19th

Annual Report

2009-10

SHIVA MEDICARE LIMITED

SHIVA MEDICARE LIMITED

BOARD OF DIRECTORS	**Sri Amit Jain** **Director** **SRI P. Vishalakshan** **Director** **SRI Raj Kumar Jain** **Director**
AUDITORS	AVK & Associate **317, Express Arcade,** **H-10, Netaji subhash Place,** **Pitampura, Delhi-110034** **Ph:011-42471074**
BANKERS	**Bank of Baroda** **Parliament Street** **Delhi**
REGISTERED OFFICE	**D-110, Kamla Nagar** **Delhi-110007** **Ph:011-41530502**

SHIVA MEDICARE LIMI

Regd. Office: D-110, Kamla Nagar
Delhi - 110007

NOTICE

NOTICE is hereby given that Annual General Meeting of the Members of Shiva Medicare Limited will be held on Saturday, the 25th day of September 2010 at 11.00 A.M. at the Registered Office of the Company at D-110, Kamla Nagar, , Delhi 110007 to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and Profit and Loss Account for the period ended as on that date together with the Directors' Report and Auditor's Report thereon.

2. To appoint a Director in place of Sh. Amit Jain, who retires by rotation, and being eligible, offers himself for reappointment.

3. To appoint M/s. AVK & Associates, Chartered Accountants, Auditors of the Company to hold the office from the conclusion of this Annual General Meeting to till the conclusion of next Annual General Meeting and to fix their remuneration.

By the Order of the Board
For Shiva Medicare Limited

(Amit Jain)
DIRECTOR

Place : New Delhi

Date : 20/07/2010

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A FORM OF PROXY IS ENCLOSED.

2. Members are requested to bring the copy of their Annual Report alongwith them to the Annual General Meeting.

3. Members are requested to intimate the change of address, if any, immediately.

SHIVA MEDICARE LIMITED

Regd. Office: D-110, Kamla Nagar
Delhi - 110007

DIRECTORS' REPORT

To
The Members of Shiva Medicare Limited,

Your Directors have great pleasure in presenting their Annual Report alongwith the Audited Accounts for the year ended 31st March, 2010 together with the Auditor's Report thereon.

WORKING RESULT & REVIEW OF OPERATIONS
During the period under review, the Company has not done any business activity; hence there is no any working Results.

DIVIDEND
You directors have not recommended payment of any dividend during the period under review.

DEPOSITS
The Company has not accepted any deposits from the public during the year under the provisions of Section 58A as well as Section 58AA of the Companies Act, 1956.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO
There was no business activity and hence no steps were taken for Conservation of Energy. There was no Technology Absorption, Foreign Exchange Earning and Outgo. There was no Technical Know How pursuant to sections 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the report of the Board of Directors) Rules 1988.

PERSONNEL
There was no employee who was in receipt of the remuneration for the year or part thereof as prescribed under Section 217(2A) of the Companies Act, 1956 relating to the Companies (Particulars of employees) Rules, 1975, is required to be annexed.

DIRECTORS
Sh. Amit Jain is retiring by rotation and is eligible for re-appointment in the ensuing Annual General Meeting.

AUDITORS

M/s. AVK & Associates, Chartered Accountants, Delhi, Auditors of the Company will hold the Office till the date of Annual General Meeting and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. They have furnished a Certificate to the effect that their re-appointment, if made, will be in accordance with the provisions of section of Section 224(1B) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed:

a) that in preparation of the Annual Accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any. ;

b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;

c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the Directors had prepared the accounts for the financial year ended 31st March 2010 on a 'going concern' basis.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the assistance, support and co-operation to the Company.

For and on behalf of the Board
For Shiva Medicare Limited

Place : New Delhi

Date : 20/07/2010

DIRECTOR

DIRECTOR

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Company philosophy on the code of Corporate Governance is:

(i) To ensure that adequate control system exists to enable the board to effectively discharge its responsibility to all the shareholders of the company.

(ii) To ensure that the decision making process is fair and transparent.

(iii) To ensure that the fullest commitment of the Management and the board to the maximization of shareholders value.

(iv) To ensure that the employees of the company subscribe to the corporate values and apply them in their conduct and to ensure that the company follows globally recognized Corporate Governance practices.

