



9th
ANNUAL REPORT
1 9 9 9 - 2 0 0 0



Shiva Medicare Limited

CORPORATE INFORMATION



BOARD OF DIRECTORS

Chairman

Shri Parmod Jain

Directors

Shri D. Kumar

Shri O. P. Shroff

Shri J. K. Agarwal

Shri Prem Kumar Bhandari

EXECUTIVE DIRECTOR

Shri Satish Jain

COMPANY SECRETARY

Shri K. K. Nagpal

AUDITORS

M/s. Anil Rai Associates

Chartered Accountants

136, Daya Nand Vihar

Vikas Marg Extension,

New Delhi- 110092

BANKERS

State Bank of India

Union Bank of India

REGISTERED OFFICE & WORKS

A 15-17, 20 M.E.P.Z.

Kadaperi Tambaram,

Chennai - 600045.

CORPORATE OFFICE

808, Pragati Tower,

26, Rajendra Place,

New Delhi - 110008

Website : <http://www.shivagroup.com>

SHARE TRANSFER AGENT

M/s. Shiva Services Ltd.

D-110, Kamla Nagar,

Delhi- 110007

LISTING

The Madras Stock Exchange Ltd.

The Delhi Stock Exchange Assn. Ltd.

The Stock Exchange, Mumbai

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NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the Company will be held on Friday, the 29th September, 2000 at 3.00 P.M. at A-15-17,20, M.E.P.Z., Kadaperi, Tambaram, Chennai-600045 to transact the following business:

Ordinary Business

1. To receive and adopt the Directors' Report, Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2000 together with the Auditors' Report thereon.
2. To Appoint a Director in place of Shri Pramod Jain who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri O. P. Shroff who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company and authorise the Board of Directors to fix their remuneration.

Special Business

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 31 of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered in the following manner:-

After Article 12(2) the following Article & Heading be inserted as Article 12A.

12A DEMATERIALISATION OF SECURITIES

1. For the purpose of this Article:-

'Beneficial Owner' means a person or persons whose name is recorded as such with a depository ;

'Depository' means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a Depository under The Securities and Exchange Board of India Act, 1992 and 'SEBI' means The Securities and Exchange Board of India.

2. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise/rematerialise its securities and to offer securities in a dematerialised form pursuant to The Depositories Act, 1996 and the Rules framed thereunder.
3. All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B and 187C of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
4. Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the beneficial owners.

Save as otherwise provided above, the depository as the registered owner of the



securities shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

5. Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs etc.
6. Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
7. Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
8. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a

depository.

9. The Register and Index of beneficial owners maintained by a depository under the Depositories Act 1996, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
11. After Article 46 the following Article & Heading be inserted as Article 46A.

46A NOMINATION OF SECURITIES

Notwithstanding anything contained in Articles elsewhere, every holder of shares or debentures of the Company may at any time, nominate, in the manner prescribed by Section 109 A & B of the Act, a person, to whom such shares or debentures shall vest in the event of his death.

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. Register of Members and the Share Transfer Books of the Company will remain closed from 16th September, 2000 to 29th September, 2000 (both days inclusive).
3. The Members are requested to send their queries, if any, at least 7 days in advance of the meeting so that informations can be made available at the meeting.



4. The Company is now accessible on the internet. at the website <http://www.shivagroup.com>. Members may access the website for the latest information of the Company .

By the Order of the Board
for **SHIVA MEDICARE LIMITED**

K. K. NAGPAL
COMPANY SECRETARY

PLACE :NEW DELHI

DATED :31.07.2000

EXPLANATORY STATEMENT

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

ITEM NO.5

Consequent to enactment of The Depositories Act, 1996, and the introduction of depository system some of the provisions of The Companies Act, 1956 pertaining to issue, transfer, holding, dealing in etc. have been amended to facilitate holding of shares by the members in electronic form. The Company is contemplating to join a Depository, thereby offering dematerialisation of its securities in due course.

It has therefore become necessary to amend the Articles of Association of your Company so as to bring them in line with the relevant provisions of The Depositories Act, 1996.

Other amendment to the Articles of Association is consequent to the amendments to provisions of The Companies Act, 1956, through the Companies (Amendment) Act, 1999.

The Board recommends the proposed resolution for your approval.

None of the Directors of your Company is interested or concerned in the proposed resolution.

