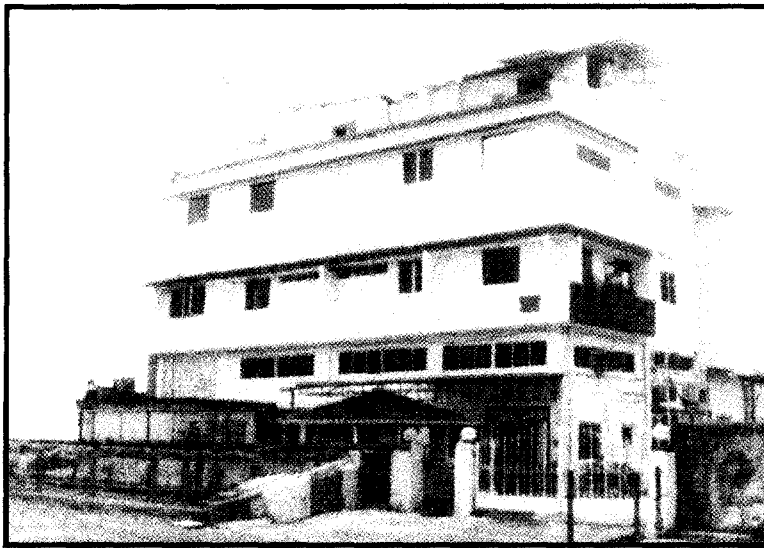
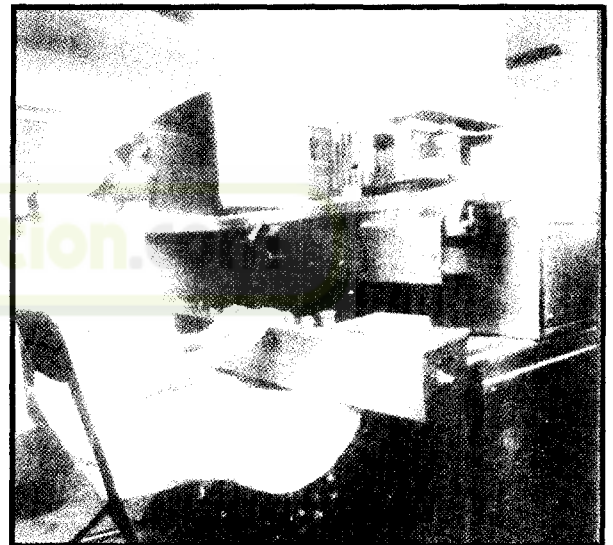


SANJIVANI

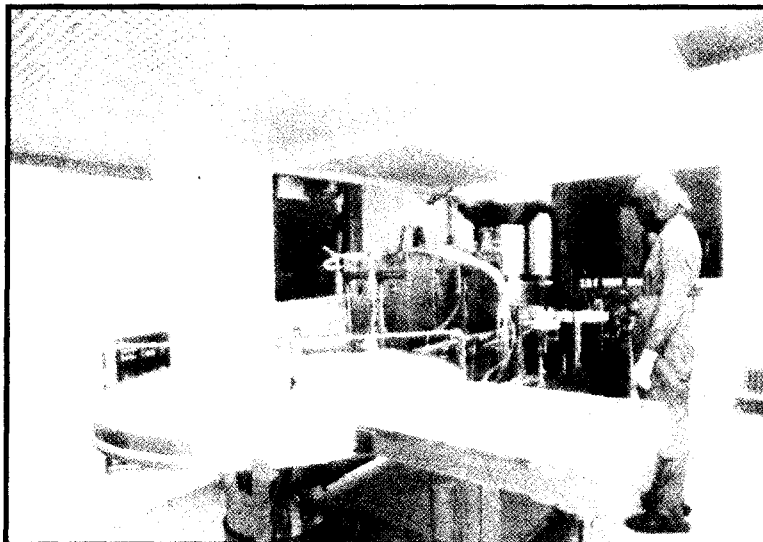
**11th Annual Report
2004-2005**



PLANT SITE



CHECKING AREA



STERILE AREA



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SANJIVANI PARANTERAL LIMITED

BOARD OF DIRECTORS

A. H. Khemka Chairman
Ashwin Khemka
Sanjiv T. Satam
Narmadeshwar R. Chaube
Harold Crasto

AUDITORS

M/s. A.P. Doshi & Co.
Chartered Accountant
Mumbai.