2. Board of Directors:

(i) Composition: The details of composition and categories of Directors are:

Name	Category	Designation held	No.of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM (Y/N)	No. of Directorships in other Boards	No. of Membership in other committees
Sri Amit Jain	Executive Director	Director	4	4	Yes	2	Nil
Sri P. Vishalakshan	Non-Executive Director	Director	4	4	Yes	Nil	Nil
Mr Raj KumarJain	Non-Executive Director	Director	4	1	Yes	Nil	Nil

Meeting of Board of Directors

During the Financial Year 2009-10 Board of Directors met on the following dates: 27th May 2009, 27th July 2009, 23rd October 2009 and 23rd January 2010.

3. **Audit Committee:** As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted consisting of two Independent Directors and one Executive Director as sub-Committee to the Board and considers the terms of reference as stipulated under Clause 49 of the Listing Agreement:

Composition and other details: The Audit Committee of the Company was constituted with two Independent Directors and one Executive Director viz.,

Chairman	-	Sri Amit Jain	-	Director (Executive)
Member	-	Sri P. Vishalakshan	-	Independent Director
Member	-	Sri Raj Kumar Jain	-	Independent Director

During the year the Audit Committee met 4 times on the following Dates:

27th May 2009,
27th July 2009,
23rd October 2009 and
23rd January 2010.

Attendance of the Directors in the Audit Committee Meeting:

Name of the Director	No. of Meetings Held	No. of Meetings attended
Sri Amit Jain	4	4
Sri P. Vishalakshan	4	4
Sri Raj Kumar Jain	4	1

4. **Remuneration Committee:**

a) Composition, Name of the Chairman and members:

Sri Amit Jain
Sri P. Vishalakshan
Sri Raj Kumar Jain

b) The Terms of reference stipulated by the Board to the Remuneration Committee

To formulate a remuneration policy and approve the remuneration or revise the remuneration payable to the Directors. The remuneration policy of the Company is directed towards motivating and retaining the senior officers of the Company by rewarding performance.

5. **Share Holders/ Investors Grievance Committee**

a. **Constitution:** The shareholders grievance committee was constituted by the Board of Directors in accordance with the requirement of clause 49 of the listing agreement.

b. **Composition:** The composition of the Committee is as follows

Chairman	-	Sri Amit Jain	- Director
Member	-	Sri P. Vishalakshan	- Director
Member	-	Sri Raj Kumar Jain	- Director

c. **Functions:** The functions of the committee are as follows: oversees

(i) Share Transfer with in stipulated time.

(ii) Non-receipt of Dividends, if any.

(iii) To consider Replacement of lost/stolen/mutilated share certificates.

(iv) Non-receipt of rights/bonus/share certificates.

(v) Other related issues.

6. **GENERAL BODY MEETINGS**

a. Details of Location and Time of holding the last three Annual General Meetings.

September 29, 2007	**D-110, Kamla Nagar Delhi-110007**	11.00 AM	Nil
September 30, 2008	**D-110, Kamla Nagar Delhi-110007**	11.00 AM	Nil
September 29, 2009	**D-110, Kamla Nagar Delhi-110007**	11.00 AM	Nil

7. **Disclosures**

(a) **RELATED PARTY TRANSACTIONS:** The Company has no related party transactions during the year 2009-10.

8. **MEANS OF COMMUNICATION:**

a. In compliance with the requirements of Listing Agreement, the Company regularly intimates Un-audited as well as audited financial results to the Stock Exchange immediately after they are taken on record by the Board.

b. The Management Discussion and Analysis Report is part of this Annual Report.

9. GENERAL SHAREHOLDERS INFORMATION:

(a) **Annual General Meeting:**

Date & Time	:	25th September, 2010 at 11.00 A.M
Venue	:	D-110, Kamla Nagar Delhi-110007

(b) Financial Year - April – March

(c) Date of Book Closure : 18th September 2010 to 25th September 2010 (both Days inclusive)

(d) Listing on Stock Exchange : The Equity Shares of the company are listed on:

The Bombay Stock Exchange, Mumbai,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001.

(e) Registrars & Transfer Agents: Share Transfers & Communication regarding Share Certificates and Change of address, etc,

NA

(f) The listing fee for the year 2009-10 has not been paid to Bombay Stock Exchange.

