

SANJIVANI PARANTERAL LIMITED

DIRECTORS' REPORT

Dear Members

Your Directors are pleased to present herewith the 16th Annual Report together with the Audited statement of accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS:

(₹ In Lakhs)

PRTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
Sales & Other Income	13994.17	10387.63
PBID	1250.05	870.62
Interest	544.57	360.20
Depreciation	81.16	52.63
PBT	624.32	457.79
PAT	474.32	292.61

MANAGEMENT DISCUSSION AND ANALYSIS :

PERFORMANCE REVIEW AND FUTURE PLANS

During the year under review, your Company’s turnover up by 34.71% at ₹ 139.94 Cr. PBT upby 36.37% at ₹ 6.24 Cr.

As on date, the Company has covered many institutions like, BMC, KDMC, Maharashtra Government, Maharashtra Animal Husbandry, Assam Government, Chhattisgarh Government, Employee State Insurance Hospitals, Defense Ministry, Central Railways etc. Though the company is continue to expand this era of institutions sales, the Company has appointed team of Medical Representatives to capture the local market too. In addition to this, from the financial reports, it can be observed that, the Company has done remarkable in its overseas business. It is a great achievement for the Company, not only sustained in overseas business but doubled the business during year under review. The Company has already explored its overseas business in countries’ like Russia, Peru, Middle East, Africa, South-East Asia and other CIS countries. Your Directors are happy to announce that, during the upcoming year the Company will do better in its overseas business.

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 type know-how and training is provided to these employees to explore their talent for the benefits of the organization.

DIVIDEND:

Your Directors do not recommend any dividend to conserve the resources of the Company.

***REGD.OFFICE : 205,P.N.KOTHARI INDLESTATE,L.B.S.MARG,BHANDUP(W),MUMBAI – 400 078
TEL NO.022-67290900 FAX NO.67290930***

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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. 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

Narmdeshwar R. Chaube	Chairman
Mahendra Kalwankar	Member
Dr. Vinod Goyal	Member

AUDITORS :

The Auditors of the Company M/s. M.K.Mehta & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The Audit Committee of the Board of Directors have recommended that M/s. M.K.Mehta & Co., Chartered Accountants, be appointed as auditors to hold office until the conclusion of the next Annual General Meeting. Company has received confirmation that their appointment, if made will be within the limits prescribed under section 224 (1B) of the Companies Act,1956.

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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	2009-10	2008-09
1. Gas and Electricity		
a) (1) Gas	-	-
Quantity (Kgs)	726	-
Total Amt. (₹)	62549	-
Average Rate / Unit	86.15	-
(2) Electricity		
Unit	789156	499013
Total Amt. (₹)	4565257	2755866
Average Rate / Unit	5.78	5.52
b) (1) Own Generation	-	-
2. Coal	-	-
3. Furnace Oil, LSHS & L.D. Oil		
Quantity (Ltrs)	57114.69	48392
Total Amt. (₹)	2171849	1793733
Average Rate / Unit	38.026	37.06
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 ₹)	
	2009-10	2008- 09
Used	1,71,59,567	90,73,490
Earned	5,63,07,001	2,77,47,511

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ACKNOWLEDGEMENT :

Your board of Director is grateful to the Company’s Bankers, Government Authorities, Customers, Suppliers, Shareholders, , Distributors, 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.

For and on behalf of the Board of Directors

PLACE: MUMBAI

DATE : 4th AUGUST’2010

ASHWIN A. KHEMKA
Chairman

‘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 three 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 other then Domestic Company in which Member/ Chairman
Mr. Ashwin Khemka	Chairman cum Managing Director	6	Yes	2	NIL
.Mr.NR.Chaube	Non–Executive Independent Director	4	Yes	NIL	NIL
Mr.Mahendra Kalwankar	Non–Executive Independent Director	6	Yes	NIL	NIL
Dr.Vinod R Goyal	Non–Executive Independent Director	5	Yes	1	NIL

A total of 6 Board meetings and 4 Audit Committee meetings were held during the year 2009-2010. The maximum interval between any two meetings was not more than 3 months. The Board meetings were held on 30th June’2009, 30th July’2009, 22nd Octoner’2009, 19th November’2009, 15th December’2009, and 29th January’2010

All the Board meetings were held in Mumbai.