BANKERS

The Thane Janata Sahakari Bank Ltd.
Khopat Branch,
Thane.

REGISTERED OFFICE

205, P. N. Kothari Industrial Estate,
L. B. S. Marg, Bhandup (W),
Mumbai - 400 078.

REGISTRAR & TRANSFER AGENT

Intime Spectrum Registry Pvt. Ltd.
C-13, Pannalal Silk Mills Compound, L. B. S. Marg,
Bhandup (West), Mumbai - 400 078.



MANAGEMENTS' DISCUSSION & ANALYSIS

• **Current Years Outlook & Future Plans :**

During the year under review, the Company has made a history by achieving record sales & profit.

Your directors are pleased to inform you that your Company is the first in India to launch TRENEXAMIC ACID INJECTION during the year 2004-05.

Your directors are proud to inform you that efforts of your company to register the product in CIS countries have yielded results and two of products of the company are successfully registered in CIS countries. This will enable your company to export these products directly to CIS countries which is expected to contribute to the bottom line of your company in the coming years.

Also, the application of your company for registration of other 15 products in CIS and other countries like Vietnam, Malaysia, Far East Countries is pending. Since the Company is holding **WHO-GMP Certificate** from last 6 years, the approval is not expected to pose any hazard for the said registration..

Besides this, your company has decided to enter in the business of direct Institutional Supply. Your Company has bagged order Kerela Government through VHB Lifesciences Inc.

The Government of India implemented the **Schedule-M (a new guidelines for the Pharma Industry)** w.e.f. 1st July'2005. Your Directors are proud to inform you that your Company already adheres to the requirement of guidelines contained in Schedule-M.

Considering the above points, your Directors are confident of achieving better results for the financial year 2005 - 2006.

• **Shareholders Fund :**

The Shareholders' fund remains same at Rs.485.53 Lakhs. Your company has issued fully convertible warrants which is expected to augment the resources of the company by Rs. 627 Lakhs. This will help company achieve its future expansion plans.

• **Fixed Assets and Capital Expenditure :**

The Total Gross Block at the end of 2004-05 is Rs.1124 Lakhs, up by 39% by way of introduction of Automation in manufacturing. Net block stood at 863 Lakhs

The total capital expenditure during the year was about 315.00 Lakhs

• **Internal Control System :**

The Company has established procedure for purchase of raw materials and stores, manufacture of finished goods as well as for its sale. Proper procedure exists for receipt/transfer of raw materials, stores and finished products as well as their proper accounting, including frequently physical verification thereof The Audit Committee of the Board reviews the procedure periodically and the action recommended by the Audit Committee is initiated to remedy any weakness in the system.

• **Human Resources :**

The total 150 employees are employed, including staffs & workers in the organization to carry out day to day work. All types of know-how and training is provided to these employees to explore their talent for the benefits of the organization.



SANJIVANI PARANTERAL LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present herewith the Eleventh annual report together with the Audited statement of accounts for the year ended 31st March 2005.

FINANCIAL RESULTS

	<u>2004-05</u>	(Rs. In Lakhs) <u>2003-04</u>
Sales & Other Income	3080.90	1318.52
Profit Before Interest & Depreciation	466.29	173.56
Interest	147.87	120.66
Depreciation	47.33	35.96
Profit Before Tax	271.09	16.95
Provision for Tax	75.00	1.31
Profit After Tax	196.09	15.64

After 3 lean years of sales, your company has achieved tremendous growth in sales & profitability. During the year under review, Company achieved record growth of 133.66 % in sales compared to the previous year. Record growth in sales has contributed to 1499.35 % rise in profit before tax and 1153.77 % rise in Profit after Tax.

