



**18th**  
**ANNUAL REPORT**  
**2011-2012**



**BOARD OF DIRECTORS**

Ashwin Khemka  
Narmdeshwar R. Chaube  
Mahendra Kalwankar  
Dr. Vinod R. Goyel

**AUDITORS**

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

**BANKERS**

Axis Bank Ltd.  
The Shamrao Vithal Co-op. Bank Ltd.  
State Bank of India

**REGISTERED OFFICE**

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

**REGISTRAR & SHARE TRANSFER AGENT**

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

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## NOTICE

NOTICE is hereby given that the 18<sup>th</sup> ANNUAL GENERAL MEETING of SANJIVANI PARANTERAL LIMITED will be held on Monday the 24<sup>th</sup> September, 2012 at Meeting Hall, Hotel Aditya, L. B. S. Marg, Bhandup (W), Mumbai – 400 078. at 9.30 a.m. to transact the following business:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st, March, 2012 and the Balance Sheet as on that date together with the Report of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Mahendra Kalwankar who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Milind Mehta & Company, Chartered Accountants, be and are hereby re-appointed as Auditors of the company from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company on such remuneration as may be fixed by the Board of Directors plus reimbursement of all out of pocket expenses."

### **Registered office:**

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

By order of the Board

**Place : Mumbai**

**Date: 14<sup>th</sup> August' 2012**

**ASHWIN KHEMKA**  
**Chairman & Managing Director**



## NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED/RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THIS ANNUAL GENERAL MEETING.
- 2) The Register of Members and Share Transfer Books of the company will remain closed from Monday, 17<sup>th</sup> September, 2012 to Monday, 24<sup>th</sup> September, 2012 (both days inclusive).
- 3) All matters connected to shares transfers and other related matters be addressed to the company's Share Transfer Agent M/s. Link Intime India Pvt. Limited at C-13, Pannalal Silk Mill Compound, L. B. S. Marg, Bhandup (W), Mumbai – 400 078.
- 4) Members while corresponding with the company are requested to quote their respective Folio No. in the correspondence and also notify the change of address, if any, to the company.
- 5) Members are requested to bring their copies of Annual Report at the time of attending the Annual General Meeting.
- 6) Members seeking any information/clarification with regard to accounts are requested to write to the company at an early date so as to enable the management to keep the information ready.
- 7) Members/Proxy holders are requested to produce attendance slip, at the entrance of the hall of the meeting duly completed and signed.

**Mumbai, 14<sup>th</sup> August, 2012**

By order of the Board

**Regd. Office :**

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

**ASHWIN KHEMKA**  
**Chairman & Managing Director**



## DIRECTOR'S REPORT

Dear Members

Your Directors are pleased to present herewith the 18<sup>th</sup> Annual Report together with the Audited statement of accounts for the year ended 31<sup>st</sup> March, 2012 .

### **FINANCIAL RESULTS:**

( ₹. In Lakhs)

PRTICULARS	AS AT 31.03.2012	AS AT 31.03.2011
Sales & Other Income	15230.78	14536.14
PBID	1329.48	1153.23
Interest	907.59	705.33
Depreciation	95.07	94.92
PBT	326.82	352.97
PAT	269.00	221.02

### **MANAGEMENT DISCUSSION AND ANALYSIS :**

#### **PERFORMANCE REVIEW AND FUTURE PLANS**

During the year under review, Company has achieved the turnover of ₹ 15230.78 L and PBT of ₹ 326.82 L as against ₹ 14536.14 L & ₹ 352.97 L respectively for the corresponding previous year.

During the year under review, Company's export turnover increased by 287% from 1140.67 L to 3277.63 L which indicates the strong presence of your company globally. In current year we are planning to enter semi regulated market of Eastern Europe.

#### **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 implemented the 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.



## **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. Mahendra Kalwankar 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 Goyel	Member

## **AUDITORS:**

The Auditors of the Company M/s. Milind 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. Milind 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.



## **DISCLOSURES :**

### **A PARTICULARS OF EMPLOYEES**

Since the company does not have any employees drawing remuneration in excess of ₹ 60,00,000 p.a. or ₹ 5,00,000 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:

<b>Power and Fuel Consumption</b>	<b><u>2011-12</u></b>	<b><u>2010-11</u></b>
<b>1. Gas and Electricity</b>		
a) (1) Gas	-	-
Quantity (Kgs)	396	990
Total Amt. (₹)	18810	77498
Average Rate / Unit	47.50	78.28
(2) Electricity		
Unit	908808	830744
Total Amt. (₹)	5613025	5021139
Average Rate / Unit	6.176	6.04
b) Own Generation	-	-
<b>2. Coal</b>	-	-
<b>3. Furnace Oil, LSHS &amp; L.D. Oil</b>		
Quantity (Ltrs)	50410	44090.29
Total Amt. (₹)	2972707	1923986
Average Rate / Unit	58.97	43.63
<b>4. Other / Internal Generation</b>	-	-

### **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 molecular 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 ₹.)
	<u>2011-12</u>	<u>2010-11</u>
Used	7,67,16,239	2,09,46,164
Earned	31,25,20,874	10,75,83,006





## **ACKNOWLEDGEMENT :**

Your board of Director is grateful to the Company's Shareholders, Bankers, Government Authorities, Customers, Suppliers, 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 : 20<sup>th</sup> JULY' 2012

**ASHWIN KHEMKA**  
Chairman & Managing Director

## **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	All Committees Membership (including non-mandatory)	
					Member	Chairman
Mr. Ashwin Khemka	Chairman cum Managing Director	10	Yes	2	0	0
Mr. N.R. Chaube	Non-Executive Independent Director	7	Yes	NIL	0	3
Mr. Mahendra Kalwankar	Non-Executive Independent Director	10	Yes	NIL	3	0
Dr. Vinod R Goyel	Non-Executive Independent Director	8	Yes	1	3	0

A total of 10 Board meetings and 5 Audit Committee meetings were held during the year 2011-2012. The maximum interval between any two meetings were not more than 3 months. The Board meetings were held on 6<sup>th</sup> April' 2011, 14<sup>th</sup> May' 2011, 1<sup>st</sup> July' 2011, 13<sup>th</sup> August' 2011, 18<sup>th</sup> August' 2011, 1<sup>st</sup> November' 2011, 14<sup>th</sup> November' 2011, 17<sup>th</sup> January' 2012, 14<sup>th</sup> February' 2012 and 29<sup>th</sup> March' 2012.

All the Board meetings were held in Mumbai.



There is no relationship of Directors with 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.

## **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 5 times during the year i.e on 14<sup>th</sup> May'2011, 1<sup>st</sup> July'2011, 13<sup>th</sup> August'2011, 14<sup>th</sup> November'2011 and 14<sup>th</sup> February'2012.

## **COMPOSITION OF AUDIT COMMITTEE:**

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