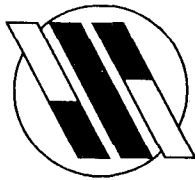


**24th  
ANNUAL REPORT  
2008 - 2009**

**Medisafe**



**RAAJ MEDISAFE INDIA LIMITED**

**(FORMERLY MANOJ SURGICAL INDUSTRIES LIMITED)**

**BOARD OF DIRECTORS :**

Shri M. C. Dhandia	Chairman
Shri S. Rakyan	Director
Shri R.K. Jain	N. R. I.
Shri H. Sharma	Director
Shri Manoj Dhandia	Director
Shri T. C. Jain	Additional Director
Shri Sunil Jain	Director
Shri Manoj Yadav	Additional Director

**SHARE TRANSFER AGENT**

Ankit Consultancy Pvt. Ltd.  
2nd Floor, Alankar Point  
A.B.Road, Indore (M.P.)

**AUDITORS**

N. Parik & Associates  
Chartered Accountants  
Indore

**BANKERS**

State Bank of Bikaner & Jaipur

**REGISTERED OFFICE**

106, Sector III,  
Industrial Area,  
Pithampur - 454 774  
Distt. Dhar (M. P.)

**C o n t e n t s**

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**CORRIGENDUM TO THE 24<sup>TH</sup> ANNUAL REPORT TO THE  
SHAREHOLDERS OF  
RAAJ MEDISAFE INDIA LIMITED  
(FORMERLY MANOJ SURGICAL INDUSTRIES LIMITED)  
Registered Office: 106, Sector III, Industrial Area, Pithampur, Dhar.**

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The corrigendum to the 24<sup>th</sup> Annual Report to the Shareholders of RAAJ MEDISAFE INDIA LIMITED (Formerly Manoj Surgical Industries Limited) is being issued by the Directors of Raaj Medisafe India Limited and Auditors, N. Parik & Associates, of Raaj Medisafe India Limited. The Shareholders/beneficial owners are requested to note the following corrections/amendments with respect to and in connection with the 24<sup>th</sup> Annual Report dated 14<sup>th</sup> August 2009.

1. The point regarding the Auditor & Auditors Report of the Director's Report should be instead & read as below:

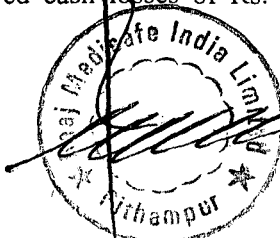
M/s Dharmesh & Co. Chartered Accountants resign as Statutory Auditor of The Company and M/s N.Parik & Associates Chartered Accountants appointed as Statutory cum Tax Auditor of the Company to fill the Casual Vacancy at the Extra Ordinary General Meeting of the Company, they have signified their willingness to accept appointment and have further confirmed their eligibility under Section 224(1B) of the Company Act 1956.

2. The point no. 9 (ii) of Annexure to the Auditors' Report should be instead & read as below:

Nature of Statute	Period	Amount
Central Sales Tax Act	For 2006-07 Financial Year	136870
Central Sales Tax Act	For 2007-08 Financial Year	707529
Central Sales Tax Act	For 2008-09 Financial Year	106068
Entry Tax Act	For 2008-09 Financial Year	23392
Total		973859

3. The point no. 10 of Annexure to the Auditors' Report should be instead & read as below:

The Company has not any accumulated losses at the end of the financial year 2008-09. The Company has not incurred any cash losses during the said Financial year, but had incurred cash losses of Rs. 3.75 Lacs during the Financial Year 2007-08.



*Certified True Copy*

4. The point no. IV of Balance Sheet Abstract and Company's General Profile should be instead & read as below:

**a. Performance of Company**

	<b>31-03-2009</b>	<b>31-03-2008</b>
Turnover	63530498	41021368
Total Expenditure	62661831	43708530
Profit (Loss) before tax	868667	(2687163)
Profit (Loss) after tax	764053	(2687163)

5. Due to certain typographical error the signing date of the audit report has been taken as 14<sup>th</sup> August 2009 instead of 21<sup>st</sup> August 2009.

Mr. M.C. Dhandia, Chairman and Mr. Manoj Dhandia, Director of R: aj Medisafe India Limited, accepts full responsibility for the information contained in this corrigendum.

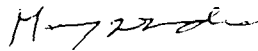
**Issued by:**

**N. Parik & Associates  
Chartered Accountants**

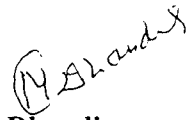
**On behalf of Board of Directors**



**Chhaya Sinha  
Partner**



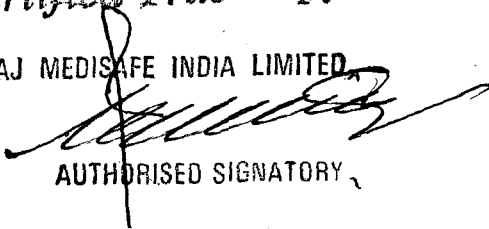
**Manoj Dhandia  
Director**



**M.C. Dhandia  
Chairman**

**Certified True Copy**

**FOR RAAJ MEDISAFE INDIA LIMITED**



**AUTHORISED SIGNATORY**

**NOTICE**

NOTICE is hereby given that the 24<sup>th</sup> Annual General Meeting of **Raaj Medisafe India Limited** will be held at the Registered Office of the Company at 106, Sector - III, Industrial Area, Pithampur - 454774 on **Tuesday, the 30th September 2009 at 11.00 a. m.** for transacting the following business.

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Profit and Loss Account of the company for the period from the 1st April 2008 to 31st March 2009 and the Balance Sheet as at 31st March 2009 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Manoj Dhandia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S. Rakyam who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

**SPECIAL BUSINESS :**

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution :-

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Manoj Yadav, an additional Director of the Company who holds office up to the date of this Annual General Meeting, as per provisions of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution :-

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Tara Chand Jain, an additional Director of the Company who holds office up to the date of this Annual General Meeting, as per provisions of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Place : Pithampur  
Date : 14th August, 2009

By Order of the Board  
Sd/-  
**(Himanshu Sharma)**  
DIRECTOR

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
2. The Proxies, in order to be effective, must be deposited at the Registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 29th September, 2009; to Tuesday, 30th September, 2009 (both days inclusive).
4. Members are requested to bring their copy of the Annual Report with them for the meeting.
5. As per the provisions of Section 109A of the companies Act, 1956; facility for making nomination is now available for members of the Company. Members who wish to avail this facility may obtain the nomination Form-2B from the Company.