DIVIDEND

Your directors regret their inability to declare any dividend to conserve the resources of the Company for future development plan.

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

Shri Ashwin Khemka, retires by rotation at ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Shri Fatehchand Pareek, Mrs. Vijaya Ramalingam and Shri Asutosh Shastri ceased to be directors by resignation with effective from 29th April'2005, 29th April'2005 and 29th July'2005 respectively. The Board places on record their appreciation of the valuable advice and services rendered by them during their tenure of office.

Shri Narmdeshwar R. Chaube and Shri Harold Crasto were appointed as Additional Directors on 29th April, 2005 and 29th July, 2005 respectively. They hold the office until the ensuing Annual General Meeting. Notice has been received from members under section 257 of the companies Act, 1956, proposing their names for appointment to the office of Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in preparation of annual accounts, the applicable accounting standard have been followed along with proper explanation relating to material departure;
- the directors have selected such accounting policies and applied them consistently and made judgement 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;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- the directors had prepared the 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 A.

**SANJIVANI PARANTERAL LIMITED****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
Narmadeshwar R. Chaube	Member

DELISTING OF SHARES FROM STOCK EXCHANGE:

The Company has received letter dated 27th May'2005 from The Stock Exchange Ahmedabad for delisted its equity shares and still application pending with Magadh Stock Exchange Association for delisting its equity shares.

INCREASING OF AUTHORISED SHARE CAPITAL:

The company has increased authorised shares capital from Rs. 6 Crores to Rs. 7 Crores by creation of further 10,00,000 equity shares of Rs. 10/- each by passing resolution in the extra ordinary general meeting held on 14th June, 2005. The company has issued and allotted 11,45,000 warrant of Rs. 10/- each at the premium of Rs. 50/- per Warrant to the other than promoters of the company.

AUDITORS

M/s. A.P. Doshi & Co., Chartered Accountants, retire as Auditors of the company at the conclusion of the ensuing Annual General Meeting. M/s. A.P. Doshi & Co., being eligible, offer themselves for re-appointment.

DISCLOSURES :**A. PARTICULARS 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 EARNINGS 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 particulars in the report of the Board of Directors) Rule, 1988 in respect to above matters is given below:

Power and Fuel Consumption	2004-05	2003-04
1. Gas and Electricity		
a) (i) Gas	—	—
(ii) Electricity : Unit :	603324	665116
Total Amt. (Rs.)	2436460	2666800
Average Rate/per unit	4.04	4.00
(b) Own Generation :	—	—
2. Coal	—	—
3. Furnace Oil, LSHS & L.D. Oil :		
Quantity (Ltrs.)	69971	30000
Total Cost (Rs.)	1673087	610429
Average Rate/Litre	23.91	20.34
4. Other /Internal Generation:	—	—

C. RESEARCH & DEVELOPMENT

The Company has no specific Research and Development Department. However, the Company has Quality Control Department to check the quality of different products manufactured.

D.FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2004-05	2003- 04
Total Foreign used and Earned (in Rupees)		
Used	NIL	6785640
Earned	308285	NIL

ACKNOWLEDGEMENT :

Your Directors acknowledge the vital role played by its conscientious employees towards the overall success of the Company. Other Shareholders, Bankers, Business Associates have continued to lend their valuable support to the Company in its efforts to provide high quality products within India and we take this opportunity to record our appreciation of their contribution.

For and on behalf of the Board of Directors

Place: Mumbai
Date : 17th August'2005

A .H .KHEMKHA
Chairman



SANJIVANI PARANTERAL LIMITED

'ANNEXURE A' TO DIRECTORS' REPORT

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY

The Board of Directors of the company is firmly committed to the adoption of fair business practice in the pursuit of its corporate goal of protection of the interest of its stakeholders. The Board of Directors acknowledges it is primarily responsible for devising and implementing good business practices that meets the above objective. Towards this it has adopted corporate policies, which are in harmony with the guidelines prescribed in the listing agreement.