(g) **Address for Correspondence:**

For suggestions / grievances / Queries to

D-110, Kamla Nagar
Delhi-110007
Mail: cs.shivamedi@gmail.com

For Share Transfer / Dematerialization / Consolidation / Split of Shares, Issue of Duplicate Share Certificates and Change of Address of members:

NA

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT

The Indian Pharmaceutical industy currently tops the charts amoingst india's science based industies with wide ranging capabilities in the complex field of drug manufacture & technology. A highly organized sector, the indian pharmaceutical industry is estimated to be worth $4.5 billion, growing about 8 to 9% annually. It ransk very high amongst all the third world countires. The pharma industry in india meets around 70% of the countrys demand for bulk drugs, drug intermediaries, pharma formulations, tablets, capusules, orals and injectibles. There are apporximaterly 250 large units which form the core of the pharma industry in India.

ABOUT THE COMPANY:

The Land, plant and machinery of our company was sold long back in order to settle the dues to bank and other statutory obligations. The management of the company is working hard to restart the company operations and is looking forward for various opportunities in Pharma Sector.

OPPORTUNITIES AND THREATS:

There is significant opportunity in the Indian Pharma Industry. With many MNC's acquiring small and midsize Pharma companies. Your company foresees a better future in years to come.

The company is also trying to identify suitable land parcel where in company can start its further activities.

OUTLOOK:

The management is trying to bring back company on the growth trajectory and revive its operations.

AVK & Associates
Chartered Accountants
317, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034.
Ph. 011 42471074, 42471075

AUDITORS' REPORT

To
The Members of
Shiva Medicare Limited

We have audited the attached Balance Sheet of ***M/s Shiva Medicare Limited*** as on March 31, 2010 and the Profit & Loss Account for the year ended on that date annexed thereto and report that:

1. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amount and the disclosure in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

2. As required by the Companies (*Auditors' Report*) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order.

3. Further to our comments in the Annexure referred to in paragraph 2 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 the said books.

   iii) The Balance Sheet, Profit & Loss Account dealt with in this report are in agreement with the books of accounts;

   iv) In our opinion, and subject to our observations and read with other notes thereon in Schedule 7 of the Balance Sheet and the Profit & Loss Account, dealt with by this report, are in compliance with the mandatory accounting standard referred to in section 211 (3C) of the Companies Act, 1956.

   v) Based on the representations made by all the Directors of the company as on 31st March 2010 and taken on record by the Board of Directors of the company and in accordance with the information and explanations as made available, we report that none of the directors are disqualified as on 31st March 2010, from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956.

AVK & ASSOCIATES
DELHI
Chartered Accountants

AVK & Associates
Chartered Accountants
317, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034.
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vi) In our opinion and to the best of our information and according to the explanations given to us, the said account subject to:-

a) ***Preparation of the financial statements on the basis of the going concern concept in view of the accumulated losses and the sale of entire asset. We also refer to our observations on this subject in clause 1(c) of our report in annexure attached;***

b) ***Note No. 3 regarding non-provision of interest of Rs.7,09,800/- payable on unsecured loans for the current year and accumulated non-provision thereof of Rs.65,03,639/-***

Consequent to which the loss for the current year and the accumulated losses are understated which however cannot be fully quantified and read with significant accounting policies and other notes thereon in Schedule 7, give the information 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 case of the Balance Sheet, of the State of affairs of the company as at 31st March 2010; and

b) In case of the Profit & Loss Account, of the loss of the company for the year ended on that date.

For **AVK & Associates**
Chartered Accountants

Parul Gupta
Partner

FCA -095539

AVK & ASSOCIATES DELHI Chartered Accountants

Place : New Delhi
Dated: 20-7-2010

AVK & Associates
Chartered Accountants
317, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034.
Ph. 011 42471074, 42471075

Shiva Medicare Limited

Annexure referred to in paragraph 1 the Auditors Report on the Accounts for the year ended 31st March, 2010.

i. The company disposed off vehicle and there were no assets during the year ended on 31-03-2010.

ii. Based on our examination of records, the Company does not have any inventory during the year and hence the reporting requirements of clause (ii)(a) (b) and (c) are not applicable.

iii.(a) As per the information and explanation given to us, the company has taken interest free loan from parties covered u/s 301 of the Companies Act, and the amount outstanding is Rs.59,91,500. It has not given any loans to any party covered u/s 301 of the companies Act.

(b) The said loan is the interest free unsecured loan and as per the information and explanation given to us is not prima-facie prejudicial to the interest of the company.

(c) We have been informed that there are no terms of repayment of principal and hence the reporting requirement of this clause and clause iii(d) are not applicable.

iv. The entire operation of the company remain closed and there was no employee and consequently the internal control procedures established in the past for purchase of inventory, fixed assets, sale of goods was also not in operation.

v.(a) According to the information and explanations given to us, we are of the opinion that the transaction that needs to be entered into the register maintained under section 301 of the companies Act, 1956 have been so entered.