DIRECTOR REPORT



To the Members

Your Directors have pleasure in presenting 9th Annual Report of the Company and Audited Statement of Accounts for the year ended on 31st March, 2000 together with the Auditors' Report thereon.

| Working Results | Current Year (1999-00) | (Rs.in Lacs) |
|---|----------------------------------|-----------------------------------|
| | | Previous Year (1998-99) |
| Sales | 467.72 | 474.40 |
| Loss before Depreciation | (80.13) | (39.53) |
| Less : Depreciation for the year | 47.15 | 45.78 |
| Loss for the year | (127.28) | (85.31) |
| Add : Balance-Profit & Loss A/c brought forward | 23.52 | 108.82 |
| Deficit/Surplus | (103.76) | 23.51 |

REVIEW OF OPERATIONS

The Company's Operation continued to be under intense pressure during the year under review owing to imbalance in demand and supply to general economic recession in the International market. The production of Latex Gloves during the year was 53.46 million pcs. as against 52.83 million pcs. during the previous year while the turnover stood at Rs. 467.72 lacs as against Rs. 471.28 lacs during the previous year. The overall operations have resulted in to the loss of Rs., 137.28 lacs. However, your Company is trying to improve its profitability by continuously improving the productivity, reduction in cost and improving market competitiveness.

Since the Company's debtors remain outstanding for more than a year, working capital was frozen by the Bankers resulting your Company to face difficult financial conditions which affected the operation of the Company. The matter is being followed up with the bankers to revive the working capital limits so as to achieve the higher sales in the future.

During the year, Company produced and exported Surgical Gloves which have found a good market. The Company is trying to procure more orders to have the better profitability.

DIVIDEND

Due to losses, your Directors do not propose any dividend on Equity Shares for the financial year 1999-2000.

PUBLIC DEPOSITS

The total amount of Fixed Deposits at the end of the financial year stood at Rs 0.23 lacs and same were unclaimed by the Depositors. Company has sent reminders to such Depositors.



BOARD OF DIRECTORS

Smt. Kiran Jain has resigned from the Board of Directors of the Company with effect from 12.02.2000. The Board places on record its sincere appreciation for the valuable services rendered by Smt. Kiran Jain during her period of association with the Company.

Shri Parmod Jain and Shri O. P. Shroff, Directors are retiring by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

AUDITORS AND THEIR REPORT

M/s. Anil Rai Associates., Chartered Accountants, the 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.

Regarding observation made by auditors in their report for non provision for debtors exceeding six months, your directors feel that no provision is necessary as the Company is continueing to receive payment in parts and therefore debt is considered good for recovery. The other observation regarding under provision of interest, Company has provided normal rate of interest on the working capital facilities in absence of any advise from the Bankers. Difference, if any, shall be charged to the profit & Loss account in the year of demand by the Bank.

Y2K COMPLIANCE

Your company successfully entered the New Millennium without any hassels on its computer systems.

PERSONNEL

Industrial relations remained cordial throughout the year. There are no employees whose particularrs 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 ABROPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information in accordance with Section 217 (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.

NONE

B. ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY, BEING IMPLMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY.

NONE

C. IMPACT OF THE MEASURES AT (A) & (B) ABOVE FOR REDUCTION OF ENERGY CONSUMPTION AND CONSEQUENT IMPACT ON THE 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 TECHNOLOGY ABSORPTION

RESEARCH & DEVELOPMENT (R&D)

The Company concentrated on improving productivity , production planning, and quality control methods. The R&D efforts are expected to result in development of better products and economies in cost of production.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION
(FOREIGN EXCHANGE EARNINGS AND OUTGO)**

1. Activity relating to export and export plans

The Company continues its efforts to explore new markets for surgical gloves which have better profitability.

2. Total Foreign Exchange Used and Earned

The required details are given in items (e) of para 14 of Schedule 20 to the accounts (Notes on Accounts)

ACKNOWLEDGEMENTS

The Directors are thankful to the Bankers for their continued support during the year. 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 : 31.07.2000

(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, 2000 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 (4A) 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, the Balance Sheet and the Profit & Loss Account dealt with by this report are in compliance with the mandatory accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
 - v) In our opinion and to the best of our information and according to the explanations given to us the said accounts subject to Note No.8 regarding non-provision of debtors exceeding six months of Rs.29,843,538 and Note No. 9 regarding under provision of interest on overdue Working Capital facilities comprising of export packing credit and foreign bills discounted which can not be quantified at this point of time and read with the others notes thereon in Schedule 20, 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, 2000.
 - b) In the case of Profit & Loss Account, of the loss of the Company for the year ended on that date.

For ANIL RAI ASSOCIATES
Chartered Accountants

Place : New Delhi
Dated : July 31, 2000

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, 2000.

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 and is on the same basis as in the previous year.
7. The company has not taken any loans, secured or unsecured from Companies, Firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As explained to us, there is no Company under the same management, as defined under Sub-section (1B) of Section 370 of the Companies Act, 1956.
8. The Company has not given any loans, secured or unsecured to Companies, Firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As explained to us, there is no Company under the same management as defined under Sub-section (1B) of Section 370 of the Companies Act, 1956.
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 purchases of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.
11. *In our opinion and according to the information and explanations given to us, the transactions of purchases of goods and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under Section 301 and aggregating during the year to Rs.50,000*



or more in respect of each party have been made at prices which are reasonable having regard to prevailing market price of such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.

