

**22<sup>nd</sup>**  
***Annual Report***  
**2012-13**

**SHIVA MEDICARE LIMITED**

# SHIVA MEDICARE LIMITED

## BOARD OF DIRECTORS

**Sri Amit Jain**  
Director

**SRI Gagan Lamba**  
Director

**SRI John Wilson Babu**  
Director

**SRI Durgaprasad Kolapalli**  
Director

## AUDITORS

**V. Ramachandra Rao**  
Advocate Colony, Ground Floor  
Himayat Nagar  
Hyderabad-29

## BANKERS

**Bank of Baroda**  
Vijaya Bank

## Registrar & Transfer Agent:

**Cameo Corporate Services P Ltd**  
Subramaniam Building,  
No1, Club House road,  
Chennai - 600002  
Phone : 044-28460390 , 28460391

## REGISTERED OFFICE

**Flat no.4, Navneeth Villa Appts**  
3-6-521/A, Himayat Nagar,  
Hyderabad-500029  
Ph: 040-27660781,  
Fax:040-27660782  
cs.shivamedi@gmail.com  
info@i41.in  
www.i41.in

# SHIVA MEDICARE LIMITED

## NOTICE

NOTICE is hereby given that Annual General Meeting of the Members of Shiva Medicare Limited will be held on Friday, the 23<sup>rd</sup> day of August 2013 at 10.00 A.M. at the Registered Office of the Company at Flat No: 4, Navneeth Villa Apartments, 3-6-521/A, Himayat Nagar, Hyderabad, Andhra Pradesh 500029 to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2013 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 re-appointment.
3. To appoint a Director in place of Sh., Gagan Lamba who retires by rotation and being eligible, offers himself for re-appointment
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

### Special Business

DELISTING OF EQUITY SHARES IN MADRAS AND DELHI STOCK EXCHANGE:

5. To Consider, and if thought fit, to pass the following resolution, with or without modification, as a SPECIAL Resolution:

"RESOLVED THAT subject to the provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, and the rules framed there '...under, listing agreement, SEBI (Delisting of Securities) Guidelines, 2003, and such other applicable laws, rules, regulations and guidelines, and subject to such approvals, permission and sanctions, as may be necessary, the Board of directors of the company be and is hereby authorized to seek voluntarily delisting of its securities from MADRAS STOCK EXCHANGE and DELHI STOCK EXCHANGE."

"RESOLVED FURTHER THAT the securities of the company shall continue to be listed on the stock exchange having nationwide trading terminals viz the stock exchange Mumbai and therefore as per the said guidelines issued by the Securities and Exchange Board of India, no exit opportunity need to be given to the shareholders of the company."

"RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolution immediately."

**By the Order of the Board  
For Shiva Medicare Limited**

Place: Hyderabad

Date: 25/07/2013

Sd.  
**(Amit Jain)**  
**DIRECTOR**

# SHIVA MEDICARE LIMITED

## 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 along with them to the Annual General Meeting.
3. Members are requested to intimate the change of address, if any, immediately.

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

### ITEM NO: 4: DELISTING OF SECURITIES:

The Securities & Exchange Board of India (SEBI) notified guidelines for voluntary delisting of securities from the stock exchanges. As per SEBI (Delisting of Securities) Guidelines, 2003 an exit opportunity to the shareholders need not be given where securities of the company remain listed on the stock exchange having nationwide trading terminal, i.e., The Stock Exchange, Mumbai, The National Stock Exchange of India and any other stock exchange that may be specified by SEBI in this regard.

At present the equity shares of the company are listed at MUMBAI, DELHI and MADRAS. Considering the negligible volume of trading and as a part of its cost reduction measure, the consent of members is sought for getting its securities delisted from MADRAS and DELHI stock exchanges as proposed in the special resolution. The securities of the company shall continue to be listed on the Stock Exchange, Mumbai.

The Board of Directors has passed necessary Resolution on 26<sup>th</sup> day of April 2013 in this connection.

The Board recommends the resolution for approval of members.