**Explanatory Statement**

The Board of Directors of the Company has appointed Mr. T. C. Jain as an additional Director as per Article 115 of the Articles of Association of the Company w.e.f. 5<sup>th</sup> May 2009 and as such he holds office upto the date of this Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 has been received by the Company from a member proposing the candidature of Mr. T. C. Jain for appointment as Director in this behalf.

Mr. T. C. Jain has rich and varied experience in the field of accounts, finance, taxation as a corporate advisor. The Board considers if desirable that the Company should receive the benefit of his valuable experience and advise his appointment.

None of the Directors, except Mr. T. C. Jain are concerned or interested in the above Resolution.

The Board of Directors of the Company has appointed Mr. Manoj Yadav as an additional Director as per Article 115 of the Articles of Association of the Company w.e.f. 5<sup>th</sup> May 2009 and as such he holds office upto the date of this Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 has been received by the Company from a member proposing the candidature of Mr. Manoj Yadav for appointment as Director in this behalf.

Mr. Manoj Yadav has varied experience in the field of sales. The Board considers if desirable that the Company should receive the benefit of his valuable experience and advise his appointment.

None of the Directors, except Mr. Manoj Yadav are concerned or interested in the above Resolution.

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 24<sup>th</sup> Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March, 2009.

**FINANCIAL RESULTS**

	(Rs. in lacs)	
	As at 31.3. 2009	As at 31.3.2008
Sales and Other Income	635.30	410.21
Operating Profit before Interest, Depreciation and Tax	48.85	21.27
Less Interest	17.51	25.02
Profit before Depreciation	31.34	(3.75)
Depreciation	22.66	23.12
Profit before tax	8.68	(26.87)
Profit after tax	7.64	(26.87)
Add. Balance brought forward	(329.74)	(302.87)
Balance carried to Balance Sheet	(322.10)	(329.74)

**OPERATIONS**

Post the recent economic meltdown and as the markets are reviving again, the company's operations are also following an upward trend. Turnover and operations of the Company have increased to Rs. 635.30 Lacs as compared to Rs. 410.21 Lacs. This has resulted in an increased profit before interest, Depreciation and Taxes of Rs. 48.85 Lacs as compared to 21.27 Lacs in the previous year. The positive are due to a shift of the company's activities from being purely manufacturing based to more trading activities.

**DIRECTORS**

Director Shri Manoj Dhandia and Shri S. Rakyan retire by rotation and being eligible offer themselves for re-appointment.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors state as under :

- (i) that in the preparation of the Annual Accounts, the applicable standards have been followed and there has been no material departure ;
- (ii) that the Directors have made every effort to keep the operations going inspite of volatile and depressive economic scenario and market.
- (iii) that the Directors have selected such accounting policies and applied them consistently and made judgements 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 Loss of the Company for that period;

- (iv) that 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 fraud and other irregularities to the best of their knowledge and ability;
- (v) that the Directors have prepared the Annual Accounts on a going concern basis.

#### **AUDITORS AND AUDITORS' REPORT**

M/s Dharmesh & Co. Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting, now M/s N. Parik & Associates Chartered Accountants Indore They have signified their willingness to accept appointment and have further confirmed their eligibility under section 224 (1-B) of the Companies Act, 1956.

Observations made in the Auditors' Report are self-explanatory and are suitably explained in the notes on Accounts.

#### **PUBLIC DEPOSITS**

During the year, the Company has not accepted any public deposits within the meaning of Section 58 A of the Companies Act, 1956 and the rules made thereunder.

#### **INSURANCE**

The Buildings, Plant & Machinery, Stocks, Stores and Spares of the Company are adequately insured against various risks including machinery break down.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO**

The details required under section 217 (1) (e) of The Companies Act, 1956 are given in the Annexure and forms part of this report.

#### **HUMAN RESOURCES**

Your Directors wish to place on record that their sense of appreciation towards the employees of the company for their devoted services and sustained efforts in keeping the operations going and maintaining the best of efficiency and giving their best for optimum output of production even though the operations been faced various adverse marketing factors and erratic supplies of raw materials due to external factors.

#### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere appreciation for the continued co-operation and support given to the Company by its Customers, Shareholders, Bankers, Central & State Governments including all those associated with the Company.

For and on behalf of Board of Directors

Place : Pithampur  
Date : 14th August, 2009

Sd/-  
**M. C. DHANDIA**  
(CHAIRMAN)



## ANNEXURE TO THE DIRECTORS REPORT

Information specified as per Section 217 (1) (e) read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules 1988 and forming part of the Directors Report for the year ended on 31st March 2009.

### 1. CONSERVATION OF ENERGY :

The Company continues to lay due emphasis on conservation of energy and has been taking various measures in controlling of energy consumption.

#### Form - A

#### A) POWER AND FUEL CONSUMPTION :

	Current Year	Previous Year
<b>1. Electricity</b>		
a. Purchased : Units (Nos.)	<b>286760</b>	535500
Total Amount (Rs.)	<b>1698764</b>	2741452
Rate/Unit (Rs.)	<b>6.02</b>	5.12
b. Own Generation :		
i) Through diesel generator - Units (Nos.)	<b>11075</b>	23585
Unit per Ltr. Diesel (Nos.)	<b>3.33</b>	3.33
Cost/Unit (Rs.)	<b>11.07</b>	10.45
ii) Through steam turbine/generator	<b>NIL</b>	NIL
<b>2. Coal (Specify quantity and where used) :</b>		
Quantity (Tonnes)	<b>NIL</b>	NIL
Total Cost		
Average Rate		
<b>3. Furnace Oil :</b>		
Quantity (K.Ltrs)	<b>NIL</b>	NIL
Total Amount		
Average rate		
<b>4. Other/Internal generation :</b>		
Quantity	<b>NIL</b>	NIL
Total Cost		
Rate/Unit		

#### B) CONSUMPTION PER UNIT OF PRODUCTION :

Products : Disposable Syringes, Needles and Perfusion Sets

Electricity (Unit/Pcs)	<b>Rs. 0.44</b>	0.12
Furnace Oil	<b>NIL</b>	NIL
Coal (Specify Qty.)	<b>NIL</b>	NIL
Others	<b>NIL</b>	NIL

## Form - B

**RESEARCH AND DEVELOPMENT (R&D)**

- 1) Optimum utilisation of resources has resulted in saving of power and fuel cost which in turn has made the product more competitive.
- 2) For streamlining of Men & Material movement, changes have also been carried out in existing layout.
- 3) Some old Machineries are modified & brought in to operation resulting improvement of productivity.