12. According to the Information given to us, the Company has no unserviceable or damaged stores, raw materials or finished goods.
13. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted by it from the public.
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, 2000 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 : July 31, 2000

ANIL JAIN
Proprietor

BALANCE SHEET

As at 31st March, 2000



| | SCHEDULE | Current Year Rs. | Previous Year Rs. |
|--|----------|---------------------|----------------------|
| SOURCES OF FUNDS | | | |
| SHAREHOLDER'S FUNDS | | | |
| Share Capital | 1 | 63,131,200 | 63,131,200 |
| Reserves & Surplus | 2 | — | 2,351,716 |
| | | 63,131,200 | 65,482,916 |
| LOANS FUNDS | | | |
| Secured Loans | 3 | 45,729,814 | 58,483,507 |
| Unsecured Loans | 4 | 9,896,152 | 7,631,039 |
| | | 55,625,966 | 66,114,546 |
| | | 118,757,166 | 131,597,462 |
| APPLICATION OF FUNDS | | | |
| FIXED ASSETS | | | |
| Gross Block | 5 | 77,704,742 | 78,118,965 |
| Less : Depreciation | | 25,690,213 | 21,087,632 |
| Net Block | | 52,014,529 | 57,031,333 |
| Add: Capital Work-in-Progress | | 4,402,197 | 4,402,197 |
| | | 56,416,726 | 61,433,530 |
| INVESTMENTS | | | |
| | 6 | 3,796,750 | 3,246,750 |
| CURRENT ASSETS, LOANS AND ADVANCES | | | |
| Inventories | 7 | 9,375,227 | 15,425,949 |
| Sundry Debtors | 8 | 44,354,965 | 44,748,726 |
| Cash & Bank Balances | 9 | 1,515,215 | 3,759,353 |
| Loans & Advances | 10 | 6,345,593 | 6,777,448 |
| | | 61,591,000 | 70,711,476 |
| LESS: CURRENT LIABILITIES & PROVISIONS | | | |
| Current Liabilities | 11 | 16,442,558 | 7,436,700 |
| Net Current Assets | | 45,148,442 | 63,274,776 |
| Miscellaneous Expenditure | 12 | 3,018,708 | 3,642,406 |
| (To the extent not written off or adjusted) | | | |
| Profit & Loss Account | | 10,376,540 | — |
| | | 118,757,166 | 131,597,462 |
| 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 J. K. AGARWAL
Dated : 31-07-2000 Proprietor Company Secretary Executive Director Chairman Directors

PROFIT & LOSS ACCOUNT

For the Year Ended 31st March, 2000



| | SCHEDULE | Current Year Rs. | Previous Year Rs. |
|--|----------|---------------------|----------------------|
| INCOME | | | |
| Sales | | 46,771,550 | 47,440,095 |
| Other Income | 13 | 1,630,340 | 1,172,132 |
| (Decrease)/ Increase in Stocks | 14 | (1,809,058) | 2,547,746 |
| | | <u>46,592,832</u> | <u>51,159,973</u> |
| EXPENDITURE | | | |
| Raw Materials consumed | 15 | 20,199,791 | 22,823,558 |
| Stores, Spare Parts and and Packing Material Consumed | | 3,762,269 | 3,373,114 |
| Purchase of Finished Goods | | 303,197 | 229,545 |
| Power & Fuel | | 8,676,027 | 6,472,282 |
| Job Charges | | 1,015,810 | 278,775 |
| Employees | 16 | 5,425,294 | 6,558,361 |
| Selling & Distribution Expenses | 17 | 2,790,361 | 1,411,072 |
| Interest and Finance Charges | 18 | 7,012,755 | 7,408,067 |
| Other Expenses | 19 | 5,420,416 | 6,558,286 |
| Depreciation | | 4,715,168 | 4,577,503 |
| | | <u>59,321,088</u> | <u>59,690,563</u> |
| Loss for the year | | (12,728,256) | (8,530,590) |
| Balance brought forward | | 2,351,716 | 10,882,306 |
| | | <u>(10,376,540)</u> | <u>2,351,716</u> |
| APPROPRIATION | | | |
| (Deficit)/Surplus carried to Balance Sheet | | <u>(10,376,540)</u> | <u>2,351,716</u> |