None of the directors is, in anyway concerned or interested in the said resolution.

**By the Order of the Board  
For Shiva Medicare Limited**

Place: Hyderabad

Date: 25/07/2013

Sd.  
**(Amit Jain)**  
**DIRECTOR**

# SHIVA MEDICARE LIMITED

## DIRECTORS' REPORT

To  
*The Members of Shiva Medicare Limited,*

Your Directors have great pleasure in presenting their Annual Report along with the Audited Accounts for the year ended 31<sup>st</sup> March, 2013 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.

You must be pleased to know that the management of company has taken some concrete steps in order to revive the company and bring back the glories years of the company and thereby increasing share holders value. Some of these steps are as follows

- 1) Revocation of Suspension of Shares Listed at BSE Ltd.
- 2) Payment of Advance for Land for New Facility.
- 3) Restructuring of Company's balance sheet

With the above measure that the company has planned to initiate in the coming two years, the management of company is quite confident of increasing substantial share holder's value.

### SHIFTING OF REGISTERED OFFICE FROM DELHI TO ANDHRA PRADESH

The location of the major Pharmaceuticals manufactures are based in the Southern States namely Andhra Pradesh and Tamil Nadu. As a measure of rationalization and to carry on the business of the Company more economically & efficiently.

We are pleased to inform you that the Register offices of the company vide the CLB order has already been shifted to Hyderabad.

### 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.

# SHIVA MEDICARE LIMITED

## 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 & Sh. Gagan Lamba is retiring by rotation and is eligible for re-appointment in the ensuing Annual General Meeting.

## AUDITORS

M/s. Rama Chandra Rao. Chartered Accountant, Hyderabad Auditors of the Company retires at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

## 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 31<sup>st</sup> March, 2013; 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 31<sup>st</sup> March 2013 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: Hyderabad  
Date: 25/07/2013

Sd.  
**AMIT JAIN  
DIRECTOR**

Sd.  
**JOHN WILSON  
DIRECTOR**

# **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. With leading MNC players from around the world scouting for potential takeover of Indian Companies and Indian Pharma Sector is growing very healthy along with economy. A highly organized sector, the Indian pharmaceutical industry is estimated to be worth \$6 billion, growing about 8 to 9% annually against the GDP projection of 6%. 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:**

During the year ended company has applied for revocation of suspension for trading in shares of company at BSE. Your company received in principal approval as well as the trading approval for same and company's shares are freely traded at BSE Ltd after span of nearly 10 years. Your company has started a new corporate office in Hyderabad and is in process of negotiating manufacturing some very vital Pharma Ingredients that will have an assured buy back arrangement with couple of leading Pharmaceuticals manufacturers. Your company has already paid advance for identifying suitable land to put up a state of Art plant in coming near future. Management of company is working very hard to add to share holder's value.

## **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. Advances for the same have already been given and the process to negotiate and finalize should be completed by year end.

## **OUTLOOK:**

The management is trying to bring back company on the growth trajectory and revive its operations there by significantly adding to share holder's value.

**By the order of the board**

**For Shiva Medicare Limited**

**Place: Delhi**

**Date: 25.07.2013**

**Amit Jain (Director)**

# SHIVA MEDICARE LIMITED

## 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 Director ships in other Boards	No. of Member ships in other committees
Sri Amit Jain	Executive Director	Director	5	5	Yes	2	Nil
Sri Gagan Lamba	Non-Executive Director	Director	5	3	Yes	0	Nil
Sri John Wilson	Non-Executive Director	Director	5	5	Yes	0	Nil
Sri Durga Prasad	Non-Executive Director	Director	5	5	Yes	0	Nil

### Meeting of Board of Directors

During the Financial Year 2012-13 Board of Directors met on the following dates: 30<sup>th</sup> July 2012, 12<sup>th</sup> October 2012, 23<sup>rd</sup> November 2012, 23<sup>rd</sup> January 2013 and 24<sup>th</sup> March 2013.



