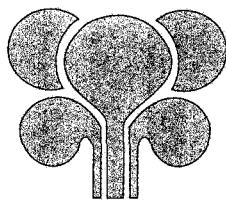


13TH ANNUAL REPORT

Report  junction.com



Sanjivani
2006 - 2007



SANJIVANI PARANTERAL LIMITED

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SANJIVANI PARANTERAL LIMITED

BOARD OF DIRECTORS

A. H. Khemka Chairman
Ashwin Khemka
Sanjiv T. Satam
Narmdeshwar R. Chaube
Mahendra Kalwankar

AUDITORS

M/s. M. K. Mehta & Co
Chartered Accountant
Mumbai.

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BANKERS

State Bank of Indore
Fort Branch,
Mumbai.

REGISTERED OFFICE

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

REGISTRAR & TRANSFER AGENT

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



SANJIVANI PARANTERAL LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present herewith the 13th Annual Report together with the Audited statement of accounts for the year ended 31st March, 2007.

FINANCIAL RESULTS :

(Rs.in Lakhs)

<u>PRTICULARS</u>	<u>31.03.2007</u>	<u>31.03.2006</u>
Sales & Other Income	6944.44	5447.14
PBID	671.91	438.22
Interest	171.96	135.43
Depreciation	50.41	50.77
PBT	449.54	252.02
Provision for Tax (Net)	157.00	21.10
PAT	292.54	230.92

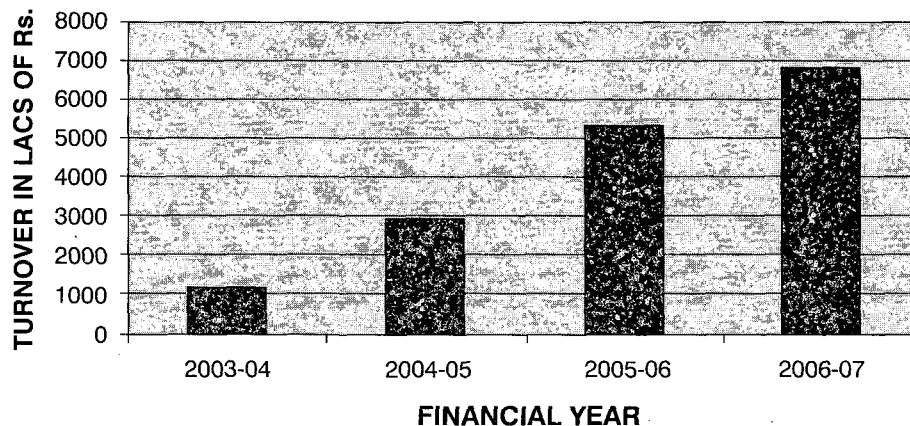
MANAGEMENT'S DISCUSSION AND ANALYSIS

Performance Review :

The Board is happy to announce highest ever turnover of Rs.690 Millions and profit of Rs.40 Millions in the history of the Company. This proves that the Company has well kept the promise of 30 % increase in the turnover with a fabulous growth of 78 % in the PBT.

The sales under own brands has jumped by almost 300 % making the Company self dependant and has also resulted in the increase in margin to as great extent. Your Company has kept the pace of new launches by launching 6 new products under its own brand name which has given the competitive edge to your Company in pharma business.

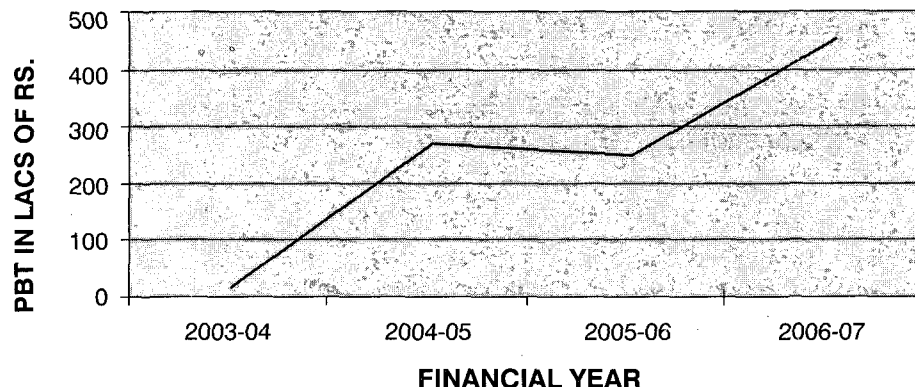
REVENUE CHART





SANJIVANI PARANTERAL LIMITED

PBT GROWTH CHART



Future Plans :

With an intention to make its global presence, the Company has applied for its Product registration with various countries and has already got registrations and approvals of 5 Products in Vietnam, Congo, Srilanka and CIS countries in the year under review itself. Another 15 products are in the pipeline for registration and approval in various countries which will give boost to the Exports substantially in the coming years.

To increase its presence in the domestic markets, Company has adopted intensive branding and ethical marketing strategy with a team of more than 100 Marketing Personals in the state of Maharashtra, West Bengal, Kerala and Punjab. In the coming years, the Company is planning to strengthen its base in other states of the country as well.

Institutional business is another area where the Company is concentrating. The Company is registered with Government and Semi-government organizations such as Ministry of Defence, BMC, Government of Maharashtra, Kolkata Municipal Corporation, Central Railway, Northern Railway, BHEL, etc and supplies have already been started for many of the above organization.

On the basis of above discussions, in the current year, the directors are confident to achieve robust top line as well bottom line growth and thereby maximize the share-holders' wealth.

Internal Control System :

The Company has adopted well established procedures for purchase of materials and stores, manufacturing of finished goods as well as for its distribution. 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 Company has appointed a team of professionals and also initiated implementation of new software so as to reduce the risk of revenue leakage, increase the production efficiency and for better management decision making.