Expenditure on R & D - Charged to respective head of accounts.

**TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION :**

- |   |             |
|---|-------------|
| i) Efforts in brief made towards technology absorption, adaption and innovation | <b>N.A.</b> |
| ii) Benefits derived as a result of the above efforts                           |             |
| iii) Information regarding Technology imported during last five year            | <b>N.A.</b> |

**FOREIGN EXCHANGE EARNING AND OUT GO :-**

<b>EARNINGS (FROM EXPORT)</b>	<b>6100751</b>	<b>2396584</b>
<b>EXPENDITURE</b>		
i) Raw Material	<b>303568</b>	<b>2681859</b>
ii) Components and Spare Parts	<b>NIL</b>	<b>NIL</b>

For and on behalf of Board of Directors

Place : Pithampur  
Date : 14th August, 2009

Sd/-  
M.C.DHANDIA  
(CHAIRMAN)

## MANAGEMENT DISCUSSION & ANALYSIS

### OVERVIEW

The depression in the global economic scenario and the reduction in market demand had an adverse effect on manufacturing cycles globally. In such a situation, it was important for manufacturing industries across sectors to look for ways to sustain themselves. Our company took an intelligent and wise decision and forayed into trading activities in order to maintain its market share and continue to stay in competition.

Even during the peak of the Economic meltdown the Indian Economy still withstood the on slot of the depression as compared to the other economies of the world. India has continued to show signs of a growing economy. In the health sector, India continues to focus on health awareness and has increased its attention towards the fight against AIDS and other fatal diseases, Creating awareness about medical disposable products has continued to be the one the primary concerns and thus the Medical Disposable products Industry has registered an increase in the overall demand. It is our constant endeavor to contribute to this awareness drive by making and supplying products according to the need of the market.

### PERFORMANCE

The company reported a Operating profit (PBIDT) of Rs. 48.85 Lacs. There has also been renewed focus on quality and customer service to develop long-term relationship with customers. The Company is focusing on Govt. business in line to develop new market in this regard.

### DEMATERIALISATIONS

Dematerialization of Company's Shares facility is available with NSDL through our Share Transfer Agent M/s Ankit Consultancy Pvt. Limited.

### INTERNAL CONTROL

The Company has an adequate system of Internal Control which enables reliable financial reporting, safeguards assets and encourages adherence to management policies.

The Company also has a system for a speedy compilation of accounts and management information reports to comply with applicable laws and regulations.

The Company has a reasonable budgetary control system. The actual performance is reviewed with reference to budgets monthly by the management.

The Company has a well defined organisation structure, authority levels, internal rules and guidelines for conducting business transactions.

### OUTLOOK

The company has continued to manufacture and deliver quality products in the market even though the competition from Chinese products has affected the markets at large. Your affiliation with the Company and the strong dealer relationship has played a crucial role in helping the Company face and sustain the negative factors inflicting and affecting the markets.

With the government laying more stress and paying more attention to the quality of health and medical services in the country, it is our responsibility to assist the government in getting maximum results in this sector. Many efforts have been made by the government to tap the full potential and at the same time support the industry by providing financial support and to keep the economy under control by effecting immediate Duty Benefits and changes in the Customs and Import Taxes thus keeping inflation under control.

But despite these efforts the non-availability of stable raw material prices give rise to fluctuating manufacturing costs thus adversely affecting the productivity levels and production cost, particularly in relation to the cheap quality and low-priced products available in the market from China and spurious manufacturers.

## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Transparency, accountability and full disclosure in compliance with law are governing factors at RAAJ MEDISAFE INDIA LIMITED, which is committed to enhance the shareholders value in the long term as its ultimate objective, while contributing to the welfare of the employees, state revenue and public interest. Given below is the requisite information relating to corporate functioning of your company for the purpose of due transparency on this aspect.

### 2. COMPOSITION OF BOARD

Seven Board meetings were held during the year 2008-09. These meetings were held on 12.04.2008, 17.05.2008, 04.06.2008, 28.06.2008, 23.07.2008, 14.08.2008, 20.10.2008 and 13.01.2009.

Name of Director	Category of Directorship	No. of B.O.D. Meetings Held	No. of B.O.D. Meetings Attended	Attended Last A.G.M.
1. Shri M. C. Dhandia	Chairman and Director	7	7	Yes
2. Shri S. Rakyan	Director	7	2	Yes
3. Shri H. Sharma	Director	7	7	Yes
4. Shri R. K. Jain	Director	7	-	No
5. Shri M. Dhandia	Director	7	7	Yes
6. Shri Lakhpat Ray Gulgulia	Director	7	6	Yes
7. Shri Sunil Jain	Director	7	4	Yes
8. Shri Khushal Chand Jain	Director	7	5	Yes

As required by the Companies Act, 1956 and Clause 49 of listing agreement, none of the director hold directorship in more than 15 public companies, membership of board committees (Audit/remuneration/investors grievance committees) in excess of 10 and chairmanship of board committees as aforesaid in excess of 5.

### 3. COMMITTEES OF THE BOARD OF DIRECTORS

#### (a) AUDIT COMMITTEE

The details of of Audit Committee members and meeting held are :

Name of Directors	Meetings Held	Meetings Attended
1. Shri M. C. Dhandia - Chairman	3	3
2. Shri S. Rakyan	3	2
3. Shri M. Dhandia	3	3

The Audit committee reviews financial reporting system, Internal Control Systems and procedures and ensures compliance with the regulatory guide lines. The committee also monitors the Annual Audit plan and recommends appointment and fix remuneration of external auditors.

#### (b) COMPENSATION & REMUNERATION COMMITTEE

The Company does not pay any remuneration to any of the directors other than Managing Director. The Remuneration of Managing Director is fixed with the approval of Board of Directors and with the approval of shareholders of Company in the General Meeting.

**(c) SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE**

- a) The committee was constituted to specifically look into the transfer / transmission of shares, issue of duplicate share, all other matters related to shares and redressal shareholders and investor complaint like transfer of shares, non-receipt of dividend, non-receipt of Annual report etc. The Share Transfer & Shareholders Investors Grievance Committee consists of :

	Name of Directors	Meetings Held	Meetings Attended
1.	Shri M. C. Dhandia - Chairman	3	3
2.	Shri M. Dhandia	3	3
3.	Shri S. Rakyam	3	2

- b) Mr. P. D. Agrawal is the Compliance Officer.  
c) All the complaints received during the year were resolved to the satisfaction of shareholders.

