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RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
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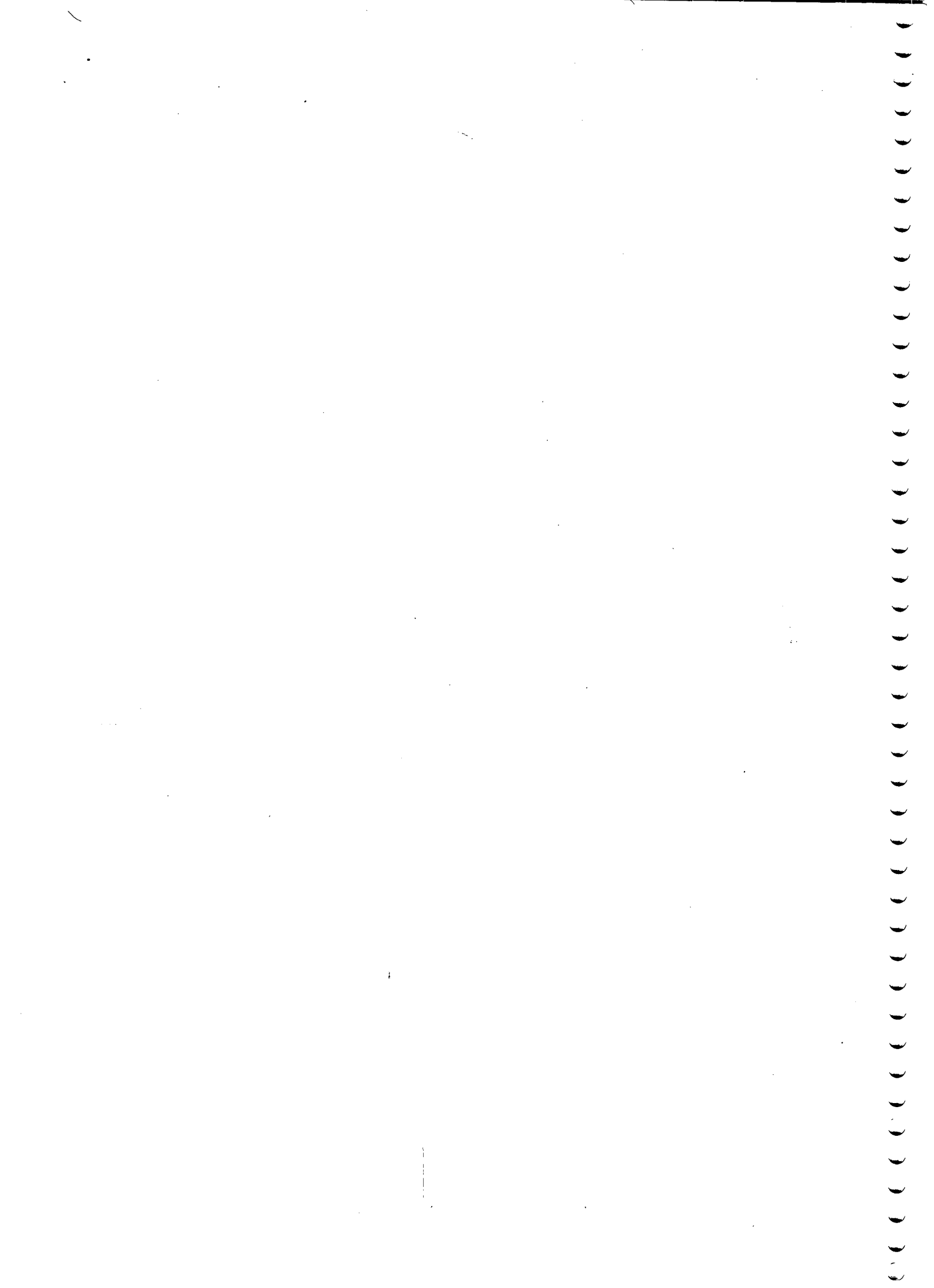
Annual

Report

1996-97



Shiva Medicare Limited





CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman
Shri Parmod Jain

Directors
Smt. Kiran Jain
Shri D. Kumar
Shri Prem Kumar Bhandari
Shri O.P. Shroff
Shri J.K. Agarwal

EXECUTIVE DIRECTOR

Shri Satish Jain

COMPANY SECRETARY

Shri K.K. Nagpal

AUDITORS

Anil Rai Associates
Chartered Accountants
136, Daya Nand Vihar,
Vikas Marg Extension,
New Delhi-110092.

BANKERS

State Bank of India
State Bank of Travancore
Union Bank of India

REGISTERED OFFICE & WORKS

A 15-17, M.E.P.Z.,
Kadaperi, Tambaram,
Chennai-600 045.

CORPORATE OFFICE

808, Pragati Tower.
26, Rajendra Place,
New Delhi-110 008.

SHARE TRANSFER AGENTS

Shiva Services Ltd.
D-110, Kamla Nagar,
Delhi-110007.

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NOTICE



TO THE MEMBERS

NOTICE is hereby given that the 6th Annual General Meeting of the Company will be held on Tuesday, the 30th September, 1997 at its Registered Office & Works at 3.00 P.M. at A 15-17, M.E.P.Z., Kadaperi, Tambaram, Chennai - 600 045 to transact the following business :

Ordinary Business

1. To receive, consider and adopt the Directors' Report, Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 1997 together with the Auditors' Report thereon.
2. To appoint a Director in place of Shri Parmod Jain, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Smt. Kiran Jain, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To appoint Auditors and fix their remuneration

Special Business

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

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956 for mortgaging and/or charging of all the movable and/or immovable properties of the Company wheresoever situate, present and future and the whole of the undertaking of the Company and/or conferring power to takeover the management of the business and concern and undertaking of the Company in certain events whether such power is contained in the documents creating the mortgage/charge or otherwise, to or in favour of State Bank of India, Industrial Finance Branch, Madras, Union Bank of India, Other Banks and Financial Institutions, Companies etc, in connection with the Rupee Term Loan/Working Capital Facilities lent and advanced or to be lent or advanced by them, as security for the repayment of the above mentioned loans together with interest at the agreed rates, compound interest, additional interest, commitment charges, premia on repayment or on redemption, costs, charges, expenses and all other moneys payable by the Company in terms of the respective loan agreement/Heads of the agreement/Letter of sanction/Memorandum of terms and conditions entered into/to be entered by the Company."