Board of Directors

The Board of Directors comprises of six non-executive Directors. The composition of the Board, the attendance of Directors at the Board meetings during the last financial year, attendance at the last annual general meeting and directorship in other companies are listed below:

Name of Director	Category of Directorship	No. of Board meetings attended	Attendance at the last AGM	No. of other Directorship	No. of other committees Membership/ Chairmanship
1. A. H. Khemka	Chairman	8	Yes	2	No.
2. Ashwin Khemka	Director	8	Yes	2	No
3. Asutosh Shastri (Upto 29 th July'2005)	Non-Executive Independent Director	8	Yes	Nil	2
4. Sanjiv T.Satam	Non-Executive Independent Director	8	Yes	Nil	2
5. Fatehchand Pareek (Upto 29 th April'2005)	Non-Executive Independent Director	7	Yes	Nil	1
6. Vijaya Ramalingam (upto 29 th April'2005)	Non-Executive Independent Director	6	Yes	Nil	2
7. Narmdeshwar R. Chaube (w.e.f.29th April,2005)	Non-Executive Independent Director	NA	NA	NIL	3/0
8. Harold Crasto (w.e.f.29th July,2005)	Non-Executive Independent Director	NA	NA	NIL	2/0

A total of 8 Board meetings and 4 Audit Committee meetings were held during the year 2004-2005. The maximum interval between any two meetings was not more than 3 months. The Board meetings were held on 29th April' 2004, 30th June'2004 30th July'2004, 14th August'2004, 30th October'2004, 24th December'2004, 12th January'2005 and 1st February, 2005. All the Board meetings were held in Mumbai.

Details of Director, if any, co-opted on the Board

During the year under report Mr. Narmdeshwar R Chaube and Mr. Harold Crasto, Directors were appointed as additional Directors of the Company.

Mr. N.R.Chaube has a wide experience in the field of Accounts & Finance Management. He had occupied the senior position in Merind Ltd. and various multinationals At present he is working in Volts Ltd. as a CFO. He has the requisite qualification and experience for the responsibilities as a Director for successful continuous growth of the Company.

Mr. Harold Crasto (B.Com/ Diploma in Business Management) has wide experience in HRD over a period of 20 years. He has the requisite qualification and experience for the responsibilities as a Director for successful continuous growth of the Company.

Relationship of Directors with each other, if any.

Mr. A. H. Khemka, Chairman and Mr. Ashwin Khemka, Director are related to each other. No loans or advances were given to any of the directors of the company.



SANJIVANI PARANTERAL LIMITED

AUDIT COMMITTEE

Terms of reference:

The role and terms of reference of the Audit committee covers the areas mentioned in the clause 49 of the Listing Agreement with stock exchange and section 292A of the Companies Act, 1956, which among other things include:

1. A periodical reviews of efficacy of the internal control systems and procedures and suggests improvement therein.
2. Review of operating results on a quarterly basis, prior to their submission to the Board for its consideration and adoption.
3. Advise the Board on appointment / removal of statutory auditors and fix their remuneration.
4. Review with the statutory auditors their audit findings and suggest measures to address any areas of concern cited by them.
5. Assure the Board on the adequacy of company's risks management measures and implementation of financial policies and procedures.

The Audit committee met 4 times during the year i.e on 29th April, 2004, 30th July, 2004, 30th October, 2004 and 12th January, 2005.

COMPOSITION OF AUDIT COMMITTEE

Name of the Member	Status
A.H. Khemka	Chairman
Ashwin Khemka	Member
Asutosh Shastri (upto 29th July,2005)	Member
Shri Narmdeshwar R. Chaube (w.e.f. 29th April,2005)	Member

REMUNERATION COMMITTEE

Terms of reference:

The remuneration committee of the Board was set up on 30th October, 2003 comprising of 3 independent non-executive directors with Mr. Sanjiv T. Satam its chairman, to suggest remuneration that may be paid to the executive Director.