There is no relationship of Directors with each other.

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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.

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 30th June'2009, 30th July'2009, 22nd Octoner'2009, 29th January'2010

COMPOSITION OF AUDIT COMMITTEE:

Name of the Member	Status
Mr. Narmdeshwar R. Chaube	Chairman
Mr. Mahendra Kalwankar	Member
Dr. Vinod Goyal	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. N.R.Chaube its chairman, to suggest remuneration that may be paid to the executive Director.

COMPOSITION OF REMUNERATION COMMITTEE:

Name of the Member	Status
Mr. Narmdeshwar R. Chaube	Chairman
Mr. Mahendra Kalwankar	Member
Dr. Vinod Goyal	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

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COMPOSITION

It consists of Executive and non-executive directors.

COMPOSITION OF SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Name of the Member	Status
Mr. Mahendra Kalwankar	Chairman
Mr. Narmdeshwar R. Chaube	Member
Mr. Ashwin Khemka	Member

During the year, no complaints were received from shareholders 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
2006 -2007	28 th Sept., 2007	09.30 a.m.	Jainam Banquet Hall, LBS Marg, Bhandup(W), Mumbai.
2007 -2008	29 th Sept., 2008	09.30 a.m.	Jainam Banquet Hall, LBS Marg, Bhandup(W), Mumbai.
2008 -2009	31 st August., 2009	09.30 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, Shri N.R.Chaube, Director, retire by rotation at the ensuing annual general meeting to be held on 20th September’2010 and is being eligible, he is seeking re-appointment at this meeting.

RESUME :

Mr.N.R Chaube has a vide experience in the field of accounts & finance management. He had occupied the senior position M/s Merind Ltd. and various multinationals. At present he is working with M/s Voltas Ltd. as a CFO.

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.

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MEANS OF COMMUNICATION:

The company communicates its Quarterly/Half Yearly and Annual Results by publishing them in Mumbai addition of 2 leading newspapers, one English newspaper and one Marathi newspaper. The company has no system of mailing such results to its shareholders.

GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting		
Date and time	:	20 th September'2010
Venue	:	Jainam Banquet Hall, Near State Bank of India, L.B.S.Marg, Bhandup (W),Mumbai – 400 078.
Financial Calendar	:	April to March
First Quarterly Results	:	Last week of July
Second Quarterly Results	:	Last week of October
Third Quarterly Results	:	Last week of January
Fourth Quarterly Results	:	Last week of April
Date of book closure	:	Tuesday ,14 th September, 2010 to Monday, 20 th September, 2010 (both days inclusive)
Dividend payment date	:	NIL
Listing on stock Exchange	:	* The Stock Exchange at Mumbai
Stock code- physical shares	:	The Stock Exchange, Mumbai Security Code No. 531569
Demat ISIN in NSDL and CDSL for Equity Shares	:	INE 860D01013

STOCK PRICE ON BSE

MONTH	HIGH	LOW
APRIL'09	18.46	11.05
MAY'09	24.00	13.50
JUNE'09	25.35	16.25
JULY'09	20.65	13.10
AUGUST'09	26.30	16.15
SEPTEMBER'09	32.25	20.05
OCTOBER'09	29.80	22.00
NOVEMBER'09	29.20	23.00
DECEMBER'09	36.70	25.55
JANUARY'10	39.15	26.80
FEBRUARY'10	62.75	29.90
MARCH'10	59.35	41.50

REGISTRAR AND SHARE TRANSFER AGENTS OF THE COMPANY ARE:

M/s Link Intime India Pvt.Limited

Address : C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West),Mumbai–400078

SHARE TRANSFER SYSTEM:

Request for share transfer are registered and posted within 30 days from the date of receipt, if documents lodged are complete in all respect. Dematerialization requests are normally confirmed within an average of 15 days from the date of receipt.

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