# SHIVA MEDICARE LIMITED

## 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](http://www.i41.in). All the members of the Board and Senior Management Personnel have affirmed compliance to the code as on 31<sup>st</sup> March 2013.

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 John Wilson	-	Independent Director
Member	-	Sri Gagan Lamba	-	Independent Director

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

**22<sup>nd</sup> May 2012,  
30<sup>th</sup> July 2012,  
12<sup>th</sup> October 2012 and  
23<sup>rd</sup> January 2013.**

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 John Wilson	4	4
Sri Gagan Lamba	4	3

## 4. Remuneration Committee:

- a) Composition, Name of the Chairman and members:

Sri Durga Prasad  
Sri Amit Jain  
Sri John Wilson

- 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.

# SHIVA MEDICARE LIMITED

## 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 John Wilson	-	Director
Member	-	Sri Durga Prasad	-	Director
Member	-	Sri Amit 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 25, 2010	<b>D-110, Kamla Nagar Delhi-110007</b>	11.00 AM	Nil
September 30, 2011	<b>D-110, Kamla Nagar Delhi-110007</b>	11.00 AM	Nil
17 <sup>th</sup> August, 2012	<b>D-110, Kamla Nagar Delhi-110007</b>	11.00 AM	Nil

## 7. Disclosures

(a) **RELATED PARTY TRANSACTIONS:** Details related party transactions during the year 2012-13 has been mention in Notes to The Balance sheet Refer Note 2.15

## 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

# SHIVA MEDICARE LIMITED

## 9. GENERAL SHAREHOLDERS INFORMATION:

### (a) Annual General Meeting:

Date & Time : 23<sup>rd</sup> August, 2013 at 10.00 A.M  
Venue : **Flat no.4, Navneeth Villa Appts  
3-6-521/A, Himayat Nagar,  
Hyderabad-500029**

(b) Financial Year : April – March

(c) Date of Book Closure : 17<sup>th</sup> August 2013 to 23<sup>rd</sup> August 2013  
(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.  
Scrip Code: 524602

(e) Registrars & Transfer Agents: Share Transfers & Communication regarding  
Share Certificates and Change of address, etc,  
**Cameo Corporate Services P Ltd  
Subramaniam Building,  
No1, Club House road,  
Chennai - 600002  
Phone: 044-28460390, 28460391  
Unit: Shiva Medicare Limited**

(f) The listing fee for the year 2012-13 has been paid to Bombay Stock Exchange Ltd.

### (g) Address for Correspondence:

For suggestions / grievances / Queries to  
**Shiva Medicare Limited  
Flat no.4, Navneeth Villa Appts  
3-6-521/A, Himayat Nagar,  
Hyderabad-500029  
Ph: 040-27660781,  
Fax: 040-27660782  
cs.shivamedi@gmail.com  
info@i41.in  
www.i41.in**

# SHIVA MEDICARE LIMITED

## 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 2013.

Place: Hyderabad  
Date: 25<sup>th</sup> July, 2013

Sd.  
Amit Jain  
Director

## CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION FOR THE FINANCIAL YEAR 2012-13

To  
The Board of Directors  
Shiva Medicare Limited  
Hyderabad

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: Hyderabad  
Date: 25<sup>th</sup> July, 2013

Sd.  
Amit Jain  
Director

**V. Rama Chandra Rao F.C.A**  
Chartered Accountants  
H.No:1-2-56/55, Plot No. 1039,  
Ground Floor Street No.5  
Himayat Nagar, Hyderabad-29

**Certificate on compliance of conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchange in India**

To

The Shareholders of **Shiva Medicare Limited**

I have examined the compliance of conditions of Corporate Governance of Shiva Medicare Limited, for the period ended 31st March, 2013 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 Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring 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 my 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.

I state that in respect of investor grievances received during the period ended 31<sup>st</sup> March, 2013, No investor grievances are pending against the Company as per the records Maintained by the Company and presented to the Investor Services Committee.