"RESOLVED FURTHER THAT the mortgage/charge created/to be created and/or all agreements & documents executed/to be executed and all acts done in terms of the above resolution by and with the authority of the Board of Directors be and are hereby confirmed and ratified."

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

"RESOLVED THAT the consent of the Company be and is hereby accorded under the provisions of Section 293 (1) (d) of the Companies Act, 1956 to the Board of Directors of the



Company for borrowing from time to time such sums of money as they may deem requisite for the purpose of the business of the Company notwithstanding that the sums of money or moneys to be borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of paid up Capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose provided that the total amount up to which money may be borrowed by the Board of Directors shall not exceed Rs. 10 Crores (Rupees Ten Crores)."

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

"RESOLVED THAT Shri J.K. Agarwal, who was appointed as an Additional Director and who ceases to hold office as per provisions of Section 260 of the Companies Act, 1956 at the ensuing Annual General Meeting and in respect of whom, the Company has received a notice in writing proposing his candidature for office of Director as per provisions of Section 257 of the Companies Act, 1956 be and is hereby appointed as Director of the Company liable to retire by rotation."

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

"RESOLVED THAT subject to the provisions of Sections 269, 309, 310 & 198 and other applicable provisions, if any, of the Companies Act, 1956, Shri Satish Jain be and is hereby appointed as "EXECUTIVE DIRECTOR" of the Company for a period of 5 years w.e.f. 27.09.1996 on the following terms and conditions :-

1. Salary Rs. 15,000/- p.m. in the pay scale of Rs.15,000-2,500-25,000
2. Perquisites
 - i). Commission - 1% of Net Profit of the Company.
 - ii). Free furnished residential accomodation - the monetary value of the perquisite to be evaluated in accordance with the Income Tax Rules.
 - iii). Free use of Company's Car with driver - the monetary value of the perquisite to be evaluated in accordance with the Income Tax Rules.
 - iv). Personal accident/Group Insurance/ Medical Claim Insurance.
 - v). Free Telephone facility at residence.
 - vi). Payment of Water, Gas and Electricity charges for residence.
 - vii). Company's contribution towards pension and superannuation funds as per rules of the Company.
 - viii). Company's contribution towards provident fund as per rules of the Company.
 - ix). Gratuity not exceeding one half month's salary for each completed year of service subject to a Ceiling of Rs. 2,50,000/- as per rules of the Company.
 - x). Reimbursement of medical, surgical and hospitalisation expenses for self, wife and dependent children, subject to a maximum of one month's salary in a year or



three months salary in a block of three years in accordance with the rules of the company.

- xi). Leave travel concession - for self, wife and dependent children in accordance with the rules of the Company.
- xii). Fee of maximum of 2 clubs.
- xiii). Earned/Privilege leave-on full pay and allowance as per rules of the company but not exceeding one month's leave for 11 months's of service, subject to the further condition that leave accumulated but not availed of, will not be allowed to be encashed.
- xiv). Reimbursement of actual expenses incurred by him in connection with performance of his duties and for the business of the Company.
- xv). Any other benefits as may be applicable from time to time to senior executives of the Company."

"RESOLVED FURTHER THAT in the event of any statutory amendment or modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase in the remuneration including the salary, perquisites, allowances etc. within such prescribed limit or ceiling without any further reference to the members of the company in Annual General Meeting."

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any year Shri Satish Jain, the Executive Director be paid the above remuneration with perquisites as minimum remuneration."

By the Order of the Board
For SHIVA MEDICARE LIMITED

Place : New Delhi
Dated : August 21, 1997

K.K. NAGPAL
Company Secretary

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy instead of himself/herself and the proxy need not be a member.
2. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. Register of Members and the Share Transfer Books of the Company will remain closed from 16th September, 1997 to 30th September, 1997 (both days inclusive)
4. The Members are requested to :
 - a) Notify changes in their addresses, if any.
 - b) Send their queries, if any, at least 7 days in advance of the meeting so that information can be made available at the meeting.
 - c) Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
 - d) Bring their copy of Annual Report while coming to attend meeting.



Explanatory Statement
Pursuant to Section 173(2) of the Companies Act, 1956

ITEM NO. 5

Sanction of the Company in Annual General Meeting is being sought to authorise the Board of Directors to secure loans or advances which may be raised in future by creating charge on the assets of the Company as the same may be considered to be disposal of Company's undertaking within the meaning of Section 293 (1) (a) of the Companies Act, 1956, and it is, therefore, proposed to obtain consent of the Members before creating such mortgage and/or charge.

Directors recommended the Resolution for acceptance by the members.

None of the Directors is concerned or interested in the Resolution.

ITEM NO. 6

In terms of Section 293 (1)(d) of the Companies Act, 1956, the sanction of the Members of the company is sought to permit the Board to borrow moneys in excess of Company's capital and free reserves to the extent stated in the Resolution. The Board recommend members to pass the said Resolution.

None of the Directors is concerned or interested in this Resolution.

ITEM NO. 7

Shri J.K. Agarwal was appointed as an Additional Director of the Company w.e.f. 27.09.1996 pursuant to Section 260 of the Companies Act, 1956. Shri J.K. Agarwal holds office of the Director upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a Member proposing the candidature of Shri J.K. Agarwal for office of the Director under the provisions of the Section 257 of the Companies Act, 1956.