**4. GENERAL BODY MEETINGS**

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time
2005-2006	Registered Office	30-09-2006	11.00 a.m.
2006-2007	Registered Office	29-09-2007	11.00 a.m.
2007-2008	Registered Office	30-09-2008	11.00 a.m.

**5. DISCLOSURES**

A list of transactions with related parties as per Accounting Standard AS 18 is mentioned in Schedule 17 to the Audited Accounts.

**6. MEANS OF COMMUNICATION**

- (a) The Company communicates with its shareholders through its annual reports, quarterly results and by filing of various returns with statutory bodies like Stock Exchanges and the Registrar of Companies.

**7. SHAREHOLDERS INFORMATION**

- (a) Annual General Meeting :  
Date & Time : 30-09-2009 at 11.00 a.m.  
Venue : 106, Sector III, Industrial Area, Pithampur.
- (b) Financial Calendar 2009-10 (Tentative)  
Result for the quarter ending 30th June, 2009 : Last week of July 2009.  
Result for the quarter ending 30th September, 2009 : Last week of October 2009.  
Result for the quarter ending 31st December, 2009 : Last week of January 2010.  
Result for the quarter ending 31st March, 2010 : Last week of April 2010.
- (c) Book Closure Date : 29th September 2009 to 30th September, 2009
- (d) Registered Office : RAAJ MEDISAFE INDIA LIMITED  
106, Sector III, Industrial Area, Pithampur - 454 774  
District Dhar, M.P.
- (e) Equity Shares Listed : The Stock Exchange, Mumbai  
M.P. Stock Exchange, Indore  
(Application for delisting of securities of the company with M. P. Stock Exchange Indore is still pending).
- (f) ISIN of NSDL : INE 458H01015
- (g) Stock Code : BSE 524502
- (h) SHARE TRANSFER

All the share transfer deed are processed quickly and share certificates are posted within 30 days from the date of receipt. Incomplete Shares deeds are returned to the transferees with a request to return the same after rectifying the deficiencies pointed out.

## (h) DISTRIBUTION OF SHAREHOLDING AS ON 31-03-2009

Sr. No.	No. of Equity Shares Held Nos.	Shareholders Nos.	%	Nos.	Shares %
1.	upto 1000	4,140	47.52	4140000	8.21
2.	1001 - 2000	2,400	27.55	4796600	9.52
3.	2001 - 3000	450	5.16	1348800	2.68
4.	3001 - 4000	246	2.82	984000	1.95
5.	4001 - 5000	703	8.07	3514800	6.97
6.	5001 - 10000	449	5.15	3713200	7.37
7.	10001-20000	211	2.42	3153800	6.26
8.	20001-30000	39	0.45	1021000	2.03
8.	30001-40000	13	0.15	464000	0.92
9.	40001-50000	12	0.14	563000	1.12
10.	50001-100000	13	0.15	1012000	2.01
11.	100000 Above	37	0.42	25688800	50.97
Total		8819	100.00	5040000	100.00

## (i) SHAREHOLDING PATTERN AS ON 31-03-2009

Category	No. of shares	%
(a) Promoters	1558480	30.92
(b) Resident Body Corporates	666400	13.22
(c) N.R.I.	83,900	1.66
(d) Resident Individuals	2731220	54.19
Total	50,40,000	100.00

## COMPLIANCE CERTIFICATE FROM THE AUDITORS OF COMPANY :

To,

The Members of

Raaj Medisafe India Ltd.,

We have examined the compliance of conditions of Corporate Governance by Raaj Medisafe India Ltd., for the year ended March 31, 2009 as stipulated in clause 49 of the Listing agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for period exceeding one month against the company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For N. Parik &amp; Associates

Chartered Accountants

Sd/-

Chhaya Sinha

Partner

Place : Pithampur

Date : 14th August, 2009

**AUDITORS REPORT**

To,  
The Shareholders,

**M/S RAAJ MEDISAFE INDIA LIMITED**

1. We have audited the attached Balance Sheet of M/S RAAJ MEDISAFE INDIA LIMITED (Previously known as Manoj Surgical Industries Ltd.) as at 31st March 2009 and the Profit & 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.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan & 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 & disclosures in the financial statements. An audit also includes assessing the accounting principles used & significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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 purpose 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 such books.
  - (iii) The Balance Sheet and Profit and Loss Account and Cash Flow Statement 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 the Companies Act, 1956.
  - (v) On the basis of the written representations received from the Directors as on 31st March, 2008, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2008, 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 account, read the significant accounting policies and notes on accounts, give the informations 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 2009 and
    - b) In the case of Profit and Loss Account, Loss of the Company for the year ended on that date.
    - c) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

For, N.PARIK & ASSOCIATES.  
(Chartered Accountants)

Sd/

Place :- INDORE  
Dated :- 14th August 2009

(CHHAYA SINHA)  
Partner

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAAJ MEDISAFE INDIA LIMITED ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2009.**

- 1 (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (ii) Fixed assets have been physically verified by the management during the year based on a phased programme of verifying all the assets over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, no material discrepancies were noticed on such verification.
- (iii) there was no substantial disposal of fixed assets during the year.
- 2 (i) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (ii) The procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- 3 The Company has not taken unsecured loan from a companies , firms and other parties covered in the register maintained under section 301 of the companies Act, 1956. The Company has not given any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4 In our opinion and according to the information and explanatons given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control in respect of these areas.
- 5 (i) According to the informations and explanations given to us, there are no such transactions that need to be entered into the register maintained under Section 301.
- (ii) In our opinion and according to the informations and explanations given to us, the transactions with parties with whom transactions exceeding the value of Rupees Five Lakhs have been entered into during the financial year, are at prices which are reasonable, having regard to the prevailing market prices at the relevant time.
- 6 The Company has not accepted any deposit from the public.
- 7 In our opinion , the Company has an internal audit system commensurate with the size and nature of its business.
- 8 We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(l)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 9 (i) Undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, cess have generally being regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (ii) According to the information and explanations given to us, follwing undisputed amounts are payable in respect of Sales Tax and Entry Tax, which, were outstanding at the year end for a period of more than six months from the date they became payable.

