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956, are not prima facie prejudicial to the interest of the company.
8. Rate of interest and other terms and conditions on loans granted, secured or unsecured to Companies, firms or other parties listed in the register maintained u/s.301 and / or to Companies under the same management as defined under sub-section (1-B), of the Section 370 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
9. Parties to whom loans or advances in the nature of loan have been granted by the Company are repaying the principal amounts as stipulated and are also regular in payment of interest wherever applicable.
10. In our opinion, the company has an adequate internal control procedure commensurate with its size and nature of its business, for the purchase of goods, equipment and other assets and for sale of goods.
11. The transactions of purchase of goods and materials & sale of goods, materials & services made in pursuance of contracts or arrangements entered in the register(s) maintained u/s. 301 of the Companies Act, 1956 (1 of 1956), as aggregating during the year to Rs. 50,000 (Rupees Fifty Thousand) or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or