Shri J.K. Agarwal is a Chartered Accountant having a wide experience of about 25 years in industry and his association would be beneficial to the Company. In the opinion of the Directors, it will be in the interest of the company that Shri J.K. Agarwal be appointed as a Director of the Company.

Your Directors recommend this Resolution for your approval.

Except Shri J.K. Agarwal, none of the Directors of the company is interested or concerned in the proposed Resolution.

ITEM NO. 8

In view of considerable increase in the activities of the Company, looking into the future growth plan and to strengthen the management set up of the company, the Board of Directors had appointed Shri Satish Jain as an Executive Director of the Company w.e.f. 27.09.1996 on the terms and conditions as stated in the Resolution. Earlier he was working as President of the Company since January, 1996. The members are requested to pass the proposed Resolution.

None of the Directors except Shri Parmod Jain, who is related to Shri Satish Jain and Shri Satish Jain to the extent of his appointment as Executive Director, is interested in the proposed Resolution.

By the Order of the Board
For SHIVA MEDICARE LIMITED

Place : New Delhi
Dated : August 21, 1997

K.K. NAGPAL
Company Secretary

DIRECTORS' REPORT



TO THE MEMBERS

Your Directors have pleasure in presenting the 6th Annual Report of the Company and Audited Statement of Accounts for the year ended 31st March, 1997 together with the Auditors' Report thereon.

Working Results

(Rs. in Lacs)

	Current Year 1996-97	Previous Year 1995-96
Sales	1,112.43	831.34
Profit before Depreciation	72.58	54.56
Less : Depreciation for the year	48.07	42.78
Profit for the year	24.51	11.78
Balance brought forward	31.64	19.86
Profit available for appropriation	56.15	31.64

Review of Operations

During the year under review, the Company could improve the capacity utilisation and as a result, sales increased from Rs. 831.34 lacs to Rs. 1,112.43 lacs.

The Company had earlier drawn up an expansion plan for putting up 5 Nos. Dip Lines, out of which 3 Nos. Dip Lines were already commissioned. However, due to sudden fall in international prices, the proposal for putting up balance 2 Nos. Dip Lines was deferred. In the meantime, the Company has implemented a scheme with a capital expenditure of about Rs. 75 Lacs under which 2 Nos. of old Dip Lines have been modified and each machine's capacity has been increased from 36 million pcs. per annum to 43.75 million pcs. per annum besides replacement of old Boiler with new Thermic Fluid Boiler. The scheme has since been completed.

The Company also intends to manufacture value added products such as Nitrele, Surgical and Chlorinated Gloves. Necessary steps in this connection have already been initiated.

Dividend

In view of non availability of requisite profits for the year ended 31st March, 1997, your Directors have not proposed any dividend for the financial year 1996-97.

Performance v/s Projections

In compliance with clause 43 of the listing agreements with the Stock Exchanges, the actual performance of the Company for the year 1996-97 V/s the Projections for the year as indicated in the Prospectus dated 02.06.1994 is given below :



(Rs. in Lacs)

Particulars	Actual	Projected
Total Income	1112.43	1994.40
Profit before Tax	24.51	344.18
Profit after Tax	24.51	224.06

Auditors' Report

Observations of the Auditors in their report and notes attached to the accounts are self explanatory and do not require further explanation.

Directors

Shri Parmod Jain & Smt. Kiran Jain are Directors, retiring by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. Shri Parmod Jain, Chairman & Managing Director has relinquished his office of Managing Director w.e.f. 26.09.1996 but continues, however, as Chairman and Director of the Company.

Shri J.K. Agarwal was appointed as an Additional Director on the Board w.e.f. 27.09.1996. Shri Satish Jain, who was working as "President" of the Company, has been appointed as "Executive Director" of the Company w.e.f. 27.09.1996. Necessary Resolutions are being placed before the Members in this regard in the forthcoming Annual General Meeting of the Company for their approval.

Auditors

M.s. Anil Rai Associates, Chartered Accountants, the present Auditors retire at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. They have furnished a certificate to the effect that their reappointment, if made, will be in accordance with sub-section (1-B) of Section 224 of the Companies Act, 1956.

Industrial Relations

The industrial relations remained cordial throughout the year. The Directors place on record their appreciation of the devoted services and efforts made by the employees at all levels towards the progress of the Company.

Personnel

There are no employees whose particulars are required to be disclosed under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo Informations in accordance with Section 217 (1) (e) of the Companies Act 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given below :-



Conservation of Energy

A. Energy Conservation Measures taken during the year

The Company has installed new thermic fluid boilers running on furnace oil in place of old & lesser efficient boilers which were running on deisel.

B. Additional Investment and proposals if any being implemented for reduction of consumption of energy

Changes are being done in production and other process parameters and systems to further reduce consumption of energy.

C. Impact of the measure (A) and (B) above for reduction of energy consumption and consequent impact on cost of production of goods

No separate costing has been done to measure energy saved, if any, by the company.

Provisions of Form A under Section 217 (1) (e) of the Companies Act, 1956 read with Companies Act (Disclosure of Particulars) Rules, 1988 are not applicable to the Company.

FORM - B

Disclosure of Particulars with respect to Absorption

Research & Development (R&D)

- | | | |
|--|---|------|
| 1. Specific areas in which R&D is carried out by the Company | } | NONE |
| 2. Benefit derived as a result of the above R&D | | |
| 3. Future plan of action | | |
| 4. Expenditure on R&D | | |

Technology Absorption, Adaptation and Innovation

(Foreign Exchange Earnings and Outgo)

The required details are given in item (e) of para 16 of Schedule 20 to the Accounts (Notes on Accounts).

Acknowledgements

Your Directors place on record their appreciation and thanks for financial assistance and support extended by State Bank of India, State Bank of Travancore and Union Bank of India from time to time for providing required facilities to the Company.

Your Directors also wish to thank various Central and State Government Departments for assistance extended by them during the year. They also wish to thank shareholders for trust and confidence reposed as well as the Customers for their valued patronage.