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

Date: 24/04/2013  
Place: Hyderabad

Sd.  
V. Ramachandra Rao  
Chartered Accountant  
Membership No: 203292

**V. Rama Chandra Rao F.C.A**  
Chartered Accountants  
H.No:1-2-56/55, Plot No. 1039, Ground Floor Street No.5  
Himayat Nagar, Hyderabad-29

**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, 2013 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 31<sup>st</sup> March 2013 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 31<sup>st</sup> March 2013, from being appointed as a Director in terms of Section 274(1)(g) 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 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 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, 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 2013; and
- b) In case of the Profit & Loss Account, of the loss of the company for the year ended on that date.

For **V. Ramachandra Rao**  
Chartered Accountants

Ramachandra Rao  
**Partner**

Place: Hyderabad  
Dated: 24/04/2013

**Annexure referred to in paragraph 1 the Auditors Report on the Accounts of M/s. Shiva Medicare Limited for the year ended 31st March, 2013.**

- i. There were no fixed assets during the year ended on 31-03-2013.
- 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 it has not given any loans to any party covered u/s 301 of the companies Act.
  - (b) The loans are 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.

The details of the loans are as under:

Name of the Party	Opening Balance	Receipt during the year	Repayments during the year	Closing balance
Shiva Paper Mills Limited	12,25,000	-	7,50,000	4,75,000
Sh.Parmod Kumar Jain	10,00,000			10,00,000
Sh.Amit Jain	5,00,000		-	5,00,000
Smt. Kiran Jain	1,65,000		-	1,65,000

- 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.
- vi. As per the information and explanation given to us, the company has not accepted any public deposit except outstanding inter-corporate loans and deposits from shareholders.
- vii. As the operation of the company remain closed during the financial year there was no internal audit system in 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/- , property taxes of Rs.817,129/- , sales tax Rs. 14874 & TDS on contractors Rs. 4239 & TDS on salaries for Rs. 300 are outstanding as on 31-3-2013 for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us, except as above, there were no other undisputed amounts, payable in respect of income tax, wealth tax, sale tax, custom duty, excise and cess which were arrears, as on 31-3-2013 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.

- 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 **RamaChandra Rao**  
Chartered Accountants

V. Rama Chandra Rao  
**Partner**  
M: No: 203292  
Place: Hyderabad  
Dated: 24/04/2013

**SHIVA MEDICARE LIMITED**  
**Balance Sheet as at 31 March 2013**

I	Particulars	Notes	As 31 March 2013	As at 31 March 2012
<b>EQUITY &amp; LIABILITIES</b>				
<b>1) Shareholder's Funds</b>				
	a) Share Capital	2.01	62,700,700	62,700,700
	b) Reserves & Surplus		-73,791,602	-72,846,532
<b>2) Share Application Money Pending Allotment</b>				
		2.02	0	0
<b>3) Non-Current Liabilities</b>				
	a) Trade Payables	2.04	0	450,685
	b) Other Long Term Liabilities	2.05	1,713,482	1,713,482
<b>4) Current Liabilities</b>				
	a) Short Term Borrowings	2.03	10,520,950	8,540,500
	b) Trade Payables	2.04	16,854	16,854
	c) Other Current Liabilities	2.05	810,000	810,000
<b>Total</b>			<b>1,970,384</b>	<b>1,385,689</b>
<b>II ASSETS</b>				
<b>1) Non-Current Assets</b>				
	a) Long Term Loans & Advances	2.06	1,954,546	1,354,546
	<b>b) Investments</b>			
		2.06A		0
<b>2) Current Assets</b>				
	a) Trade Receivables	2.07		0
	b) Cash & Cash Equivalents	2.08	15,838	31,143
<b>Total</b>			<b>1,970,384</b>	<b>1,385,689</b>