Nature of Statute	Period	Amount
Central Sales Tax Act	For 2006-07 Financial Year	136,870
Central Sales Tax Act	For 2007-08 Financial Year	950,986
Central Sales Tax Act	For 2008-09 Financial Year	106,068
Entry Tax Act	For 2008-09 Financial Year	23,392
<b>TOTAL</b>		<b>1217,316</b>



(iii) According to the records of the Company, the dues outstanding of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess on account of any dispute are as follows:

Nature of Statute	Nature of Dues	Amount	Forum where dispute is pending
Local & Central Sales Tax/Entry Tax	In connection with pending declaration and one prominent issue regarding exemption of needles, Hon'ble High Court has held the issue in Company's favour.		
Year 1995-96	Interest & Penalties	213000	Applied for Stay U/S 67 Rule 77
Year 1998-99	Interest & Penalties	126807	After Remand under Reassessment
Year 2000-01	Needle exemption	507490	After Remand under Reassessment
Year 2001-02	Interest & Penalties	200145	After Remand under Reassessment
Year 2002-03	Interest & Penalties	234880	Applied for Revision
Year 2003-04	Interest & Penalties	61496	After Remand under Reassessment
Year 2004-05	Demand	4101151	After Remand under Reassessment
Year 2005-06	Interest & Penalties	246846	Applied for Remand
<b>TOTAL</b>		<b>5691815</b>	

- 10 The Company has accumulated losses of Rs. 329.74 lacs. at the end of the financial year which has exceeded fifty percent of its net worth and it has incurred Rs. 3.74 Lacs cash losses in the current year.
- 11 Based on our audit procedures and as per the informations and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- 12 According to the informations and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 14 According to the informations and explanations given to us and based on the documents and records produced to us, the Company has sold 65 Shares of State Bank of Bikaner & Jaipur during the year.
- 15 According to the informations and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
- 16 According to the informations and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, we report that no funds raised on short term basis have been used for long-term investments and no long-term funds have been used to finance short-term assets (excludes permanent working capital)
- 17 The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 18 The Company did not have any outstanding debentures during the year.
- 19 The Company has not raised any money through a public issue during the year.
- 20 Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the informations and explanations by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For, N.PARIK & ASSOCIATES.  
(Chartered Accountants)

Place : Pithampur  
Date : 14th August, 2009

(CHHAYA SINHA)  
Partner

## BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 (RUPEES)	AS AT 31.03.2008 (RUPEES)
<b>I. SOURCE OF FUNDS</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	49995500	49995500
b) Reserves & Surplus	2	6730746	6730746
<b>2 Loan Funds</b>			
a) Secured Loans	3	9597231	10023019
b) Unsecured Loans		16086204	12127806
<b>TOTAL</b>		<u>82409681</u>	<u>78877071</u>
<b>II. APPLICATION OF FUNDS</b>			
<b>1 Fixed Assets</b>	<b>4</b>		
a) Gross Block		96731209	96024601
b) Less : Depreciation		<u>73158614</u>	<u>70892644</u>
c) Net Block		23572595	25131957
<b>2 Investments</b>	<b>5</b>	154200	151200
<b>3 Current Assets, Loans &amp; Advances</b>	<b>6</b>	56677347	33329636
Less : Current Liabilities & Provisions	<b>7</b>	<u>30204210</u>	<u>12709524</u>
<b>Net Current Assets</b>		26473137	20620112
<b>Profit and Loss Account</b>		32209749	32973803
<b>TOTAL</b>		<u>82409681</u>	<u>78877071</u>
<b>Notes on Account</b>	<b>18</b>		

In terms of our attached report of even date

**N. Parik & Associates**  
Chartered Accountants

For and on Behalf of Board of Directors

Sd/-  
**(Chhaya Sinha)**  
Partner

FOR RAAJ MEDISAFE INDIA LIMITED,

AUTHORISED SIGNATORY.

Sd/-  
**(M.C. Dhandia)**  
Director

Sd/-  
**(M.C. Dhandia)**  
Chairman

Place : Pithampur

Date : 14th August, 2009

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

PARTICULARS	SCHEDULE	AS AT	AS AT
		31.03.2009 (RUPEES)	31.03.2008 (RUPEES)
<b>I</b>			
<b><u>INCOME:</u></b>			
Sales and Other Income	8	63530498	41021368
Increase (Decrease) in Stocks	9	961155	419881
<b>TOTAL</b>		<b>64491653</b>	<b>41441249</b>
<b>II</b>			
<b><u>EXPENDITURE:</u></b>			
Purchase	10	40645610	--
Raw Material Consumed and Sold	11	5907601	19099325
Payments & Provisions to Employees	12	4649239	5840651
Manufacturing Expenses	13	2643000	4921575
Duties and Taxes	14	2423476	4011801
Office & Administrative Expenses	15	1787723	1979626
Selling & Distribution Expenses	16	1274277	3460686
Finance Expenses	17	1750897	2502451
Foreign Exchange Rate		275193	
<b>TOTAL</b>		<b>61357016</b>	<b>41816114</b>
Profit (Loss) before Depreciation		3134637	(374866)
Depreciation		2265970	2312297
Profit (Loss) after Depreciation & before Tax		868667	(2687163)
Current Tax (MAT)		89473	--
Fringe Benefit Tax		15141	--
Profit (Loss) after Current Tax		764053	--
Profit (Loss) carried forward from earlier years		(32973802)	(30286640)
<b>Balance Carried Forward to Balance Sheet</b>		<b>(32209749)</b>	<b>(32973803)</b>
Notes on Accounts	18		