**Significant Accounting Policies and
Notes Forming Part of the Balance Sheet
and Profit & Loss Account**

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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 J. K. AGARWAL
Dated : 31-07-2000 Proprietor Company Secretary Executive Director Chairman 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. | <u>63,561,700</u> | <u>63,561,700</u> |
| Less:Face Value of Shares forfeited | <u>861,000</u> | <u>861,000</u> |
| | <u>62,700,700</u> | <u>62,700,700</u> |
| Add:Forfeited Shares Account | <u>430,500</u> | <u>430,500</u> |
| | <u>63,131,200</u> | <u>63,131,200</u> |
| 2. RESERVE & SURPLUS | | |
| Profit & Loss Account | — | <u>2,351,716</u> |
| | — | <u>2,351,716</u> |
| 3. SECURED LOANS | | |
| FROM BANKS | | |
| Export Packing Credit/Post Shipment Credit Loans (a) | <u>34,133,176</u> | <u>38,449,259</u> |
| Bank Overdraft | <u>11,546,385</u> | <u>19,816,392</u> |
| FROM OTHERS | | |
| Vehicles Loan (b) | <u>50,253</u> | <u>217,856</u> |
| | <u>45,729,814</u> | <u>58,483,507</u> |

(a) 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 the a Director, a corporate guarantee, and also secured by way of second charge over the fixed assets of the Company

(b) Secured against hypothecation of vehicles purchased under Hire purchase



| | Current Year Rs. | Previous Year Rs. |
|------------------------------|---------------------|----------------------|
| 4. UNSECURED LOANS | | |
| From Companies | 9,870,000 | 7,435,000 |
| Fixed Deposits | 23,216 | 177,000 |
| Interest Accrued But Not Due | 2,936 | 19,039 |
| | <u>9,896,152</u> | <u>7,631,039</u> |

5. FIXED ASSETS

| | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|-----------------------------------|---------------------|---------------|--------------------------|---------------------------|---------------------|------------------|--------------------------|---------------------------|---------------------|---------------------|
| | AS AT 01.04.1999 | ADDITIONS | SALE/ ADJUST MENTS | TOTAL AS AT 31.03.2000 | UP TO 31.03.1999 | FOR THE YEAR | SALE/ ADJUST MENTS | TOTAL AS AT 31.03.2000 | AS AT 31.03.2000 | AS AT 31.03.1999 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| Buildings | 15,813,212 | — | — | 15,813,212 | 1,945,143 | 528,162 | — | 2,473,305 | 13,339,907 | 13,868,069 |
| Plant & Machinery | 58,591,432 | 5,022 | — | 58,596,454 | 18,077,074 | 3,903,963 | — | 21,981,037 | 36,615,417 | 40,514,358 |
| Furniture, Fixtures & Fittings | 1,262,658 | — | — | 1,262,658 | 490,398 | 70,992 | — | 561,390 | 701,268 | 772,260 |
| Office & Factory Equipments | 1,130,467 | 9,715 | — | 1,140,182 | 316,312 | 104,115 | — | 420,427 | 719,755 | 814,155 |
| Vehicles | 1,321,196 | — | 428,960 | 892,236 | 258,705 | 107,936 | 112,587 | 254,054 | 638,182 | 1,062,491 |
| | 78,118,965 | 14,737 | 428,960 | 77,704,742 | 21,087,632 | 4,715,168 | 112,587 | 25,890,213 | 52,014,529 | 57,031,333 |
| Capital Work-in Progress | 4,402,197 | — | — | 4,402,197 | — | — | — | — | 4,402,197 | 4,402,197 |
| TOTAL | 82,521,162 | 14,737 | 428,960 | 82,106,939 | 21,087,632 | 4,715,168 | 112,587 | 25,890,213 | 56,416,726 | 61,433,530 |
| Previous Year | 75,969,119 | 8,936,592 | 2,384,549 | 82,521,162 | 16,510,129 | 4,577,503 | — | 21,087,632 | 61,433,530 | |

| | CURRENT YEAR Rs. | PREVIOUS YEAR Rs. |
|------------------------------------|---------------------|----------------------|
| 6. INVESTMENTS | | |
| Long Term Trade Investments | | |
| Equity Shares (Quoted) | | |
| Shiva Paper Mills Limited | 18500 | 116,750 |
| Thambhi Modern Spinning Mills Ltd. | 1500 | 75,000 |
| Sunflag Commercial Co.Ltd. | 45000 | 225,000 |
| Focus Industrial Resources Co.Ltd. | 40000 | 200,000 |
| Shares (Unquoted) | | |
| Shiva Services Ltd. | 18000 | 180,000 |
| Shiva Kymen Sukka Limited | 30000 | 3,000,000 |
| | <u>3,796,750</u> | <u>3,246,750</u> |