The Audit Committee of the Board reviews the procedures periodically and the action recommended by the Audit Committee is initiated to remedy any weakness in the system.

Human Resources :

The well qualified employees including staffs & workers have been recruited in the organization to carry out day to day work. All types know-how and training is provided to these employees to explore their talent for the benefits of the organization.



SANJIVANI PARANTERAL LIMITED

DIVIDEND :

Your Directors do not recommend any dividend to conserve the resources for future plans.

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 .N.R.Chaube 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 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;
- (c) the directors had 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;
- (d) 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.

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
Narmdeshwar R. Chaube	Member

AUDITORS :

M/S, A . P. Doshi & Co, Chartered Accountants, auditors of the company has resigned from the office of the auditors of the company with effect from 19th May'07 The Company has appointed M/s M.K.Mehta & Co, Chartered Accountants, in the place of M/S A. P. Doshi & Co for the period of ensuing annual general meeting. M/s M.K.Mehta & Co, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting is eligible for re-appointment.



SANJIVANI PARANTERAL LIMITED

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:

	<u>2006-07</u>	<u>2005-06</u>
Power and Fuel Consumption		
1. Gas and Electricity		
a) (i) Gas	--	--
(ii) Electricity :		
Unit :	760191	674409
Total Amt. (Rs.)	3887221	2784467
Average Rate/per unit	5.11	4.13
(b) Own Generation :	--	--
2. Coal	--	--
3. Furnace Oil, LSHS & L.D. Oil :		
Quantity (Ltrs.)	57573	53329
Total Cost (Rs.)	1862874	1575908
Average Rate/Litre	32.35	29.55
4. Other /Internal Generation:	--	--

C. RESEARCH & DEVELOPMENT

The Company has no specific Research and Development Department. However, the Company is outsourcing the R&D work for the development of new monocular and also has a in-house Quality Control Department to check the quality of different products manufactured.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO :

Total Foreign exchange used and Earned	(In Rupees)	
	<u>2006-07</u>	<u>2005-06</u>
Used	11,40,920	2,99,704
Earned	24,22,893	2,58,728

ACKNOWLEDGEMENT :

Your board of Director is grateful to the Company's Bankers, Government Authorities, Customers, Suppliers, Distributors, the Shareholders and Business Associates for their continued and valued support. The Directors also wish to place on record their appreciation to company's personnel at all levels for the contribution made by them towards the working of your Company.

Directors

For and on behalf of the Board of

PLACE: MUMBAI
DATE : 6TH AUGUST'2007

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 five 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
Mr. A. H. Khemka	Chairman	8	Yes	2	0/1
Mr. Ashwin Khemka	Director	8	Yes	2	1/0
Mr.NR.Chaube	NonExecutive Independent Director	7	Yes	NIL	3/0
Mr. Sanjiv T.Satam	NonExecutive Independent Director	4	Yes	NIL	0/2
Mr.Mahendra Kalwankar (w.e.f. 28 th July,06	NonExecutive Independent Director	5	Yes	NIL	2/0

A total of 8 Board meetings and 4 Audit Committee meetings were held during the year 2006-2007. The maximum interval between any two meetings was not more than 3 months. The Board meetings were held on 29th April'2006, 28th July'2006, 8th August,2006, 15th September'2006, 30th October'2006, 12th December'2006, 29th January'2007 and 26th March,2007.

All the Board meetings were held in Mumbai.

Details of Director, if any, co-opted on the Board. : During the year under report no Director was co-opted.

Relationship of Directors with each other, if any. Mr. A. H. Khemka, Chairman and Mr. Ashwinn Khemka, Director are related to each other.

No loans or advances were given to any of the directors of the company.

CODE OF CONDUCT :

The Company has formulated and implemented a Code of Conduct for all Board Members and Senior Management of the Company with Clause 49 (1) (D) of the Listing Agreement.



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, 2006, 28th July, 2006, 30th October, 2006 and 29th January, 2007.

COMPOSITION OF AUDIT COMMITTEE :

Name of the Member	Status
Mr.A.H. Khemka	Chairman
Mr.Ashwin Khemka	Member
Mr. Narmdeshwar R. Chaube	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 Satam	Chairman
Mr.Narmdeshwar R. Chaube	Member
Mr. Mahendra Kalwankar (from 28 th July '2006)	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



SANJIVANI PARANTERAL LIMITED

COMPOSITION

It consists of 3 independent non-executive directors.

COMPOSITION OF SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Name of the Member	Status
Mr. Sanjiv T.Satam	Chairman
Mr. Narmdeshwar R. Chaube	Member
Mr. Mahendra Kalwankar (From 28 th July, 2006)	Member

During the year, 5 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.

GENERAL BODY MEETING :

Particulars of last three Annual General Meetings:

Financial Year	Date	Time	Location
2003 -2004	27 th Sept., 2004	10.00 a.m.	Regd. office
2004 -2005	19 th Sept., 2005	10.00 a.m.	Natioal High School Auditorium, Bhandup, Mumbai.
2005 -2006	25 th Sept., 2006	10.00 a.m.	Jainam Banquet Hall, LBS Marg, Bhandup(W), Mumbai.

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. N.R.Chaube, Director, retire by rotation at the ensuing annual general meeting to be held on 28th September, 2007 and is being eligible, he is seeking re-appointment at this meeting.

RESUME :

Mr. N. R. Chaube is a Graduate from Mumbai University. Presently he is working as a CFO of Voltas Ltd. He is also a member of Audit Committee, Remuneration Committee and Shareholders and Investors Grievance 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 --- Free Press Journal (English) and Maharashtra Times (Local Marathi language). The company has no system of mailing such results to its shareholders.