In terms of our attached report of even date

**N. Parik & Associates**  
Chartered Accountants

Sd/-  
(Chhaya Sinha)  
Partner

FOR RAAJ MEDISAFE INDIA LIMITED, Sd/-

(Manoj Dhandia)  
Director  
AUTHORISED SIGNATORY

For and on Behalf of Board of Directors

Sd/-  
(M.C. Dhandia)  
Chairman

Place : Pithampur  
Date : 14th August, 2009

**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009**

PARTICULARS	AS AT 31-3-2009	AS AT 31-3-2008
<b>SCHEDULE "1" SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
6000000 Equity Shares of Rs. 10 each. (Previous year 6000000 Equity Shares of Rs 10 each)	60000000	60000000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
5040000 Equity Shares of Rs. 10 each. (Previous year 5040000 Equity Shares of Rs. 10 each)	50400000	50400000
	50400000	50400000
Less : Calls in Arrear	404500	404500
<b>TOTAL</b>	<b>49995500</b>	<b>49995500</b>
<b>SCHEDULE "2" RESERVES AND SURPLUS</b>		
Capital Reserve	2500000	2500000
Investment Allowance Reserve	4230746	4230746
<b>TOTAL</b>	<b>6730746</b>	<b>6730746</b>
<b>SCHEDULE "3" LOAN FUNDS:</b>		
A. Secured Loans :		
a) Loans and Advances from Bank		
Cash Credit Loans :	9412250	9711572
b) Others Loans and Advances	184981	311447
<b>TOTAL</b>	<b>9597231</b>	<b>10023019</b>
B. Unsecured Loans :		
i) From Directors	12102488	8417838
ii) From Members	3709968	3709968
iii) From Branch	273748	--
<b>TOTAL</b>	<b>16086204</b>	<b>12127806</b>

Particulars of Securities :

**CASH CREDIT**

Cash Credit facilities availed from the State Bank of Bikaner & Jaipur is secured by way of hypothecation of the Company's current assets consisting of finished and semi-finished goods, raw materials, consumable stores and spares etc. first charge on fixed assets and further secured by personal guarantee of some of the directors of the Company.

## SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

## SCHEDULE : "4" FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As On	During the Year		As On	As On	For The	Written	As On	As On	As On
	31.3.2008	Additions	Deductions	31.03.2009	31.03.2008	Year	back	31.03.2008	31.03.2009	31.03.2008
Leasehold land	638943	-	-	638943	-	-	-	-	638943	638943
Factory Building	18089761	62406	-	18152167	6787258	604900	-	7392159	10760008	11302503
Plant & Machinery	52391850	628953	-	53020803	40684418	1374595	-	42059013	10961789	11707431
Injection Moulds	23430975	-	-	23430975	22856975	192012	-	23048987	381988	574000
Furniture & Fixtures	267523	-	-	267523	223047	16934	-	239982	27541	44476
Office Equipments	748283	15250	-	763533	291022	36091	-	327113	436420	457261
Vehicles	457266	-	-	457266	49923	41437	-	91360	365906	407343
Total	96024601	706609	0	96731209	70892644	2265970	0	73158614	23572595	25131957
Previous Year	9570277	452823	131000	96024601	68594792	2312297	14445	70892644	25131957	27107985

SCHEDULE : "5" INVESTMENTS :	AS AT 31-3-2009	AS AT 31-3-2008
Shares in State Bank of Bikaner & Jaipur (Equity Share of Rs 100 each, Fully paid up)	151200	151200
N.S.C	3000	---
	<u>154200</u>	<u>151200</u>

## SCHEDULE : "6" CURRENT ASSETS, LOANS &amp; ADVANCES

## A. Current Assets :

i. Inventories ( As taken valued & certified by management)	20606231	20578652
ii Sundry Debtors : (Unsecured considered good) Debts outstanding for a period exceeding six months	2094304	3449952
Others	<u>29411260</u>	<u>4422945</u>
	31505564	7872897
iii Cash & Bank Balances :		
a) Cash in Hand :	274692	229254
b) Balance with Scheduled Bank :		
i) Current Accounts :	60954	28472
ii) Fixed Deposits (Pledged as Margin/Security)	156303	156303

## B. Loans and Advances :

(Unsecured considered good)		
1. Loans	358450	358450
2. Advances recoverable in cash or in kind or for value to be received.	2978608	3029177
3. Security Deposits :	736545	1076432
<b>TOTAL</b>	<u>56677347</u>	<u>33329636</u>

## SCHEDULE : "7" CURRENT LIABILITIES &amp; PROVISIONS :

## A. Current Liabilities :

a) Sundry Creditors (For Goods and Services)	25094816	7436668
b) Others	5109394	5272856
<b>TOTAL</b>	<u>30204210</u>	<u>12709524</u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED ON 31ST MARCH, 2009**

	For the year ended 31-3-2009	For the year ended 31-3-2008
<b>SCHEDULE : "8" SALES AND OTHER INCOME</b>		
Sales	62188313	37722625
Interest	40244	169175
Commission	797133	--
Others	504808	3129568
<b>TOTAL</b>	<u>63530498</u>	<u>41021368</u>
<b>SCHEDULE : "9" INCREASE (DECREASE) IN STOCKS :</b>		
Closing Stocks		
Stock of precious Stone	2278681	--
Finished Goods	185450	1071360
Stock in Process	4388482	4820098
	<u>6852613</u>	<u>5891458</u>
<b>LESS : Opening Stocks</b>		
Stock of precious Stone		
Finished Goods	1071360	250285
Stock in Process	4820098	5221292
	<u>5891458</u>	<u>5471577</u>
Increase (Decrease)	<u>961155</u>	<u>419881</u>
<b>SCHEDULE : "10" PURCHASES :</b>		
Trading Purchase	40645610	--
	<u>40645610</u>	<u>--</u>
<b>SCHEDULE : "11" RAW MATERIAL CONSUMED :</b>		
Purchases	5015237	18977197
<b>ADD : Opening Stock</b>	13598156	13720284
<b>LESS : Closing Stock</b>	12705792	13598156
<b>TOTAL</b>	<u>5907601</u>	<u>19099325</u>
<b>SCHEDULE : "12" PAYMENTS AND PROVISIONS TO EMPLOYEES :</b>		
Salaries, Wages & Allowances	4600914	5800925
Staff and Labour Welfare Expenses	24025	39726
Recruitment Expenses	24300	0
<b>TOTAL</b>	<u>4649239</u>	<u>5840651</u>
<b>SCHEDULE : "13" MANUFACTURING EXPENSES :</b>		
Stores and Spares Consumed	138550	347440
Packing Materials & Other Expenses	525171	1266061
Power, Fuel & water	1815944	3118678
Repair & Maintenance	163334	101492
Others	--	87904
<b>TOTAL</b>	<u>2643000</u>	<u>4921575</u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED ON 31ST MARCH 2009**

