

20th
Annual Report
2010-2011

SHIVA MEDICARE LIMITED

SHIVA MEDICARE LIMITED

BOARD OF DIRECTORS

Sri Amit Jain
Director

SRI P. Vishalakshan
Director

SRI Raj Kumar Jain
Director (up to 15.04.2011)

SRI Gagan Lamba
Director (wef 15.04.2011)

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 LIMITED

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 Friday, the 30th day of September 2011 at 11.00 A.M. at the Registered Office of the Company at D-110, Kamla Nagar, , Delhi 110007 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 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. P. Vishalakshan, who retires by rotation and being eligible, offers himself for re-appointment.
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.

Special Business

4. To consider and if thought fit to pass with or without modification, the following ordinary resolution:

"RESOLVED that Shri Gagan Lamba, who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 on 15/04/2011 and who holds office upto the date of ensuing Annual General Meeting, and who is eligible for reappointment under the relevant provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company subject to liable to retire by rotation.

By the Order of the Board
For Shiva Medicare Limited

Place : New Delhi

Date : 02/08/2011

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.


(Amit Jain)
DIRECTOR

SHIVA MEDICARE LIMITED

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

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 4

Shri Gagan Lamba was appointed as an Additional Director on the Board effective 15/04/2011. In terms of Section 260 of the Companies Act, 1956 he holds office upto the date of ensuing Annual General Meeting and is eligible for re-appointment. The Company has received a notice proposing the candidature of Shri Gagan Lamba for the office of a Director in terms of Sections 255 & 257 of the Companies Act, 1956 subject to liable to retire by rotation.

The Board recommends appointment of Shri Gagan Lamba in Annual General Meeting as Director of the Company.

Hence, placed before you for your kind approval.

By the Order of the Board
For Shiva Medicare Limited

Place : New Delhi

Date : 02/08/2011


(Amit Jain)
DIRECTOR

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, 2011 together with the Auditor's Report thereon.

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. P. Vishalakshan is retiring by rotation and is eligible for re-appointment in the ensuing Annual General Meeting. Sh. Gagan Lamba was appointed as Additional Director and is eligible for appointment in the ensuing Annual General meeting. Sh. Raj Kumar Jain resigned from the Directorship of the Company.

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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, 2011, 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 2011 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 : 02/08/2011


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 Memberships in other committees
Sri Amit Jain	Executive Director	Director	4	4	Yes	2	Nil
Sri P. Vishalakshan	Non-Executive Director	Director	4	4	Yes	0	Nil
Mr Raj KumarJain	Non-Executive Director	Director	4	1	Yes	Nil	Nil

Meeting of Board of Directors

During the Financial Year 2010-11 Board of Directors met on the following dates: 22nd May 2010, 20th July 2010, 25th October 2010 and 23rd February 2011.

Code of Conduct

The Code of Conduct of Shiva Medicare Limited is applicable to Directors, Senior Management Team and employees of the Company.

The Code of Conduct is available on Company's website www.i41.in

All the members of the Board and Senior Management Personnel have affirmed compliance to the code as on 31st March 2011.

The Declaration of Managing Director regarding compliance with Code of Conduct by Directors and Senior Management Personnel is attached to this report.

- 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:

22nd May 2010,
20th July 2010,
25th October 2010 and
23rd February 2011.

Attendance of the Directors in the Audit Committee Meeting:

<u>Name of the Director</u>	<u>No. of Meetings Held</u>	<u>No. of Meetings attended</u>
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 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
September 25, 2010	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 2010-11.

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 : 30th September, 2011 at 11.00 A.M
Venue : **D-110, Kamla Nagar
Delhi-110007**

(b) Financial Year - April – March

(c) Date of Book Closure : 23rd September 2011 to 30th September 2011 (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 2010-11 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 industry currently tops the charts amongst India's science based industries 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 ranks very high amongst all the third world countries. The pharma industry in India meets around 70% of the country's demand for bulk drugs, drug intermediaries, pharma formulations, tablets, capsules, orals and injectibles. There are approximately 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.

Place: Delhi

**By the order of the board
For Shiva Medicare Limited**

Date: 02.08.2011


Amit Jain (Director)

**DECLARATION BY CEO ON CODE OF CONDUCT AS REQUIRED BY CLAUSE
49I(D)(ii) OF THE LISTING AGREEMENT**

I, Amit Jain, Director of Shiva Medicare Limited to best of my knowledge and belief hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the Company Code of Conduct during the financial year ended 31st March 2011.