(b) In our opinion and according the information and explanation given to us, there has been no transaction made in pursuance to contracts or arrangements entered in the register maintained u/s 301 which exceeds value of five lakh rupees in respect of any party during the year except an interest free loan received from a director the terms of which are reasonable.

vi. The company has not accepted any public deposit except outstanding inter-corporate loans.

vii. As the operation of the company remain closed during the financial year there was no internal audit system in the operation.

viii. Maintenance of the cost records has not been prescribed by the Central Government u/s 209(1)(d) of the Companies Act, 1956

ix. (a) We have to report that the custom duty of Rs. 36,778/- and the property taxes of Rs.817 129/- are outstanding as on 31-3-2010 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of income tax, wealth tax, sale tax, custom duty, excise and cess which were arrears, as on 31-3-2010 for a period of more than six months from the date they became payable and that there are no demands pending on account of any disputes before any forum.

AVK & ASSOCIATES DELHI Chartered Accountants

AVK & Associates
Chartered Accountants
317, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034.
Ph. 011 42471074, 42471075

x. The accumulated losses of the company at the end of the financial year exceed its net worth. The company has incurred cash losses in this financial year.

xi. As per records of the company and the information and explanation given to us, we have to report that the company had defaulted in repayment of its secured loans to banks. During the year ended 31-3-2006 the company paid entire amount due to banks on one time settlement. Consequently there is no outstanding amount payable to banks.

xii. Based on our examination of documents and records maintained by the company, we are of the opinion that since the company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities, it is not required to maintain records in respect thereof.

xiii. In our opinion, the company is neither a chit fund nor nidhi / mutual benefit fund/society and hence clause 4 (xiii) of the Order is not applicable to the company.

xiv. In our opinion and as per the information and explanations given by management, the company is not dealing in or trading in shares, securities, debentures and other investments.

xv. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that during the year no funds were raised on short-term basis have been used for long-term investments and no long-terms funds have been used to finance short term investment.

xvi. During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

xvii. During the year the company had not issued any debentures and as such creation of security is not applicable.

xviii During the year under review, no money was raised by public issue and as such disclosure of end use of money raised is not applicable.

xix. Based upon the audit procedure performed and information and explanations given by the management we report that during the year no fraud on or by the company has been noticed or reported by the management.

For **AVK & Associates**
Chartered Accountants

AVK & ASSOCIATES DELHI Chartered Accountants

Parul Gupta
Partner
FCA 095539
Place : New Delhi
Dated: 20-7-2010

BALANCE SHEET AS AT 31st March, 2010

SOURCE OF FUNDS	Schedules		Current Year (Rs)		Previous Year (Rs)
SHAREHOLDERS FUNDS					
Share Capital	1		63,131,200		63,131,200
Reserve and Surplus	2		10,205,091		10,205,091
LOANS FUND					
Unsecured Loans	3		5,991,500		5,991,500
			79,327,791		79,327,791
APPLICATION OF FUNDS					
CURRENT ASSETS, LOANS & ADVANCES					
Cash & Bank Balance	4	13,933		66,652	
Loans & Advances	5	54,546		54,546	
		68,479		121,198	
LESS:CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	6	3,890,230		3,777,980	
Net Current Assts			(3,821,751)		(3,656,782)
Profit & Loss Account			83,149,542		82,984,573
			79,327,791		79,327,791
Significant Accounting Policies and Notes forming part of the Balance Sheet and Profit & Loss Account	7				

Schedule 1 to 7 form an integral part of the account

As per our report of even date annexed
For AVK & Associates
Chartered Accountants

Parul Gupta
Partner
Membership No 095539
PLACE: NEW DELHI
DATE: 20-7-2010

AVK & ASSOCIATES DELHI Chartered Accountants

DIRECTOR

DIRECTOR

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010

	Schedules	Current Year (Rs)	Previous Year (Rs)
INCOME			
Profit on sale of Fixed Assets		-	16,847
		-	16,847
EXPENDITURE			
Bank & Finance Charges		418	1,943
Filing Fee		1,500	3,120
General Expenses		-	40
Printing & Stationery		52,540	19,750
Postage & Telegram		106,650	52,632
Auditors Remuneration			
- As Audit Fees		3,861	3,861
Interest/ Damages - ESI		-	134,161
Provision For Bad debts		-	1,500,000
		164,969	1,715,507
Profit/(Loss) before Taxation		(164,969)	(1,698,660)
Profit/(Loss) after Tax		(164,969)	(1,698,660)
Balance brought forward		(82,984,573)	(81,285,913)
Deficit Carried to Balance Sheet		(83,149,542)	(82,984,573)
Earning per share		(0.020)	(0.26)
Significant Account Policies and Notes Forming Part of the Balance Sheet and Profit & Loss Account	7		