	For the year ended 31-3-2009	For the year ended 31-3-2008
<b>SCHEDULE : "14" DUTIES AND TAXES :</b>		
Duties (Excise)	800087	2699344
Taxes	1623389	1312457
<b>TOTAL</b>	<u>2423476</u>	<u>4011801</u>
<b>SCHEDULE : "15" OFFICE AND ADMINISTRATIVE EXPENSES :</b>		
Vehicles Runingng & Maintenance	255171	299218
Directors' Salary & allowances	300600	300600
Telephone and Telex Expenses	121424	246064
Insurance	105596	129083
Travelling	30113	102374
Printing and Stationery	15884	22630
Rent (including Lease Rent)	174046	133191
Legal, Licence and Fees	312497	272604
Security Expenses	284535	276079
Postage and Telegrams	24563	44662
Auditors Remuneration : Audit Fees	40000	21600
Other	--	8400
Loss on sale of Car	--	16555
Others	123294	106566
<b>TOTAL</b>	<u>1787723</u>	<u>1979626</u>
<b>SCHEDULE : "16" SELLING AND DISTRIBUTION EXPENSES :</b>		
Discount	151800	424767
Commission	182368	1199769
Freight & Forwarding Charges	484602	1245445
Field Expenses	293680	535782
Others	161827	54923
<b>TOTAL</b>	<u>1274277</u>	<u>3460686</u>
<b>SCHEDULE : "17" INTEREST AND FINANCE EXPENSES :</b>		
Interest		
Bank	1689275	2212846
Others	61622	289605
<b>TOTAL</b>	<u>1750897</u>	<u>2502451</u>

**SCHEDULE : "18" NOTES ON ACCOUNTS**

1. Nature of Operation and Background Raaj Medisafe India Ltd. ( hereinafter referred to as "RMIL") is a publicly owned Company, incorporated on September 12.1985 , registered with the Registrar of Companies, Gwalior. Its businss includes mainly manufacturing and sale of medical disposable products.

2. Contingent Liabilities not provided for in respect of

i) Bank Guarantee	Nil	Nil
ii) Bills Discounted from Bank	Nil	Nil
iii) Demand/Show Cause Notices from Excise/ Custom/ Sales Tax Dept. etc. which are disputed & pending before appeallate authorities.	5691815	5168271
iv) Letter of Credit	Nil	Nil
3. Claim against the Company not acknowledged as debts.	2644434	2644434

4. The provision for Gratuity has been made on accrual basis and the provision for Bonus has been made as per provisions of Payment of Bonus Act. 1965.

5. Significant accounting policies :-

(a) Basis of Accounting

The Financial statements have been prepared in accordance with applicable accounting standards. The Company has adopted the accrual system of accounting and accounts have been prepared under historical cost convention.

(b) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. The company capitalises all cost relating to acquisition and installation of fixed assets.

(c) Depreciation

Depreciation on Fixed Assets is provided on the basis of straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

(d) Investment

All investment are classified as long-term investments.

Long-term investments are carried at cost. However, provision for diminution in the value is made to recognise a decline other than temporary in the value of such investments.

(e) Valuation of Inventories

i) Raw Materials are valued at lower cost or net realisable value.

ii) Stores, Spares and Packing Materials are valued at cost.

iii) Work in Process is valued at lower cost or net realisable value.

iv) Finished Goods are valued at the lower of cost or net realisable value.

(f) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer.



**Interest**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(g) Foreign currency transactions**

Exchange differences arising on the settlement of monetary items or on restatement of monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognised as income or as expenses in the year in which they arise, No exchange differences on transactions relating to acquisition of fixed assets during the year.

**(h) Retirement Benefits**

(a) Retirement benefits in the form of Provident Fund are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

(b) Gratuity liability under the Payment of Gratuity Act is accrued and provided for on the basis of an accrual valuation made at the end of each financial year.

6. On account of accumulated carried forward losses under the Income Tax Act, 1961 and rules made thereunder there is no income tax liabilities for the year.

(a) Provision for Current Taxation is made as per U/s 115JB (MAT) of Income Tax Act, 1961.

7. Additional informations pursuant to Provisions of part II of Schedule VI to the Companies Act, 1956, to the extent relevant.

<b>I. Particulars of Capacity</b>	<b>Current year</b>	<b>Previous year</b>
i) Licensed Capacity	<b>152.00 Million</b>	152.00 Million
ii) Installed Capacity (as certified by the Management)	<b>152.00 Million</b>	152.00 Million
iii) Actual Production	<b>9.85 Million</b>	25.67 Million

**II. Particulars in respect of Production, Sales and Stock of Finished Goods.**

Class of Goods	Opening Stock		Production		Sales		Closing Stock	
	Quantity Pcs	Value Rs.	Quantity Pcs	Quantity Pcs	Value Rs.	Quantity Pcs	Value Rs	
<b>Disposable Medical Products</b>								
Current Year	<b>1018780</b>	<b>1071360</b>	<b>9849283</b>	<b>10706713</b>	<b>48270780</b>	<b>161350</b>	<b>185450</b>	
Previous Year	254800	250285	25670377	24906397	37722625	1018780	1071360	
Trading goods Stones (Cts)			1653210	1158380	13917533	494830	2278681	

**III. Raw Material Consumption**

	Current Year		Previous Year	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
1. Imported	712511	12.06%	2571117	13.46%
2. Indigenous	5195090	87.94%	16528208	86.54%
<b>TOTAL</b>	<b>5907601</b>	<b>100.00%</b>	<b>19099325</b>	<b>100.00%</b>

8. In accordance with Accounting standard (AS) -22 on "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India (ICAI), the Company has deferred tax asset. The company has been reporting a negative income over the last few years. Considering the past trend and in the absence of reasonable certainty that sufficient future taxable income would be available against which deferred tax assets would be realised, the company has decided not to account for deferred tax asset. The same is also in accordance with AS-22 issued by ICAI.
9. The Company does not have separate segments that are subject to separate risk and returns. Hence segment wise reporting pursuant to clause 41 of the listing agreement and AS -17 issued by the ICAI is not applicable to the Company.

10. Payment to Auditors

Audit Fee	40000	21600
Tax Matters	-	8400
	<b>40000</b>	<b>30000</b>

11. Related Parties Disclosures in accordance with AS-18 issued by ICAI.

Transactions with related parties

a. Name of related party and nature of relationship.

Name of related party	Nature of relationship
Shri Himanshu Sharma	Director
Smt. Neera Sharma	Relative of Director
Ms. Nidhi Sharma	Relative of Director

b. Transaction during the year

Related party	Nature of Transaction	Amount in Rs.
Mr. Himanshu Sharma	Director's Remuneration Including Allowance & reimbursement	300600
Smt. Neera Sharma	Salary Allowance & reimbursement	240480
Ms. Nidhi Sharma	Salary & Allowance	1,20,000

12. There are no subsidiary companies to the Company. The Company has not obtained any economic benefits from its activities with the associate Companies/firms hence provisions of AS-21 issued by ICAI are not applicable.
13. Previous year figures have been re-grouped wherever considered necessary.