(Aggregate Market Value Of Quoted
Investments Rs.3,28,000 (Previous Year Rs.9700)



| | CURRENT YEAR Rs. | PREVIOUS YEAR Rs. |
|--|---------------------|----------------------|
| 7. INVENTORIES | | |
| (As taken, Valued and certified by the management) | | |
| Stores, Spares & Packing Material | 2,377,121 | 2,748,358 |
| Raw Materials | 1,731,364 | 5,601,791 |
| Finished Goods | 5,209,934 | 6,825,736 |
| Semi-Finished Goods | 49,201 | 241,829 |
| Scrap | 7,607 | 8,235 |
| | <u>9,375,227</u> | <u>15,425,949</u> |
| 8. SUNDRY DEBTORS | | |
| (Unsecured - Considered Good) | | |
| Debts Exceeding Six Months | 30,726,713 | 38,895,483 |
| Other Debts | 13,628,252 | 5,853,243 |
| | <u>44,354,965</u> | <u>44,748,726</u> |
| 9. CASH & BANK BALANCES | | |
| Cash in Hand | 472,227 | 62,023 |
| Balances with Scheduled Banks | | |
| - In Current Accounts | 157,056 | 206,489 |
| - In Fixed Deposit Account as Margin Money | 885,932 | 3,490,841 |
| | <u>1,515,215</u> | <u>3,759,353</u> |
| 10. LOANS & ADVANCES | | |
| (Unsecured - Considered Good) | | |
| Loans | 2,150,000 | 2,700,000 |
| Advances (Recoverable in cash or in kind or for value to be received) | 939,591 | 1,121,584 |
| Interest Receivable | 1,867,084 | 1,992,018 |
| Income Tax Payments | 469,965 | 309,200 |
| Security Deposits | 918,953 | 654,646 |
| | <u>6,345,593</u> | <u>6,777,448</u> |



| | Current Year Rs. | Previous Year Rs. |
|---|---------------------|----------------------|
| 11 CURRENT LIABILITIES | | |
| Sundry Creditors | 9,239,648 | 5,699,791 |
| Other Liabilities | 7,202,910 | 1,736,909 |
| | <u>16,442,558</u> | <u>7,436,700</u> |
| | | |
| 12. MISCELLANEOUS EXPENDITURE | | |
| (To the extent not written off or adjusted) | | |
| Preliminary Expenses | | |
| As per last Balance Sheet | 102,939 | 129,252 |
| Less: Written Off during the year | <u>26,313</u> | <u>26,313</u> |
| | 76,626 | 102,939 |
| Share Issue Expenses | | |
| As per last Balance Sheet | 2,560,604 | 2,991,768 |
| Less: Written Off during the year | <u>431,164</u> | <u>431,164</u> |
| | 2,129,440 | 2,560,604 |
| Deferred Revenue Expenditure | | |
| As per last Balance Sheet | 978,863 | 775,684 |
| Add: Incurred during the Year | <u>—</u> | <u>369,400</u> |
| | 978,863 | 1,145,084 |
| Less: Written Off during the year | <u>166,221</u> | <u>166,221</u> |
| | 812,642 | 978,863 |
| | <u>3,018,708</u> | <u>3,642,406</u> |
| | | |
| 13. OTHER INCOME | | |
| Interest and finance charges received | 672,770 | 958,766 |
| Fluctuation in Foreign Currency | 775,626 | — |
| Miscellaneous Receipts | 181,944 | 213,366 |
| | <u>1,630,340</u> | <u>1,172,132</u> |



| | Current Year Rs. | Previous Year Rs. |
|---|---------------------------|--------------------------|
| 14. (DECREASE)/ INCREASE IN STOCKS | | |
| Opening Stock | | |
| - Finished Goods | 6,825,736 | 3,868,050 |
| - Semi Finished Goods | 241,829 | 614,904 |
| - Scrap | <u>8,235</u> | <u>45,100</u> |
| | 7,075,800 | 4,528,054 |
| Closing Stock | | |
| - Finished Goods | 5,209,934 | 6,825,736 |
| - Semi Finished Goods | 49,201 | 241,829 |
| - Scrap | <u>7,607</u> | <u>8,235</u> |
| | 5,266,742 | 7,075,800 |
| | <u>(1,809,058)</u> | <u>2,547,746</u> |
| | | |
| 15 RAW MATERIALS CONSUMED | | |
| Opening Stock | 5,601,791 | 3,475,907 |
| Add: Purchases | 16,354,707 | 24,957,704 |
| | 21,956,498 | 28,433,611 |
| Less: | | |
| Cost of Sales | 25,343 | 8,262 |
| Closing Stock | 1,731,364 | 5,601,791 |
| | <u>20,199,791</u> | <u>22,823,558</u> |
| | | |
| 16.EMPLOYEES | | |
| Salaries, Wages & Allowances | 4,175,374 | 5,195,305 |
| Staff Welfare/ Training Expenses | 260,418 | 401,766 |
| Contribution to Employees State Insurance, Gratuity, Provident & Other Funds | 592,902 | 622,140 |
| Director's Remuneration | 396,600 | 339,150 |
| | <u>5,425,294</u> | <u>6,558,361</u> |