For and on behalf of Board of Directors

Place : New Delhi
Dated : August 21, 1997

PARMOD JAIN
Chairman



AUDITORS' REPORT

To the Members,

SHIVA MEDICARE LIMITED

We have audited the attached Balance Sheet of SHIVA MEDICARE LIMITED as at March 31, 1997 and the Profit & Loss Account for the year ended on that date annexed thereto and report that :

1. As required by Manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in the said order.
2. Further to our comments in annexure referred to in paragraph 1 above.
 - 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 and the Profit & Loss Account dealt with in this report are in agreement with the books of account.
 - iv) In our opinion and to the best of our information and according to the explanations given to us the said accounts read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 1997.
 - b) In the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date.

For ANIL RAI ASSOCIATES
Chartered Accountants

Place : New Delhi
Dated : August 21, 1997

ANIL JAIN
Proprietor



Annexure Referred to in paragraph 1 of the Report of even date of the Auditors to the Members of Shiva Medicare Limited on the Accounts for the year ended March 31, 1997.

1. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. These assets were physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. The stocks of finished goods, stores, spare parts and raw materials have been physically verified by the management at reasonable intervals during the year.
4. In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on physical verification of stocks as compared to book records were not material and these have been properly dealt with in the books of account.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper and is in accordance with the normally accepted accounting principles.
7. In our opinion, the rate of interest and other terms and conditions on which loans or advances have been taken from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and/or Companies under the same management as the Company within the meaning of Section 370 (1-B) of the Companies Act, 1956 are prima-facie not prejudicial to the interest of the Company.
8. The rate of interest and other terms & conditions on which Unsecured Loans have been granted to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and/or companies under the same management as the Company within the meaning of Section 370 (1-B) of the Companies Act, 1956 are prima-facie not prejudicial to the interest of the Company.
9. In respect of loans and advances, in the nature of loans, given to employees and others, they are repaying the principal amount as stipulated and are regular in payment of interest, where applicable.
10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.



11. During the year, there were no purchase of goods and materials, and sale of goods, materials or services exceeding Rs. 50,000 from or to firms, companies or other parties in pursuance of a contract entered into with them as maintained under Section 301 of the Companies Act, 1956.
12. According to the information given to us, the Company has no unserviceable or damaged stores, raw materials or finished goods.
13. The Company has not accepted any deposits from the public and consequently the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.
14. The Company has no by-products. The Company has realisable scrap for which adequate records have been kept.
15. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
16. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
17. According to the records of the Company, the Provident Fund and Employees State Insurance dues have been regularly deposited during the year with the appropriate authorities.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty were outstanding as at 31st March, 1997 for a period of more than six months from the date they became payable.
19. According to the information and explanations given to us, no personal expenses of employees or directors have been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice.
20. The Company is not a sick industrial Company within the meaning of Clause (o) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For ANIL RAI ASSOCIATES
Chartered Accountants

Place : New Delhi
Dated : August 21, 1997

ANIL JAIN
Proprietor

BALANCE SHEET

As at 31st March, 1997



	Schedules		Current Year Rs.		Previous Year Rs.
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	63,131,200		63,131,200	
Reserves & Surplus	2	5,614,763	68,745,963	3,163,706	66,294,906
Loan Funds					
Secured Loans	3	38,668,013		34,472,548	
Unsecured Loans	4	1,000,000	39,668,013	—	34,472,548
			<u>108,413,976</u>		<u>100,767,454</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	5	62,946,983		58,521,761	
Less : Depreciation		11,824,272		7,016,938	
Net Block		51,122,711		51,504,823	
Add : Capital Work-in-progress		4,500,210	55,622,921	296,695	51,801,518
Investments	6		246,750		246,750
Current Assets, Loans and Advances					
Inventories	7	19,589,506		11,849,653	
Sundry Debtors	8	30,238,752		30,647,648	
Cash & Bank Balances	9	2,601,057		972,865	
Loans & Advances	10	5,855,311		5,698,580	
		58,284,626		49,168,746	
Less : Current Liabilities and Provisions					
Current Liabilities	11	10,223,783		5,519,780	
Net Current Assets			48,060,843		43,648,966
Miscellaneous Expenditure (To the extent not written off or adjusted)	12		4,483,462		5,070,220
			<u>108,413,976</u>		<u>100,767,454</u>
Significant Accounting Policies and Notes Forming Part of the Balance Sheet and Profit & Loss Account					

Schedules 1 to 20 form an integral part of the accounts

As per our report of even date annexed
For ANIL RAI ASSOCIATES
Chartered Accountants

Place : New Delhi
Dated : August 21, 1997

ANIL JAIN
Proprietor

K.K. NAGPAL
Company Secretary

SATISH JAIN
Executive Director

PARMOD JAIN
Chairman

KIRAN JAIN
D. KUMAR
O.P. SHROFF
J.K. AGARWAL
Directors

PROFIT & LOSS ACCOUNT
For the Year Ended 31st March, 1997



	Schedules	Current Year Rs.	Previous Year Rs.
<u>INCOME</u>			
Sales		111,242,932	83,133,728
Other Income	13	1,852,075	2,488,911
Increase in Stocks	14	3,084,978	1,296,624
		<u>116,179,985</u>	<u>86,919,263</u>
<u>EXPENDITURE</u>			
Raw Materials Consumed	15	68,925,601	52,974,134
Stores, Spare Parts and Packing Materials Consumed		8,295,644	4,635,889
Power & Fuel		13,561,471	10,143,950
Employees	16	6,427,158	5,301,086
Selling & Distribution Expenses	17	768,599	530,374
Interest and Finance Charges	18	6,483,498	4,271,144
Other Expenses	19	4,459,623	3,606,227
Depreciation		4,807,334	4,278,514
		<u>113,728,928</u>	<u>85,741,318</u>
Profit for the year		2,451,057	1,177,945
Balance brought forward		3,163,706	1,985,761
		<u>5,614,763</u>	<u>3,163,706</u>
<u>APPROPRIATIONS</u>			
Surplus Carried to Balance Sheet		<u>5,614,763</u>	<u>3,163,706</u>
Significant Accounting Policies and Notes Forming Part of the Balance Sheet and Profit & Loss Account	20		