**Significant Accounting Policies**

**Notes to Accounts**

the notes referred above form an integral part of financial statement

as per our report attached

For **V. RAMACHANDRA RAO.,**  
Chartered Accountant

For and On behalf of the Board of  
**SHIVA MEDICARE LIMITED**

Proprietor  
Membership No. 203292

**Amit Jain**  
Director

**JohnWilson**  
Director

**Date : 24/04/2013**

**Place : Hyderabad**

**SHIVA MEDICARE LIMITED****Profit and Loss for the year ending 31 March 2013**

Particulars	Notes	As 31 March 2013	As at 31 March 2012
<b>Income</b>			
I) Revenue from Operations	2.09	0	0
<b>II) Total Revenue</b>		<b>0</b>	<b>0</b>
<b>III) Expenses</b>			
Other Expenses	2.10	1,395,755	251,372
<b>Total Expenses</b>		<b>-1,395,755</b>	<b>-251,372</b>
<b>IV) Profit before exceptional items, extraordinary items &amp; tax</b>		<b>-1,395,755</b>	<b>-251,372</b>
<b>V) Exceptional Items</b>			
Liabilities no longer payable-Written Back		450,685	200,000
<b>VI) Profit before Extraordinary Items &amp; Tax (IV-V)</b>		<b>-945,070</b>	<b>-51,372</b>
<b>VII) Extraordinary Items</b>			
Previous Year Expenses		0	133,950
Interest on delayed payments		0	40,800
<b>VIII) Profit before Tax</b>		<b>-945,070</b>	<b>-226,122</b>
<b>IX) Tax Expenses</b>			
Income Tax - Current Year		0	0
Income Tax - Previous Year		0	0
Deffered Tax		0	0
<b>X) Profit/Loss for the period-Loss</b>	<b>2.11</b>	<b>-945,070</b>	<b>-226,122</b>

**Significant Accounting Policies****Notes to Accounts**

the notes referred above form an integral part of financial statement

as per our report attached

For **V. RAMACHANDRA RAO.**,  
Chartered Accountant

For and On behalf of the Board of  
**SHIVA MEDICARE LIMITED**

Proprietor  
Membership No. 203292

**Amit Jain**  
Director

**JohnWilson**  
Director

**Date : 24/04/2013**

**Place : Hyderabad**

**XII) Earnings per Share**

1) Basic	-0.04
2) Diluted	-0.04

# SHIVA MEDICARE LIMITED

Notes to the financial statements for the year ended 31st March 2013

(Amount in Indian Rupees)

2.01 Share Capital	As at 31 March 2013		As at 31 March 2012	
	No. of Shares	Amount	No. of Shares	Amount
<u>Authorised</u>				
Equity Shares of Rs.10 each	10,000,000	100,000,000	10,000,000	100,000,000
<u>Issued, Subscribed and fully paid</u>				
Equity Shares of Rs.10 each fully paid:				
At the beginning of the year	6,270,070	62,700,700	6,270,070	62,700,700
Add: Issued during the year	0	0	0	0
At the end of the year	6,270,070	62,700,700	6,270,070	62,700,700
<b>Total</b>	<b>6,270,070</b>	<b>62,700,700</b>	<b>6,270,070</b>	<b>62,700,700</b>

\* Each holder of equity shares is entitled to one vote per share with a right to receive dividend per share declared by the company. In the event of liquidation, the equity share holders are entitled to receive remaining assets of the company (after distribution of all preferential amounts) in the proportion of equity shares held by the share holders. During the year ended 31st March 2013, the company has recorded per share dividend of Rs.Nil (previous years Rs.Nil) to equity share holders.

### Details of share holding more than 5% of the company

Name of the shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares	% of holding in the class	No. of Shares	% of holding in the class
Equity Shares of Rs.10 each fully paid held by:				
a) M/S Shiva Paper Mills Limited	350,000	5.58	350,000	5.58
b) Sterlix USA	450,000	7.18	450,000	7.18
<b>Total</b>	<b>800,000</b>	<b>12.76</b>	<b>800,000</b>	<b>12.76</b>