| | Current Year Rs. | Previous Year Rs. |
|---|---------------------|----------------------|
| 17. SELLING & DISTRIBUTION EXPENSES | | |
| Freight & Forwarding Expenses | 2,632,339 | 1,372,839 |
| Business Promotion Expenses | 158,022 | 38,233 |
| | <u>2,790,361</u> | <u>1,411,072</u> |
| 18. INTEREST AND FINANCE CHARGES | | |
| Interest to Bank | | |
| On Term Loans | — | 61,787 |
| On Packing Credit/Post Shipment Credit Loans | 5,356,283 | 5,751,965 |
| Interest on Unsecured Loans | 1,133,314 | 796,051 |
| Bank & Finance Charges | 523,158 | 798,264 |
| | <u>7,012,755</u> | <u>7,408,067</u> |
| 19. OTHER EXPENSES | | |
| Rent | 288,866 | 394,896 |
| Rates Taxes & Fees | 141,160 | 144,479 |
| Insurance | 374,564 | 296,481 |
| Repairs & Maintenance | | |
| - Plant & Machinery | 166,381 | 445,193 |
| - Buildings | 48,952 | 116,298 |
| - Vehicles | 98,817 | 157,339 |
| - Others | 111,715 | 271,295 |
| | <u>425,865</u> | <u>990,125</u> |
| Travelling & Conveyance | 1,085,516 | 1,007,246 |
| Miscellaneous Expenses | 1,266,602 | 1,127,177 |
| Fluctuation in Foreign Currency | — | 459,857 |
| Professional Expenses | 53,037 | 581,062 |
| Telephone Expenses | 584,179 | 745,513 |
| Customs Duty | 145,684 | 159,727 |
| Claims Paid | 286,847 | — |
| Loss on Sale of Fixed Assets | 116,373 | — |
| Auditors Remuneration | | |
| - As Audit Fee | 22,500 | 22,500 |
| - As Tax Audit Fee | 5,000 | 5,000 |
| - in Other Capacity | 525 | 525 |
| | <u>28,025</u> | <u>28,025</u> |
| Preliminary/Share Issue/Deferred Revenue Expenditure Written Off | 623,698 | 623,698 |
| | <u>5,420,416</u> | <u>6,558,286</u> |



20. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING CONCEPTS

The Company follows the Mercantile System of Accounting and recognises 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 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. Cost is determined as per the absorption costing method as mandated by the Institute of Chartered Accountants of India in AS-2 'Valuation of Inventories'. 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.

INVESTMENT

Investments are valued at cost. Any diminution in value of investments if permanent is considered and provided for.

INCOME FROM INVESTMENT/DEPOSITS

Income from Investment/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 fixed assets, it is adjusted to the cost of the respective assets.

TAXES, DUTIES ETC

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



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

The employer's contribution to the employees provident fund is charged to the profit and loss account during the year. The gratuity liability is provided on accrual basis at the year end on the basis of number of years of service of the employees. Leave encashment liability for an employee during service period is recognised and provided for only when such encashment is approved by the management. However, leave encashment liability, if any for retiring employees is provided at the time of retirement.

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.390,460 (Previous Year Rs.390,460)
3. Contingent Liabilities not provided for in respect of :
 - a) Letter of Credit outstanding (Net of Margin Money) Rs.876,480 (Previous Year Rs.Nil).
 - b) Claims against the company/disputed liabilities not acknowledged as debts Rs.25,512 (Previous Year Rs.25,512).
 - c) Income-tax demands disputed in appeal Rs.588,948 (Previous year Rs. nil)
 - d) Bond executed in favour of Customs/Excise authorities for Rs.756,254,970 (Previous Year Rs.756,254,970),whereby, in the event of default of relevant provisions of these Acts, the authorities shall enforce their rights under the bonds.
 - e) Bond 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. 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.
5. Other Liabilities include amount due to Directors of the Company Rs.4,000 (Previous year Rs. Nil)
6. Other expenses includes prior period expenses amounting to Rs.15,500 (Previous year Rs.565,090)
7. The company has pledged 3500 Equity Shares costing Rs.71,750 with a Financial Institution as a security for loans advanced to a company.