Schedules 1 to 20 form an integral part of the accounts

As per our report of even date annexed
For ANIL RAI ASSOCIATES
Chartered Accountants

Place : New Delhi ANIL JAIN K.K. NAGPAL SATISH JAIN PARMOD JAIN KIRAN JAIN
Dated : August 21, 1997 Proprietor Company Secretary Executive Director Chairman D. KUMAR
O.P. SHROFF
J.K. AGARWAL
Directors

SCHEDULES



	Current Year Rs.	Previous Year Rs.
1. SHARE CAPITAL		
Authorised		
1,00,00,000 Equity Shares of Rs. 10 each	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed and Paid-up		
63,56,170 Equity Shares of Rs. 10 each fully paid-up	63,561,700	63,561,700
Less : Face Value of Shares forfeited	<u>861,000</u>	<u>861,000</u>
	62,700,700	62,700,700
Add : Forfeited Shares Account (Refer Note No. 4)	430,500	430,500
	<u>63,131,200</u>	<u>63,131,200</u>
2. RESERVES & SURPLUS		
Profit & Loss Account	5,614,763	3,163,706
	<u>5,614,763</u>	<u>3,163,706</u>
3. SECURED LOANS		
From Banks		
Term Loans (a)	3,325,000	8,825,000
Export Packing Credit / Post Shipment Credit Loans (b)	34,918,743	25,647,548
From Others		
Vehicle Loan (c)	424,270	
	<u>38,668,013</u>	<u>34,472,548</u>

- a) Term Loans are secured against pari-passu charge by way of joint equitable mortgage of Building on lease hold land and all other fixed assets both present & future and hypothecation of all movables except hypothecation of specified movables, created and/or to be created in favour of the Company's bankers for working capital requirements and personal guarantee of a Director and a corporate guarantee.
- b) Export Packing Credit / Post Shipment Credit Loans are secured against hypothecation of raw-materials, finished goods, semi-finished goods, stores and spares, documentary export bills sent for collection together with personal guarantee of Director, a corporate guarantee and also secured by way of second charge over the fixed assets of the Company.
- c) Secured against hypothecation of vehicle purchased under Hire Purchase.



	Current Year Rs.	Previous Year Rs.
4. UNSECURED LOANS		
From Companies	1,000,000	—
	<u>1,000,000</u>	<u>—</u>

5. FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.1996	Additions	Sale/ Adjustments	Total As at 31.03.1997	Upto 31.03.1996	For the Year	Total As at 31.03.1997	As at 31.03.1997	As at 31.03.1996
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Buildings	12,612,977	713,649	—	13,326,626	561,788	426,081	987,869	12,338,757	12,051,189
Plant & Machinery	44,729,149	3,097,002	—	47,826,151	6,066,027	4,283,028	10,349,055	37,477,096	38,663,122
Furniture, Fixtures & Fittings	577,943	13,720	—	591,663	270,505	42,079	312,584	279,079	307,438
Office & Factory Equipments	372,157	145,750	—	517,907	90,927	25,794	116,721	401,186	281,230
Vehicles	229,535	455,101	—	684,636	27,691	30,352	58,043	626,593	201,844
	58,521,761	4,425,222	—	62,946,983	7,016,938	4,807,334	11,824,272	51,122,711	51,504,823
Capital Work-in- Progress	296,695	8,014,166	3,810,651	4,500,210	—	—	—	4,500,210	296,695
TOTAL	58,818,456	12,439,388	3,810,651	67,447,193	7,016,938	4,807,334	11,824,272	55,622,921	51,801,518
Previous Year	52,238,283	51,827,095	45,246,922	58,818,456	2,738,424	4,278,514	7,016,938	51,801,518	

	Current Year Rs.	Previous Year Rs.
6. INVESTMENTS		
Long Term Trade Investments		
Shares (Quoted)		
No. of Shares		
Shiva Paper Mills Limited	3,500	71,750
Thambhi Modern Spinning Mills Ltd.	1,500	75,000
Shares (Unquoted)		
Shiva Services Ltd.	10,000	100,000
	<u>246,750</u>	<u>246,750</u>
(Aggregate Market Value of Quoted Investments Rs. 35,000 (Previous Year Rs. 84,000))		



	Current Year Rs.	Previous Year Rs.
7. INVENTORIES (As taken, valued and certified by the management)		
Stores, Spares & Packing Material	3,256,435	1,684,226
Raw Materials (Including goods-in-transit Rs. 196,050/- Previous year Rs. Nil)	7,268,755	4,186,089
Finished Goods	8,393,709	5,039,677
Semi-Finished Goods	650,000	551,500
Scrap	20,607	388,161
	<u>19,589,506</u>	<u>11,849,653</u>
8. SUNDRY DEBTORS (Unsecured - Considered Good)		
Debts Exceeding Six Months	111,260	50,005
Other Debts	30,127,492	30,597,643
	<u>30,238,752</u>	<u>30,647,648</u>
9. CASH & BANK BALANCES		
Cash in Hand	116,890	97,668
Balances with Scheduled Banks		
— In Current Accounts	386,867	144,397
— In Fixed Deposit Accounts as Margin Money	2,097,300	730,800
	<u>2,601,057</u>	<u>972,865</u>