2.02 Reserves & Surplus	As at 31 March 2013		As at 31 March 2012	
<b>(a) Capital Reserve</b>				
Balance at the beginning of the year		10,205,091		10,205,091
Addition during the year				
Deduction during the year				
<b>Balance at the end of the year</b>		<b>10,205,091</b>		<b>10,205,091</b>
<b>(b) Forfieted Shares</b>				
Balance at the beginning of the year		430,500		430,500
Addition during the year				
Deduction during the year				
<b>Balance at the end of the year</b>		<b>430,500</b>		<b>430,500</b>
<b>(c) Profit &amp; Loss Account Balance (Deficit/Surplus)</b>				
Balance at the beginning of the year		-83,482,123		-83,256,001
Addition during the year		-945,070		-226,122
Deduction during the year		0		0
<b>Balance at the end of the year</b>		<b>-84,427,193</b>		<b>-83,482,123</b>
<b>Total</b>		<b>-73,791,602</b>		<b>-72,846,532</b>

2.03	Borrowings	<u>Long Term - Non-current portion</u>		<u>Short Term</u>	
		As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
	Demand Loans - Related Parties	2,216,500	0	0	2,966,500
	Demand Loans	8,304,450	0	0	5,574,000
	<b>Total</b>	<b>10,520,950</b>	<b>0</b>	<b>0</b>	<b>8,540,500</b>
2.04	Trade Payable	<u>Long Term - Non-current portion</u>		<u>Short Term</u>	
		As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
	Payable to suppliers covered under the Micro, Small & medium Enterprises Development Act	0	450,685	16,854	16,854
	Others		0		0
	<b>Total</b>	<b>0</b>	<b>450,685</b>	<b>16,854</b>	<b>16,854</b>
2.05	Other Liabilities	<u>Long Term - Non-current portion</u>		<u>Short Term</u>	
		As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
	Expenses payable	0	0	0	0
	Other Liabilities	0	0	0	0
	Other Liabilities - related Parties	840,162	840,162	0	0
	Share Application Money refundable	0	0	810,000	810,000
	Statutory Liabilities	873,320	873,320		
	<b>Total</b>	<b>1,713,482</b>	<b>1,713,482</b>	<b>810,000</b>	<b>810,000</b>
2.06	Loans & Advances	<u>Long Term - Non-current portion</u>		<u>Short Term</u>	
		As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
	Balance with Tax Authorities	54,546	54,546	0	0
	Loans & Advances to others	1,900,000	1,300,000	0	0
			0	0	0
	<b>Total</b>	<b>1,954,546</b>	<b>1,354,546</b>	<b>0</b>	<b>0</b>
	Aggregate balance of loans and advances to related parties-unsecured considered good	0	0	0	0
2.06A	Investments		0		0
	<b>Total</b>	<b>0</b>	<b>0</b>		
2.07	Trade Receivables	<u>Long Term - Non-current portion</u>		<u>Short Term</u>	
		As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
	Debts outstanding for a period of 6 months	0	1,500,000	0	0
	less: Provision	0	1,500,000	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2.08	Cash & Bank Balances		As at 31st March 2013		As at 31st March 2012
	Cash & Equivalents				
	Balance with Banks in current accounts		1,108		16,413
	Cash in Hand		14,730		14,730
	<b>Total</b>		<b>15,838</b>		<b>31,143</b>
2.09	Revenue from Operations		As at 31st March 2013		As at 31st March 2012
	Revenue from Operations-Gross		0		0

<b>Total</b>	<b>0</b>	<b>0</b>
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<b>2.10 Other Expenses</b>	<b>As at 31st March 2013</b>	<b>As at 31st March 2012</b>
Advertisement	0	5,400
Rates, Taxes & Fee	0	2,100
Printing & Stationary	0	66,048
Bank Charges	1,564	1,408
Listing Fee	0	28,250
Postage	0	128,245
Miscellaneous Expenses	90,000	640
BSE listing Charges	1,152,904	0
MSE Listing Charges	25,000	0
CDSL renewal fee	78,652	0
Share Transfer Agents Fee-Cameo	11,500	0
Audit fee (Previous Year)	18,090	15,000
Taxation matters	15,045	0
For other services - Issue of certificates	0	2,200
For reimbursement of expenses including service tax	0	2,081
Company Secretary Fee	3,000	0
<b>Total</b>	<b>1,395,755</b>	<b>251,372</b>