In terms of our attached report of even date

**N. Parik & Associates**  
Chartered Accountants

Sd/-  
**(Chhaya Sinha)**  
Partner

For and on Behalf of Board of Directors

Sd/-  
**(Manoj Dhandia)**  
Director

Sd/-  
**(M.C. Dhandia)**  
Chairman

Place : Pithampur

Date : 14th August, 2009

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE

<b>I. Registration No.</b>	3039	3039
State Code	10	10
Balance Sheet Date	31-3-2009	31-3-2008
<b>II. Capital raised during the year</b>		
Public Issue	Nil	Nil
Right Issue	Nil	Nil
Bonus Issue	Nil	Nil
Private Placement	Nil	Nil
<b>III. Position of Mobilisation and Deployment of Funds</b>		
Total Liabilities	112613891	91586595
Total Assets	112613891	91586595
<b>Sources of Funds</b>		
Paid Up Capital	49995500	49995500
Reserves and Surplus	6730746	6730746
Secured Loans	9597231	10023019
Unsecured Loans	16086204	12127806
	82409681	78877071
<b>Application of Funds</b>		
Net Fixed Assets	23572595	25131957
Investment	154200	151200
Net Current Assets	26473137	20620112
Misc. Expenditure	0	0
Accumulated Loss	32209749	32973802
	82409681	78877071
<b>IV Performance of Company</b>		
Turnover	63530498	41021368
Total Expenditure	62661831	43708530
Profit (Loss) before tax	868667	(2687163)
Profit (Loss) after tax	764053	(2687163)
<b>V General Names of three Principal Products/Services of Company</b> (As per monetary terms)		
Item Code No.		Product
901831		Syringes, Needles and perfusion sets



In terms of our attached report of even date

**N. Parik & Associates**

Chartered Accountants

Sd/-  
(Chhaya Sinha)  
Partner

*Certified True Copy*  
FOR RAAJ MEDISAFE INDIA LIMITED  
Director

For and on Behalf of Board of Directors

Sd/-  
(M.C. Dhandia)  
Chairman

Place : Pithampur  
Date : 14th August, 2009

AUTHORISED SIGNATORY

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	For the year ended <b>31.3.2009</b>	For the year ended <b>31.3.2008</b>
<b>A. Net Profit Before Tax</b>	868667	(2687163)
Adjustment for:		
Depreciation	2265970	2312297
Profit / Loss on Sale of fixed assets	---	16555
Interest income	(40244)	(169175)
Dividend from non-trade investment	(32500)	(34500)
Interest expenses	1750897	2502451
Operating profit before working capital charges	4812790	1940465
Movement in working capital		
Decrease (Increase) in inventories	(27579)	(185212)
Decrease (Increase) in sundry debtors	(23632667)	11620348
Decrease (Increase) in other current assets	339887	210948
Decrease (Increase) in loans & advances	50569	1545593
Increase in current liabilities and provisions	17494686	(11543012)
Cash generated from operations	(962314)	3589130
<b>B Cash flow from/ (used in) investing activity</b>		
Purchase of fixed assets	(706609)	(452823)
Proceeds from sale of fixed assets	---	100000
Purchase of investment	---	---
Sale of investment	---	481925
Movement in loans	---	---
Dividend received	32500	34500
Interest received	40244	169175
Net cash used in investing activity	(633865)	332777
<b>C Cash flow from /(Used in) financing activities</b>		
Increase in share capital	---	---
Proceeds from long-term borrowing	---	400000
Repayment of long-term borrowing	(126466)	(88553)
Proceeds from short-term borrowings	(299322)	212369
Repayment of short-term borrowings	3958398	(1963971)
Interest paid	(1750897)	(2502451)
Net cash used in financing activities	1781713	(3942606)
Net increase in cash and cash equivalents	185534	(20698)
Cash and cash equivalents at the beginning of the year	257726	725249
Cash and cash equivalents at the closing of the year	443260	704551
Component of cash and cash equivalents	335646	257726
Cash on hand	274692	229254
On current account	60954	28472

Note : Figures in brackets indicate negative figure

Place : Indore

Date : 14th August, 2009

Sd/-

**(Manoj Dhandia)**

Director

Sd/-

**(M.C. Dhandia)**

Chairman

We have verified the Cash Flow Statement of Raaj Medisafe India Limited for the year ended on 31st March 2009 and confirm that this has been drawing up based on the Accounts of the Company the year ended on 31st March 2009 audited by us.

In terms of our attached report of even date

**N. Parik & Associates**

Chartered Accountants

Place : Indore

Date : 14th August, 2009

Sd/-

**(Chhaya Sinha)**

Partner

# RAAJ MEDISAFE INDIA LIMITED

Regd. Office : 106, Sector III, Industrial Area, PITHAMPUR - 454 774

## ATTENDANCE SLIP

I hereby record my presence at 24th Annual General Meeting on 30th September, 2009 at 11.00 a.m. at 106, Sector III, Industrial Area, Pithampur, Dist. - Dhar (M. P.)

Full Name of the Share Holder \_\_\_\_\_

(in Block Letters)

Folio No. \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(If the Proxy attends, instead of the shareholder)

Signature of the Shareholder

1. Member attending the Meeting must fill in this Attendance Slip and hand it over at the entrance of the Meeting Hall.
2. Members are requested to bring their copy of the Annual Report at the Meeting

# RAAJ MEDISAFE INDIA LIMITED

Regd. Office : 106, Sector III, Industrial Area, PITHAMPUR - 454 774

## PROXY FORM

Folio No. \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member/members of RAAJ MEDISAFE INDIA LIMITED hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_

or failing him \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 30th September, 2009 at 11.00 a.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Signature \_\_\_\_\_

Affix Rs. 1  
Revenue  
Stamp

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the Company, not less than 48 hours before the time fixed for holding the aforesaid meeting.

To,

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*If undelivered, Please return to :*

**RAAJ MEDISAFE INDIA LIMITED**

Regd. Office : 106, Sector III, Industrial Area, PITHAMPUR - 454 774

medisafe@medisafeindia.com Visit : medisafeindia.com