8. In respect of debts exceeding six months amounting to Rs.29,843,538 (Previous year Rs.38,895,483), the management feels that no provision is necessary against the same as these are good for recovery.
9. The company has charged the interest of Rs.4,525,668 (Previous year Rs.nil) to its Profit & Loss Account on overdue credit/Bill discounting facilities of Rs. 41,040,430 Comprising FBD, EPC and Overdraft A/c at the normal bank rate of 11%. However, at present, the extent of under estimation of interest is not known due to non-availability of any confirmed interest rate from bank. Hence the difference, if any, will be charged to Profit & Loss A/c in the year of demand raised on the company by the bank.
10. 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 and provision for all known liabilities has been adequately made in the accounts.
11. Small scale industrial undertakings to whom an amount of Rs.1 lac or more was payable and outstanding for more than 30 days (as per agreed terms). Name of such undertakings are as under -

| | Current Year | Previous Year |
|------------------------------|---------------------|---------------|
| Jaishree Packaging | Rs.222,943 | Rs.238,231 |
| Egattur Printing & Packaging | Rs.127,741 | Rs.112,059 |
| Aadhavan Packers | Rs.113,484 | — |

12. Additions to fixed assets and/or capital work in progress includes expenditure capitalised on expansion/modification scheme, which are as under:

| | Current year | Previous year |
|---|---------------------|---------------|
| | Rs. | Rs. |
| Raw materials consumed | — | — |
| Stores & Spares | — | 555,541 |
| Power & Fuel | — | — |
| Salary & Wages | — | 180,366 |
| Other Miscellaneous expenses | — | 400,140 |
| | — | 1,136,047 |
| Add: Balance brought forward | 1,997,093 | 1,104,622 |
| | — | 2,240,669 |
| Less: Capitalised by allocation to fixed assets | — | 243,576 |
| Balance carried to capital work in progress | 1,997,093 | 1,997,093 |

13. a) Executive Director's Remuneration

| | | |
|--------------------|----------------|---------|
| Salary | 210,000 | 210,000 |
| Perquisites | 186,600 | 129,150 |
| Contribution to PF | 25,200 | 25,200 |



b) During the year the company has incurred loss and as such no commission is payable to Executive Director.

14. 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

| <u>Class of goods</u> | <u>Unit</u> | <u>Licensed Capacity</u> | <u>Installed Capacity</u> |
|-----------------------|-------------|-------------------------------------|-------------------------------------|
| Latex gloves | Pcs | 264,000,000 (264,000,000) | 207,500,000 (207,500,000) |

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

b) Particulars of stocks, production/purchases and turnover of goods.

| Class of goods | Unit | Opening Stock | | Purchase/Production | | Turnover | | Closing-Stock | |
|----------------|------|---------------------------------|---------------------------------|-----------------------------------|-----------------------------|-----------------------------------|-----------------------------------|---------------------------------|---------------------------------|
| | | Quantity | Value (Rs) | Quantity | Value (Rs) | Quantity | Value (Rs) | Quantity | Value (Rs) |
| Latex Gloves | Pcs | 8,933,416 (5,134,504) | 6,766,734 (3,868,050) | 53,457,900 (52,833,600) | — — | 56,648,739 (49,034,688) | 46,073,323 (46,990,829) | 5,742,577 (8,933,416) | 5,209,934 (6,766,734) |
| Trading Goods | Pcs | 14,495 (—) | 51,002 (—) | 165,000 (57,495) | 303,197 (229,545) | 179,495 (43,000) | 367,400 (137,507) | — (14,495) | — (59,002) |
| Others | | | | | | — (—) | 330,827 (311,759) | | |

c) Particulars of Raw Materials Consumed.

| <u>Class of Goods</u> | <u>Unit</u> | <u>Quantity</u> | <u>Value (Rs)</u> |
|-----------------------|-------------|-----------------|-------------------|
| Latex | Kgs | 623,210 | 17,432,729 |
| | Kgs | (624,925) | (20,004,358) |
| Others | Kgs | 86,013 | 2,767,062 |
| | Kgs | (91,241) | (2,819,200) |
| | | | 20,199,791 |
| | | | (22,823,558) |



- d) Particulars of consumption of imported and indigenous raw materials stores and spare parts and components and percentage thereof -

| Class of goods | Imported | | Indigenous | | Total |
|--|-------------------------|-----------------------------------|-------------------------|---------------------------------|-----------------------------------|
| | Percentage | Value(Rs) | Percentage | Value(Rs) | Value (Rs) |
| Raw Materials | 74.02 (93.57) | 14,951,426 (21,356,066) | 25.98 (6.43) | 5,248,365 (1,467,492) | 20,199,791 (22,823,558) |
| Stores & Spare Parts & Packing Material | 17.14 (19.64) | 644,701 (662,536) | 82.86 (80.36) | 3,117,568 (2,710,578) | 3,762,269 (3,373,114) |

| | Current year Rs. | Previous year Rs. |
|--|---------------------|----------------------|
| e) Other Particulars | | |
| i) CIF value of Imports | | |
| Raw Materials | 11,475,674 | 23,543,141 |
| Stores & Spares, Packing Material | 138,598 | 1,971,078 |
| Finished Goods | 303,197 | — |
| ii) Expenditure in Foreign Currency | | |
| Travelling* | 277,948 | 593,199 |
| Professional charges | 8,462 | — |
| Membership & Subscriptions | — | 14,237 |
| Commission | — | 565,090 |
| Business promotion | 97,842 | — |
| * Does not include cost of air ticket paid in Indian Currency. | | |
| iii) FOB Value of Exports | 34,120,073 | 44,623,912 |