<b>2.11 Earnings per Share</b>	<b>As at 31st March 2013</b>	<b>As at 31st March 2012</b>
Profit for calculation of EPS RS.	-945,070	-226,122
Weighted No. of Equity Shares	6,270,070	6,270,070
<b>Basic/Diluted EPS (Rs.)</b>	<b>-0.15</b>	<b>-0.04</b>

<b>2.12 Contingent Liabilities &amp; Commitments</b>	<b>As at 31st March 2013</b>	<b>As at 31st March 2012</b>
01) Contingent liabilities:		
a) Other Money for which the company is contingently Liable	0	0
	395,453	395,453
<b>Total</b>	<b>395,453</b>	<b>395,453</b>

<b>2.13 Differed Tax Assets/Liability</b>	<b>As at 31st March 2013</b>	<b>As at 31st March 2012</b>
In compliance of the Accounting Standard 22 issued by the Institute of Chartered Accountants of India, the company has not made provision for net differed tax assets.	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

<b>2.14 Segment Information</b>	<b>As at 31st March 2013</b>	<b>As at 31st March 2012</b>
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The company has not carried any business activity during the year and the previous year, hence there are no disclosure to be provided under the Accounting Standard 17 'Segment reporting' other than those already provided in the financial statements.

0	0
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**Shiva Medicare Limited****Notes to the financial statements for the year ended 31 March 2013**

<b>2.16 Additional information</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
a) Purchase , Sales & Stocks	Nil	Nil
b) C.I.F. value of Imports	Nil	Nil
c) Expenditure in Foreign Currency	Nil	Nil
d) Remittances in Foreign Currency	Nil	Nil
e) Earning in foreign currency	Nil	Nil

  

<b>2.17 Others</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
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- i)** In the opinion of the management and read with the other notes, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts
- ii)** 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
- iii)** 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
- iv)** Paise have been rounded off to nearest rupee.
- v)** Previous Year's figures have been regrouped and / or rearranged.

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As per our report attached

**For V. RamaChandra Rao**

*Chartered Accountants*

Registration No.: 203292

Hyderabad  
24/04/2013

Amit Jain  
Director

*For and on behalf of the Board of  
Shiva Medicare Limited*

John Wilson  
Director



## **SHIVA MEDICARE LIMITED**

### **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 earnings 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 earnings 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.

For **V.Ramachandra Rao**  
**Chartered Accountants**

**Amit Jain**

**John Wilson**

**Membership No. : 203292**  
**Place: Hyderabad**  
**Date: 24/04/2013**

**Director**

**Director**

# SHIVA MEDICARE LIMITED

## Cash Flow Statement for the year ended 31 March 2013

	For the year ended 31-Mar-13	For the year ended 31-Mar-12
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before		
Tax	(1,395,755)	(226122)
<b>Adjustment for :</b>		
Liabilities no longer payables written back	450,685	200000
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	(945,070)	(26,122)
<b>Adjustment for :</b>		
Decrease/(Increase) in loans and advances	(600000)	(1300000)
Increase/(Decrease) in current liabilities	(450685)	(1205637)
<b>Cash generated from operating activities before taxes</b>	(1,995,755)	(2,531,759)
Direct taxes paid ( net of funds)	0	0
<b>Net cash generated from operating activities</b>	(1,995,755)	(2,531,759)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	0	0
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in short term borrowings	1980450	2549000
increase in long term borrowings	0	0
Repayment of long term borrowings	0	0
Decrease in other borrowings	0	0
<b>Net cash generated from financing activities</b>	1980450	2549000
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(15,305)	17,241
Cash and cash equivalent at the beginning of the year	31143	13902
<b>Cash and cash equivalent at the end of the year</b>	<b>15838</b>	<b>31143</b>

Note: The Cash flow Statement has been prepared in accordance with the ' Indirect Method' specified in Accounting Standard 3 "Cash Flow"

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