Place: New Delhi

Date: 2nd August, 2011

Amit Jain


Director

**CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION
FOR THE FINANCIAL YEAR 2010-11**

To
The Board of Directors
Shiva Medicare Limited
Delhi

We hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain Statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee:
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: New Delhi

Date: 2nd August, 2011

Amit Jain


Director,

AVK & Associates
Chartered Accountants
317, Express Arcase, H-10, Netaji Subhash Place, Pitampura, Delhi-1100034
Ph:011 42471074, 42471075

**Auditors' Certificate regarding compliance of the conditions of
Corporate Governance under Clause 49 of the Listing Agreement**

To the Members of
Shiva Medicare Limited

We have examined the compliance of conditions of Corporate Governance by **Shiva Medicare Limited** ("the Company" or "SML"), for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the "Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement)", issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For AVK & Associates
Chartered Accountants



Parul Gupta
Partner
FCA 095539

Place : New Delhi

Dated: 2.8.2011



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, 2011 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 2011 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 2011, from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956.



AVK & Associates

Chartered Accountants


317, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034.
Ph. 011 42471074, 42471075

- vi) In our opinion and to the best of our information and according to the explanations given to us, the said account subject to:-
- 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;*
 - 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.72,13,439/-*

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 :-

- In case of the Balance Sheet, of the State of affairs of the company as at 31st March 2011; and
- 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

Registration No. 002638N

Place : New Delhi

Dated: 2.8.2011

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, 2011.

- i. The company disposed off vehicle and there were no assets during the year ended on 31-03-2011.
- 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 to 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 31-3-2011 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 31-3-2011 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

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-term 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



Parul Gupta
Partner
FCA 095539
Place : New Delhi

Dated: 2.8.2011



BALANCE SHEET AS AT 31st March, 2011

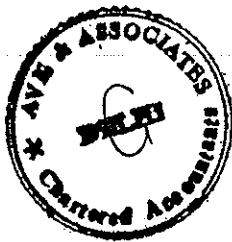
SHIVA MEDICARE LIMITED

SOURCE OF FUNDS	Schedules	Current Year (Rs)	Previous Year (Rs)
SHAREHOLDERS FUNDS			
Share Capital	1		
Reserve and Surplus	2	63,131,200	63,131,200
LOANS FUND			
Unsecured Loans	3	5,991,500	5,991,500
		<u>79,327,791</u>	<u>79,327,791</u>
APPLICATION OF FUNDS			
CURRENT ASSETS, LOANS & ADVANCES			
Cash & Bank Balance	4		13,933
Loans & Advances	5	13,902	54,546
		<u>54,546</u>	<u>54,546</u>
		68,448	68,479
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	6		3,890,230
Net Current Assts		<u>3,996,658</u>	<u>(3,821,751)</u>
Profit & Loss Account		(3,928,210)	(3,821,751)
		83,256,001	83,149,542
Significant Accounting Policies and Notes forming part of the Balance Sheet and Profit & Loss Account	7	<u>79,327,791</u>	<u>79,327,791</u>

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: 2-8-2011



[Signature]
DIRECTOR

[Signature]
DIRECTOR

SHIVA MEDICARE LIMITED

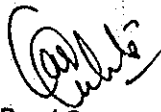
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011

Schedules	Current Year (Rs)	Previous Year (Rs)
INCOME		
Profit on sale of Fixed Assets	-	-
EXPENDITURE		
Bank & Finance Charges	-	-
Filing Fee	145	418
General Expenses	1,000	1,500
Printing & Stationery	2,500	-
Postage & Telegram	52,178	52,540
Auditors Remuneration	46,775	106,650
- As Audit Fees	3,861	3,861
Profit/(Loss) before Taxation	106,459	164,969
Profit/(Loss) after Tax	(106,459)	(164,969)
Balance brought forward	(106,459)	(164,969)
Deficit Carried to Balance Sheet	(83,149,542)	(82,984,573)
	(83,256,001)	(83,149,542)
Earning per share	(0.017)	(0.020)
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