	Current Year Rs.	Previous Year Rs.
10. LOANS & ADVANCES (Unsecured - Considered Good)		
Loans	3,500,000	3,450,000
Advances (Recoverable in cash or in kind or for value to be received)	623,963	1,545,079
Interest Receivable	900,397	244,827
Income Tax Deducted at Source	204,015	19,688
Security Deposits	626,936	438,986
	<u>5,855,311</u>	<u>5,698,580</u>
11. CURRENT LIABILITIES		
Sundry Creditors	7,616,948	3,440,757
Other Liabilities	1,588,482	1,633,076
Temporary Bank Overdraft	947,247	311,790
Interest Accrued but not due	71,106	134,157
	<u>10,223,783</u>	<u>5,519,780</u>
12. MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		
Preliminary Expenses		
As per last Balance Sheet	181,878	208,191
Less : Written Off during the year	26,313	26,313
	<u>155,565</u>	<u>181,878</u>
Share Issue Expenses		
As per last Balance Sheet	3,854,096	4,285,260
Less : Written Off during the year	431,164	431,164
	<u>3,422,932</u>	<u>3,854,096</u>
Deferred Revenue Expenditure		
As per last Balance Sheet	1,034,246	1,163,527
Less : Written Off during the year	129,281	129,281
	<u>904,965</u>	<u>1,034,246</u>
	<u>4,483,462</u>	<u>5,070,220</u>



	Current Year		Previous Year	
	Rs.		Rs.	
13. OTHER INCOME				
Dividend		7,500		5,565
Interest and Finance Charges Received		972,770		1,252,304
Export Development Grant		—		346,000
Fluctuation in Foreign Currency		254,199		10,424
Miscellaneous Receipts		617,606		874,618
		<u>1,852,075</u>		<u>2,488,911</u>
14. INCREASE IN STOCKS				
Opening Stock				
— Finished Goods	5,039,677		4,107,964	
— Semi Finished Goods	551,500		164,500	
— Scrap	388,161	5,979,338	410,250	4,682,714
Closing Stock				
— Finished Goods	8,393,709		5,039,677	
— Semi Finished Goods	650,000		551,500	
— Scrap	20,607	9,064,316	388,161	5,979,338
		<u>3,084,978</u>		<u>1,296,624</u>
15. RAW MATERIALS CONSUMED				
Opening Stock		4,121,505		4,859,298
Add : Purchases		71,695,860		53,453,888
		<u>75,817,365</u>		<u>58,313,186</u>
Less : Material consumed during trial Run		—		1,217,547
Closing Stock		6,891,764		4,121,505
		<u>68,925,601</u>		<u>52,974,134</u>
16. EMPLOYEES				
Salaries, Wages & Allowances		5,323,455		4,658,611
Staff Welfare / Training Expenses		546,269		394,257
Contribution to Employees State Insurance, Provident & Other Funds		422,734		248,218
Director's Remuneration		134,700		—
		<u>6,427,158</u>		<u>5,301,086</u>



	Current Year Rs.	Previous Year Rs.
17. SELLING & DISTRIBUTION EXPENSES		
Freight & Forwarding Expenses	722,674	507,106
Business Promotion Expenses	45,925	23,268
	<u>768,599</u>	<u>530,374</u>
18. INTEREST AND FINANCE CHARGES		
Interest to Bank		
--- On Term Loans	1,373,664	1,731,176
-- On Packing Credit/Post Shipment Credit Loans	3,794,127	1,533,443
Interest On Unsecured Loans	96,412	292,623
Bank & Finance Charges	1,219,295	713,902
	<u>6,483,498</u>	<u>4,271,144</u>
19. OTHER EXPENSES		
Rent	476,256	353,661
Rates, Taxes & Fees	128,730	53,788
Insurance	225,847	184,705
Repairs & Maintenance		
--- Plant & Machinery	371,680	126,571
-- Buildings	55,129	11,438
--- Vehicles	66,821	99,949
-- Others	134,821	60,380
	<u>628,451</u>	<u>298,338</u>
Board Meetings Fee	12,500	4,000
Miscellaneous Expenses	2,090,820	1,742,461
Custom Duty	284,261	356,516
Auditors' Remuneration		
--- As Audit Fee	20,000	20,000
--- As Tax Audit Fee	4,000	4,000
--- In Other Capacity	2,000	2,000
	<u>26,000</u>	<u>26,000</u>
Preliminary/Share Issue/Deferred Revenue Expenditure Written Off	586,758	586,758
	<u>4,459,623</u>	<u>3,606,227</u>



20. NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

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 capitalised.

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.

Inventories

Raw Materials and Stores & Spares are valued at cost. Finished goods are valued at lower of cost or net realisable value. Semi-finished goods are valued at estimated cost. Scrap is valued at estimated realisable value.

Revenue Recognition

Export sales are accounted for on the basis of the date of bill of lading. Other sales are accounted for ex-factory on despatch.

Income from Investments/Deposits

Income from Investments/Deposits is credited to revenue in the year in which it accrues except dividend which is accounted for on receipt basis. Income is stated in full with the tax thereon being accounted for under income tax deducted at source.

Foreign Currency Transactions

Transaction in foreign currency are recorded by applying the exchange rates realised/incurred. Monetary items denominated in foreign currency remaining unsettled at the end of the year are translated at the rate prevailing on the Balance Sheet date. Exchange differences arising, if any, as a result of the above are recognised as income or expenses in the operating statements. For Capital Accounts, it is adjusted to the cost of the respective assets.

Taxes, Duties Etc.

Custom duty is accounted for on clearance of goods, wherever applicable.

Recognition of Income and Expenditure

All Income & Expenditures are accounted for on accrual basis except dividend and retirement benefits which are accounted for on cash basis.



Miscellaneous Expenditure

Preliminary expenditure, share issue expenditure and deferred revenue expenditure are written off in equal instalments over a period of ten years. However, share issue expenditure relating to Public Issue is written off from the year in which commercial production is started over a period of ten years.

Retirement Benefits

Retirement benefits are accounted for on cash basis.