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

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



17. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE -

i) Registration details:

Registration No. State Code
Balance Sheet date

ii) Capital raised during the year (Amount in Rs. Thousands)

| | | | |
|--------------|--|-------------------|--|
| Public Issue | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> | Right Issue | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> |
| Bonus Issue | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> | Private Placement | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <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="1"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="7"/> | Total Assets | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="7"/> |
| Sources of Funds | Paid-up Capital | <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="N"/> <input type="text" value="I"/> <input type="text" value="L"/> |
| | Secured Loans | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="3"/> <input type="text" value="0"/> | Unsecured Loans | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="9"/> <input type="text" value="6"/> |
| Application of Funds | Net Fixed Assets | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="7"/> | Investments | <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="7"/> <input type="text" value="9"/> <input type="text" value="7"/> |
| | Net Current Assets | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="8"/> | Misc. expenditure | <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="0"/> <input type="text" value="1"/> <input type="text" value="9"/> |
| | Accumulated Losses | <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="3"/> <input type="text" value="7"/> <input type="text" value="6"/> | | |

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

| | | | |
|--------------------------|--|----------------------------|--|
| Turnover | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="2"/> | Total Expenditure | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="0"/> |
| Loss before Tax | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="8"/> | Loss after Tax | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="8"/> |
| Earning per Share in Rs. | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> | Dividend rate % (Pro-rata) | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> |
| | | Equity Shares | <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> |

v) Generic Names of Three Principal Products/Services

Item Code No. (ITC Code) 4015
Product Description LATEX GLOVES

18. 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

Place : New Delhi ANIL JAIN K K NAGPAL SATISH JAIN PARMOD JAIN J. K. AGARWAL D. KUMAR
Dated : 31-07-2000 Proprietor Company Secretary Executive Director Chairman Directors



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2000

| PARTICULARS | Current year Rs. | Previous year Rs. |
|--|---------------------|----------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Loss before Tax | (12,728,256) | (8,530,590) |
| Less: Adjustments for | | |
| Depreciation | 4,715,168 | 4,577,503 |
| Share Issue/Deferred Revenue expenditure written off | 623,698 | 623,698 |
| Loss on sale of Fixed Assets | 116,373 | - |
| Interest paid | 7,012,755 | 7,408,067 |
| Interest and finance income | (672,770) | (958,766) |
| Operating Profit before working capital changes | (933,032) | 3,119,912 |
| Adjustment for Working Capital changes | | |
| Trade & Other Receivables | 975,616 | (9,780,797) |
| Inventories | 6,050,722 | (4,911,025) |
| Trade & Other Payables | 9,005,858 | (890,776) |
| Cash generated from operations | 15,099,164 | (12,462,686) |
| Less : Interest paid | (7,012,755) | (7,408,067) |
| Income-tax paid for previous year | (150,000) | - |
| Cash generated from operations | 7,936,409 | (19,870,753) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (14,737) | (6,552,043) |
| Sale of Fixed Assets | 200,000 | - |
| Investments | (550,000) | (3,000,000) |
| Share Issue/Deferred Revenue | - | (369,400) |
| Interest and finance income | 672,770 | 958,766 |
| Net Cash from Investing Activities | 308,033 | (8,962,677) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Re-payments of vehicle loan | (167,603) | (198,820) |
| Increase/Decrease in Bank borrowings | (12,586,090) | 18,983,215 |
| Increase/Decrease in Unsecured Loans | 2,265,113 | 7,631,039 |
| Net cash from financing activities | (10,488,580) | 26,415,434 |
| Net increase in cash and cash equivalents | (2,244,138) | (2,417,996) |
| Cash & Cash equivalents (Opening Balance) | 3,759,353 | 6,177,349 |
| Cash & Cash equivalents (Closing Balance) | 1,515,215 | 3,759,353 |
| D. NOTES ON CASH FLOW STATEMENT | | |
| Figures in brackets represent cash outflow. | | |

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 | D. KUMAR |
| Dated : 31-07-2000 | Proprietor | Company Secretary | Executive Director | Chairman | J. K. AGARWAL |
| | | | | | Directors |

AUDITORS' CERTIFICATE

We have verified the annexed Cash Flow Statement of Shiva Medicare Limited for the year ended 31st March, 2000. This statement is derived from the audited accounts of the company for the year ended 31st March, 2000 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
Date : July 31, 2000

ANIL JAIN
Proprietor