DIRECTOR


DIRECTOR

PLACE: NEW DELHI
DATE: 2-8-2011

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	<u>100,000,000</u>	<u>100,000,000</u>
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
Add: Forfeited Share Account	<u>62,700,700</u> <u>430,500</u>	<u>62,700,700</u> <u>430,500</u>
	<u>63,131,200</u>	<u>63,131,200</u>
2 RESERVE & SURPLUS		
Capital Reserve	<u>10,205,091</u> <u>10,205,091</u>	<u>10,205,091</u> <u>10,205,091</u>
3 UNSECURED LOANS		
From Companies	5,915,000	5,915,000
From a Director	<u>76,500</u>	<u>76,500</u>
	<u>5,991,500</u>	<u>5,991,500</u>
4 CASH & BANK BALANCES		
Cash in Hand	653	539
Balance with Scheduled Banks	<u>13,249</u>	<u>13,394</u>
in Current Account	<u>13,902</u>	<u>13,933</u>
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	<u>1,500,000</u>	<u>1,500,000</u>
	<u>54,546</u>	<u>54,546</u>
6 CURRENT LIABILITIES		
Sundry Creditors	4,50,685	4,50,685
Other Liabilities	931,903	830,475
Share Application Money Pending Allotment	1,585,000	15,85,000
Statutory Liabilities	894,320	8,94,320
Payable to a Director	<u>134,750</u>	<u>129,750</u>
	<u>3,996,658</u>	<u>3,890,230</u>



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 and Expenditure on accrual basis except dividend which is accounted for on cash basis. The accounts are prepared on historical cost 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 & taxes and incidental expenses related to acquisition. In respect of major projects involving construction and modification cum expansion, 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 manner 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 attributable to 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 attributable 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 arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with 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 nature and quantum of such liabilities.

OTHERS:

Other Accounting Policies followed are generally accepted accounting practices.



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SHIVA MEDICARE LIMITED

2. NOTES TO ACCOUNTS

1. Contingent liabilities not provided for in respect of

Cess Due on Rubber including interest	Current Year Rs.395,453/-	Previous Year Rs.395,453/-
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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 31.03.2011
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.7213439/- (Previous Year Rs.6503639/-)
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.

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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.

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.	5,000	112,250	-	-	-	-
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Outstanding Balances As on 31.03.2011

Loan	76,500	76,500	-	-	-	-
Advances	134,750	129,750	-	-	-	-
Share Application Money	-	-	775,000	775,000	203880	203880

10. Earning Per Share (EPS)

Basic / Diluted Earning per Share

	Current Year (Rs.)	Previous Year (Rs.)
Net Profit/Loss for the year (A)	(106,459)	(1,64969)
Number of Equity Shares (B)	6,356,170	6,356,170
Basic/Diluted Earning Shares (A)/(B)	(0.017)	(0.02)

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.



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SHIVA MEDICARE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2011

Particulars	Current Year (Rs.)	Previous Year (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) before tax and extraordinary items	(106,459)	(164,969)
Adjustments for		
Depreciation	-	-
Loss on sale of Assets	-	-
Provision for Retirement Benefits	-	-
Preliminary Expenses written off	-	-
Interest & Finance Charges Paid	145	418
Operating profit before working capital changes	(106,314)	(164,551)
Adjustments for		
Trade & other receivables	-	-
Inventories	-	-
Trade Payables	106,428	112,250
Loans & advances	-	-
Cash generated from operations	114	(52,301)
Interest & Finance Charges Paid	145	418
Retirement Benefits paid	-	-
Direct taxes paid	-	-
Cash flow before extraordinary items	(31)	(52,719)
Net cash from operating activities	(31)	(52,719)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	-	-
Sale of fixed assets	-	-
Net cash used in investing activities	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings	-	-
Net cash used in financing activities	-	-
Net increase in cash and cash equivalents	(31)	(52,719)
Cash and equivalents as at 01.04.2010 (opening balance)	13,933	66,652
Cash and equivalents as at 31.03.2011 (closing balance)	13,902	13,933

For AVK & Associates
Chartered Accountants

Kamal Garg
Kamal Garg
Partner
FCA-091238
Place : Delhi
Date : 28-02-2012



SHIVA MEDICARE LIMITED

Balance Sheet Abstract And Companies General Business Profile

A Registration No 25563 State Code 55
 Balance Sheet 31-03-11 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	{3928}	Accumulated Losses	83256
Misc. Expenditure	-	Deferred Tax Asset	-

D Performance of the Company (Amount in Rs thousand)

Turnover	-	Total Expenditure	106
Profit before tax	(106)	Profit after tax	(106)
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
 Parul Gupta
 PARTNER
 FCA - 095539



Director
 Director

Director
 Director

PLACE: DELHI
 DATED: 2.8.2011

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