Schedule 1 to 7 form an integral part of the account

As per our report of even date annexed
For AVK & Associates
Chartered Accountants

Parul Gupta
Partner
Membership No 095539

AVK & ASSOCIATES DELHI Chartered Accountants

DIRECTOR

DIRECTOR

PLACE: NEW DELHI
DATE: 20-7-2010

SHIVA MEDICARE LIMITED

	SCHEDULES		Current Year (Rs)		Previous Year (Rs)
1	**SHARE CAPITAL**				
	Authorised				
	10,000,000 (Previous Year 10,000,000) Equity Share of Rs. 10 each		100,000,000		100,000,000
	ISSUED, SUBSCRIBED AND PAID UP				
	6,356,170 (Previous Year 6,356,170) Equity Share of Rs. 10/- each fully paid up		63,561,700		63,561,700
	Less: Face Value of Share forfeited		861,000		861,000
			62,700,700		62,700,700
	Add: Forfeited Share Account		430,500		430,500
			63,131,200		63,131,200
2	**RESERVE & SURPLUS**				
	Capital Reserve		10,205,091		10,205,091
			10,205,091		10,205,091
3	**UNSECURED LOANS**				
	From Companies		5,915,000		5,915,000
	From a Director		76,500		76,500
			5,991,500		5,991,500
4	**CASH & BANK BALANCES**				
	Cash in Hand		539		52,860
	Balance with Scheduled Banks in Current Account		13,394		13,792
			13,933		66,652
5	**LOANS & ADVANCES**				
	(Unsecured -Considered Good)				
	Advances (Recoverable in cash or in kind or for value to be received		54,546		54,546
	Receivables ag.sale of Assets (see note 3)	1,500,000		1,500,000	
	Less Provision for Doubtful Receivables	1,500,000	-	1,500,000	-
			54,546		54,546
6	**CURRENT LIABILITIES**				
	Sundry Creditors		4,50,685		4,50,685
	Other Liabilities		830,475		830,475
	Share Application Money Pending Allotment		1,585,000		15,85,000
	Statutory Liabilities		894,320		8,94,320
	Payable to a Director		129,750		17,500
			3,890,230		3,777,980

AVE & ASSOCIATES Chartered Accountants DELHI

SHIVA MEDICARE LIMITED

7. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING CONCEPTS

The Company follows the Mercantile System of Accounting and recognizes Income a Expenditure on accrual basis except dividend which is accounted for on cash basis. The accounts are prepared on historical ost basis, as a going concern and are consistent with generally accepted accounting principles.

FIXED ASSETS

Fixed Assets are stated at cost of acquisition, inclusive of inward freight, duties & ta s and incidental expenses related to acquisition. In respect of major projects involving construction and modification cum expa sion, related pre-operational expenses form part of the value of the assets capitalized.

DEPRECIATION

Depreciation is calculated on fixed assets on straight-line method at the rates and in the anner provided in Schedule XIV of the Companies Act, 1956.

EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit/loss for the year attributabl o equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit/loss for the year attributabl to equity shareholders by the weighted average number of equity shares outstanding during the year.

DEFERRED TAXATION

Deferred Taxation is provided using the liability method in respect of the taxation effect a ing from all material timing differences between the accounting and tax treatment of income and expenditure which are expected v h reasonable probability to crystallize in the foreseeable future.

Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realizable in the near future.

CONTINGENT LIABILITIES

Unprovided contingent liabilities are disclosed in the accounts by way of notes giving natur and quantum of such liabilities.

OTHERS:

Other Accounting Policies followed are generally accepted accounting practices.