Contingent Liabilities

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

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. Nil (Previous Year Rs. Nil)
 3. Contingent Liabilities not provided for in respect of :
 - a) Letter of Credit outstanding (Net of Margin Money) Rs. 24,35,189 (Previous Year Rs. 21,92,524).
 - b) Bonds executed in favour of Customs/Excise Authorities for Rs. 65,49,59,970 (Previous Year Rs. 52,34,00,000), whereby, in the event of default of relevant provisions of these Acts, the authorities shall enforce their rights under the bonds.
 - c) Bonds executed in favour of the Development Commissioner, Madras Export Processing Zone, Madras for the fulfilment of export obligations for five years and other terms and conditions relating thereto. In the event of failure, the Company shall be liable to pay appropriate penalties.
 4. The company had forfeited 86,100 Equity Shares on 14.02.1996 for non-payment of allotment money and has accordingly appropriated Rs. 4,30,500/- received on them towards Share Forfeiture Account.
 5. Depreciation amounting to Rs. 4,07,443 has not been provided on two production lines for the period during which these were/are in modification/expansion and were/are not put to use.
 6. As the provisions of Section 10A & 10B of the Income Tax Act are applicable to the Company, no provision for Income Tax has been made.
 7. Other Liabilities include amount due to a Director of the Company Rs. 2,20,500 (Previous Year Rs. 20,500)
 8. Provision for gratuity is not required as none of the employees have completed five years of service.
-



9. No provision for bonus is required as the Company does not have any allocable surplus during the year.
10. The Company has pledged 3,500 Equity Shares costing Rs.71,750 with a Financial Institution as a security for loans advanced to a company under the same management.
11. In the opinion of the management, 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. Provision for all known liabilities has been adequately made in the accounts.
12. As suppliers covered under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993" are yet to be identified, liability towards interest on accounts remained as unpaid to such small scale and/or ancillary industrial undertakings as on 31-03-1997 is unascertainable.
13. Shri Parmod Jain was appointed as Managing Director for 5 years w.e.f. 01-01-1994 but he relinquished his charge on 26-09-1996. No managerial remuneration was payable to him during this period.
14. Additions to fixed assets and/or capital work in progress include expenditure capitalised on expansion/modification-cum-expansion scheme, as under :

	Current Year Rs.	Previous Year Rs.
Raw Materials consumed	—	12,17,547
Stores & Spares	1,86,565	1,19,040
Power & Fuel	4,06,883	8,99,083
Salary & Wages	3,07,337	2,58,254
Interest	—	3,93,669
Other Miscellaneous expenses	8,07,927	3,66,945
	<u>17,08,712</u>	<u>32,54,538</u>
Add : Balance brought forward	2,96,695	36,66,346
	<u>20,05,407</u>	<u>69,20,884</u>
Less : Capitalised by allocation to fixed assets	3,60,314	66,24,189
Balance carried to capital work in progress	<u>16,45,093</u>	<u>2,96,695</u>
15. Executive Director's Remuneration		
Salary	92,000	—
Perquisites	42,700	—
Contribution to Provident Fund	9,200	—



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

a) Particulars of Capacities & Production :

<u>Class of Goods</u>	<u>Unit</u>	<u>Licensed Capacity</u>	<u>Installed Capacity</u>	<u>Actual Production</u>
Latex gloves	Pcs.	264,000,000 (264,000,000)	199,750,000 (192,000,000)	114,037,175 (83,380,168)

Note : 1. Installed Capacity is as certified by the management but not verified by the auditors, being a technical matter.

b) Particulars of stocks and turnover of goods purchased/produced :

<u>Class of Goods</u>	<u>Unit</u>	<u>Opening Stock</u>		<u>Turnover</u>		<u>Closing Stock</u>	
		<u>Quantity</u>	<u>Value Rs.</u>	<u>Quantity</u>	<u>Value Rs.</u>	<u>Quantity</u>	<u>Value Rs.</u>
Latex Gloves	Pcs.	6,048,329 (5,498,161)	5,039,677 (4,107,964)	110,800,000 (82,830,000)	111,242,932 (83,133,728)	9,285,504 (6,048,329)	8,393,709 (5,039,677)

c) Particulars of Raw Material Consumed :

<u>Class of Goods</u>	<u>Unit</u>	<u>Quantity</u>	<u>Value (Rs.)</u>
Latex	Kgs.	1,453,976	62,082,525
	Kgs.	(1,174,153)	(49,466,850)
Others	Kgs.	188,132	6,843,076
	Kgs.	(153,864)	(4,724,831)
			<u>68,925,601*</u> (54,191,681)

* includes Raw Material Rs. Nil (Previous Year Rs.12,17,547) consumed during trial run.

d) Particulars of consumption of imported and indigenous materials and percentage thereof :

Class of Goods	Imported		Indigeneous		Total
	Percentage	Value Rs.	Percentage	Value Rs.	Total Rs.
Raw Materials	90.44 (95.54)	62,338,856 (51,775,886)	9.56 (4.46)	6,586,745 (2,415,795)	68,925,601 (54,191,681)
Stores & Spare Parts, Packing Material	26.51 (34.36)	2,199,382 (1,593,072)	73.49 (65.64)	6,096,262 (3,042,817)	8,295,644 (4,635,889)

	Current Year Rs.	Previous Year Rs.
e) Other Particulars		
i) CIF Value of Imports		
Raw Materials	64,420,340	51,003,608
Packing Material, Stores & Spares	3,788,675	1,499,866
Capital Goods	—	1,321,927
ii) Expenditure in Foreign Currency		
Travelling*	36,435	243,454
Membership & Subscriptions	—	2,089
* Does not include cost of air ticket paid in Indian Currency.		
iii) FOB Value of Exports	104,973,223	81,565,800

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

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



19. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

I. Registration Details

Registration No. State Code

Balance Sheet Date
Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> - <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>	Rights Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> - <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>
Bonus Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> - <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>	Private Placement	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> - <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