COMPOSITION OF REMUNERATION COMMITTEE

Name of the Member	Status
Mr. Sanjiv T.Satam	Chairman
Mr. Fatehchand Pareek (upto 29 th April,2005)	Member
Mrs.Vijaya Ramalingam (upto 29 th April,2005)	Member
Shri Narmdeshwar R. Chaube (w.e.f. 29 th April,2005)	Member
Shri Harold Crasto (w.e.f. 29 th July,2005)	Member

Remuneration policy

Remuneration of employees largely consists of salary and perquisites. The objectives of remuneration policy are to motivate employees to excel in their performance, recognize their contribution, retain talent and reward merit.

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Terms of reference:

To address shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of other dues etc. A committee was in existence to address the above issue and it was renamed and re-constituted as shareholders/ investors Grievances Committee.

COMPOSITION OF SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Name of the Member	Status
Mr. Sanjiv T.Satam	Chairman
Mr. Fatehchand Pareek (upto 29 th April,2005)	Member
Mrs.Vijaya Ramalingam (upto 29 th April,2005)	Member
Mr. Narmdeshwar R. Chaube (w.e.f. 29 th April,2005)	Member
Mr. Harold Crasto (w.e.f. 29 th July,2005)	Member

During the year 1 complaints were received from shareholders the same was resolved in stipulated and all requests for share transfer and transmission were completed within the stipulated time.



SANJIVANI PARANTERAL LIMITED

GENERAL BODY MEETING

Particulars of last three Annual General Meetings:

Financial Year	Date	Time	Location
2001- 2002	30 th Sept., 2002	11.00 a.m.	Regd. office
2002 -2003	27 th Sept., 2003	11.00 a.m.	Regd. office
2003 -2004	27 th Sept., 2004	10.00 a.m.	Regd. office

No special resolutions were passed through postal ballot at any of the general meetings of the members. No resolution is proposed to be passed by postal ballot at the ensuing Annual General Meeting.

Notes on Directors seeking re-appointment

Pursuant to the provisions of the Companies Act, 1956 and the Articles of Association of the company, Mr. Ashwin Khemka, Director, retire by rotation at the ensuing annual general meeting to be held on 26th September, 2005 and are being eligible, they are seeking re-appointment at this meeting.

RESUME

Mr. Ashwin Khemka is a Graduate from Bombay University. He is also a member of Audit Committee.

DISCLOSURES

The company has not entered into any transactions of material nature with any of its Promoters, Directors, their relatives, management or its subsidiaries that may have potential conflict of interest during the last financial year.

MEANS OF COMMUNICATION

The company communicates its Quarterly/Half yearly and annual results by publishing them in 2 leading newspapers in Mumbai — Economic Times (English) and Maharashtra Times (Local Marathi language). The company has no system of mailing such results to its shareholders.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting

Date and time	: 19 th September, 2005 at 10.00 a.m.
Venue	: National High School Auditorium, National High School, Margm Bhandup (W),MUMBAI- 400 0078
Financial Calendar	: April to March
First Quarterly Results	: 30 th June, 2004
Second Quarterly Results	: 30 th September, 2004
Third Quarterly Results	: 31 st December, 2004
Fourth Quarterly Results	: 31 st March, 2005
Date of book closure	: Thursday, 15 th September, 2005 to Monday, 19 th September, 2005 (both days inclusive)
Dividend payment date	: NIL
Listing on stock Exchange	: * The Stock Exchange at Mumbai, and Magadh (Patna)
Stock code- physical shares	: The Stock Exchange, Mumbai Security Code No. 531569
Demat ISIN in NSDL and CDSL for Equity Shares	: INE 860D01013

* The company has made necessary application for delisting of its shares from Magadh (Patna) Stock Exchanges pursuant to resolution passed in the ninth Annual General Meeting of the company. However, the company will remain listed on the Stock Exchange Mumbai.