AVE & ASSOCIATES DELHI Chartered Accountants

SHIVA MEDICARE LIMITED

2. NOTES TO ACCOUNTS

1. Contingent liabilities not provided for in respect of

	Current Year	Previous Year
Cess Due on Rubber including interest	Rs.395,453/-	Rs.395,453/-

2. During the year ending 31st March 2006, the co. has sold its entire Plant & Machinery and Building for a Lump sump consideration of Rs. 1.55 crore. Out of total consideration of Rs. 1.55 crore, Rs.15,00,000 is still recoverable by the co. from M/s. T.S. Enterprises, Chennai as on 31.03.2010

3. The company has not provided for interest payable of Rs.709,800/- (Previous year Rs.709,800) on unsecured loans on account of poor financial position of the company. The accumulated non-provision of the interest is Rs. 6,503,639 (Previous Year Rs. 5,793,839)

4. In the opinion of the management and read with the other notes, the current assets, loans and advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.

5. The Company has not complied with the provisions of section 383A of the Companies Act 1956 relating to the appointment of a full time Company Secretary keeping in view of its financial position and non-availability to get a suitable person considering the financial sickness of the Company.

6. As per the information available with the company, the names of the suppliers covered under the Micro, Small & Medium Enterprises development Act, 2006 are as under:-

	Current Year (Rs)	Previous Year (Rs)
Jaishree Packaging	3,22,943/-	3,22,943/-
Egattur Printing & Packaging	1,27,741/-	1,27,741/-

7. No provision for Income Tax is necessary in view of the accumulated losses. Also the accumulated deferred tax assets (net) have not been recognized keeping in view the consideration of prudence in accordance with the Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Company will reassess the unrecognized deferred tax assets in subsequent period having regard to the future developments.

8. Related Party Disclosures as required as per AS-17 issued by the Institute of Chartered Accountants of India.

a) **KEY MANAGEMENT PERSONNEL**

Mr. Raj Kumar Jain - Director
Mr. Amit Jain - Director
Mr. P. Vishal - Director

b) **ASSOCIATE CONCERNS**
Shiva Kymen Sukka Ltd.

AVK & ASSOCIATES DELHI Chartered Accountants

9 Transaction with Related Parties

Particulars	Key Managerial Personnel		Associate Concerns		Relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Advance Recd.	112,250	17,500	-	-	-	-
Outstanding Balances As on 31.03.2010						
Loan	76,500	76,500	-	-	-	-
Advances	129,750	17,500	-	-	203,880	203,880
Share Application Money	-	-	775,000	775,000		

10. Earning Per Share (EPS)

Basic / Diluted Earning per Share

	Current Year (Rs.)	Previous Year (Rs.)
Net Profit/Loss for the year (A)	(164,969)	(1,698,660)
Number of Equity Shares (B)	6,356,170	6,356,170
Basic/Diluted Earning Shares (A)/(B)	(0.02)	(0.26)

11. Additional Information pursuant to the provisions of paragraphs 3, 4C and 4D of Part - II of Schedule VI of the Companies Act, 1956: -

a)	Production/Purchase, Turnover & Stocks	- Nil	Nil
b)	Consumption of Raw Material	- Nil	Nil
c)	Value of import on CIF basis	- Nil	Nil
d)	Earning in Foreign Currency	- Nil	Nil
e)	Expenditure in Foreign Currency	- Nil	Nil

12. Figures have been rounded off to the nearest rupee.

13. Previous year's figures have been regrouped/re-classified wherever necessary.

A K & ASSOCIATES DELHI Chartered Accountants

Balance Sheet Abstract And Companies General Business Profile

A	Registration No	25563	State Code	55
	Balance Sheet	31/03/2010	CIN NO.	L93090DL1993PLC186295

B Capital raised during the year (Rupees in thousand)

Public Issue	NIL	Right issue	Nil
Bonus Issue	NIL	Private Placement	Nil

C Position of Mobilisation and Deployment of Funds (Amount in Rs thousand)

Total Liabilities	79,328	Total Assets	79328
Sources Of Fund			
Paid - up Capital	63,131	Reserves & Surplus	10,205
Secured Loans	-	Unsecured Loans	5,992
Application of Fund			
Net Fixed Assets	-	Investments	-
Net Current Assets	{3822}	Accumulated Losses	83150
Misc. Expenditure	-	Deferred Tax Asset	-

D Performance of the Company (Amount in Rs thousand)

Turnover	-	Total Expenditure	165
Profit before tax	{165}	Profit after tax	{165}
Earning per share	{0.02}		

E Generic Names of three principal products/services of the company

Item Code No	4015
Product Description	Latex Gloves

As per our report of even date annexed
FOR AVK & ASSOCIATES
Chartered Accountant

Parul Gupta
PARTNER
FCA - 095539

Director

Director

AVK & ASSOCIATES DELHI Chartered Accountants

PLACE: DELHI
DATED: 20-7-10