	Total Liabilities	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="4"/>	Total Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="4"/>
Source of Funds				
	Paid-up Capital	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="1"/>	Reserves & Surplus	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="5"/>
Application of Funds				
	Secured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="8"/>	Unsecured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>
	Net Fixed Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="3"/>	Investments	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="7"/>
	Net Current Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="0"/> <input type="text" value="6"/> <input type="text" value="1"/>	Misc. Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="3"/>
	Accumulated Losses	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> - <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>		

IV. Performance of Company (Amount in Rs. Thousands)

	Turnover	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="5"/>	Total Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="4"/>	
+ -	Profit Before Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="1"/>	+ -	Profit After Tax	
<input checked="" type="checkbox"/>		<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="1"/>	<input checked="" type="checkbox"/>		<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="1"/>
	Earning Per Share	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="9"/>	Dividend Rate%	Equity Shares	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> - <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>

V. Generic Names of Three Principal Products / Services of Company

Item Code No. (ITC Code)
Product Description

20. Schedules 1 to 20 forming part of the accounts have been duly authenticated.

As per our report of even date annexed
For ANIL RAI ASSOCIATES
Chartered Accountants

KIRAN JAIN
D KUMAR
O.P. SHROFF
J.K. AGARWAL
Directors

Place : New Delhi ANIL JAIN K.K. NAGPAL SATISH JAIN PARMOD JAIN
Dated : August 21, 1997 Proprietor Company Secretary Executive Director Chairman



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 1997

Particulars	Current Year Rs.	Previous Year Rs.
A. CASH FLOW FORM OPERATING ACTIVITIES		
Net Profit before Tax	2,451,057	11,77,945
Add : Adjustments for		
Depreciation	4,807,334	42,78,514
Share Issue/Deferred Revenue Expenditure Written off	586,758	5,86,758
Dividend Received	(7,500)	(5,565)
Interest Paid	6,483,498	42,71,144
Interest and Finance Income.	(972,770)	(12,52,304)
Operating Profit before working capital changes	<u>13,348,377</u>	<u>90,56,492</u>
Adjustments for Working Capital Changes		
Trade & Other Receivables	252,165	(94,80,890)
Inventories	(7,739,853)	(13,86,081)
Trade & Other Payables	4,704,003	(25,13,492)
Cash generated from operations	<u>10,564,692</u>	<u>(43,23,971)</u>
Less : Interest Paid	(6,483,498)	(42,71,144)
Extra Ordinary Items	—	—
Net Cash generated from Operations	<u>4,081,194</u>	<u>(85,95,115)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(8,628,737)	(65,80,173)
Investments	—	(1,71,750)
Dividend Received	7,500	5,565
Share Issue/Deferred Revenue Expenditure	—	—
Interest and Finance Income	972,770	12,52,304
Net Cash from Investing Activities	<u>(7,648,467)</u>	<u>(54,94,054)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	—	2,79,000
Proceeds from long-term borrowings	450,000	—
Re-payments of long-term borrowings	(5,525,730)	(51,00,000)
Increase/Decrease in Bank borrowings	9,271,195	1,63,42,652
Increase/Decrease in Unsecured Loans	1,000,000	—
Net Cash from Financing Activities	<u>5,195,465</u>	<u>1,15,21,652</u>
Net increase in Cash and Cash equivalents	1,628,192	(25,67,517)
Cash and Cash equivalents (Opening Balance)	972,865	35,40,382
Cash & Cash equivalents (Closing Balance)	2,601,057	9,72,865
D. NOTES ON CASH FLOW STATEMENT		
Figures in brackets represent cash outflow		

For and on behalf of Board
For Shiva Medicare Limited

Place : New Delhi
Dated : August 21, 1997

PARMOD JAIN
Chairman

Auditors' Certificate .

We have verified the annexed Cash Flow Statement of Shiva Medicare Limited for the year ended 31st March, 1997. This statement is derived from the audited accounts of the Company for the year ended 31st March, 1997 and has been prepared in accordance with the requirements prescribed by the Securities and Exchange Board of India (SEBI).

For ANIL RAI ASSOCIATES
Chartered Accountants

Place : New Delhi
Dated : August 21, 1997

ANIL JAIN
Proprietor



PROXY

Shiva Medicare Limited

Regd. Office : A15-17, M.E.P.Z., Kadaperi, Tambaram, Chennai-600 045.
Corporate Office : 808, Pragati Tower, 26, Rajendra Place, New Delhi-110 008.

I/We _____

of _____

in the district of _____

being a member/members of the above-named Company, hereby appoint Mr./Miss./Mrs. _____

of _____ in the district of _____

or failing him/her _____

of _____ in the district of _____

as my/our proxy to vote for me/us on my/our behalf at the 6th Annual General Meeting of the Company to be held on Tuesday, the 30th September, 1997 at 3.00 P.M. and at any adjournment thereof.

Signed this _____ Day of _____ 1997

No. of Shares held _____ Ref. No./L.F. No. _____

Signature(s) _____

Address: _____

30 Paise
Revenue
Stamp

Note : The Proxy must be deposited at the Regd. Office/Corporate Office of the Company not less than 48 hours before the time for holding the meeting.

-----X-----TEAR HERE-----X-----



ATTENDANCE SLIP

Shiva Medicare Limited

Regd. Office : A15-17, M.E.P.Z., Kadaperi, Tambaram, Chennai-600 045.
Corporate Office : 808, Pragati Tower, 26, Rajendra Place, New Delhi-110 008.

I hereby record my presence at the 6th Annual General Meeting of the Company being held on Tuesday, the 30th September, 1997 at 3.00 P.M. at A15-17, M.E.P.Z., Kadaperi, Tambaram, Chennai-600 045.

Name of the Shareholder _____

(in block letters)

Reference Folio _____

Signature of the Shareholder/Proxy _____

Note : 1. Please complete this attendance slip and hand it over at the entrance of the venue of the meeting.
2. Please bring your copy of Balance Sheet at the time of Annual General Meeting.

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