

INVICTA MEDITEK LIMITED

2008-2009

17TH ANNUAL REPORT

Board of Directors

Mr. M.R. Sathish Kumar
* Mr. V.K.Murugesan *
Mr. Abhilash J Mayur
Mr. Harikumar J Menon

Managing Director
Director - Executive
Independent Director
Independent Director

* Resigned w.e.f. 31.07.2009

Registered Office

290. SIDCO Industrial Estate,
Ambattur, Chennai 600098

Company Law Consultant

Balu Sridhar
M/s. Balu Sridhar & Co.,
Company Secretaries in Whole Time Practice
No.2, Raja Annamalai Road
Purasawalkam, Chennai 600 084.

Bankers

ABN AMRO Bank – N V
No.9, Haddows Road,
Chennai 600 006.

THE FEDERAL BANK LIMITED
Rajaram Mehta Nagar Branch
25.Nelson Manickam Road,
Rajaram Mehta Nagar
Chennai 600 029.

State Bank of India
5 A. Sidco Industrial Estate
Ambattur, Chennai 600 098.

Auditors

M/s. P.B Vijayraghavan & Co.
Chartered Accountants,
No.14, Cathedral Garden Road
Nungambakkam, Chennai 600 034.

Registrar & Share Transfer Agents

M/s. Cameo Corporate Services Ltd.
No.2 Subramaniam Bldg, Club House Rd,
Chennai 600 002

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INVICTA MEDITEK LIMITED

1. NOTICE

Notice is hereby given that the **17th ANNUAL GENERAL MEETING** of the shareholders of **M/S INVICTA MEDITEK LIMITED** will be held at **AIEMA TECHNOLOGY CENTER, I-Cross Road, Ambattur Industrial Estate, Ambattur, Chennai 600058**, on Saturday, the 19th day of September 2009 at 10.00 A.M to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet of the Company as on 31st March 2009 and the Profit and Loss Account of the Company for the year ended that date together with the Directors' Report and Auditors' reports thereon.
2. To appoint a director in place of Mr. HariKumar J Menon, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Abhilash J Mayur, who retires by rotation and being eligible offers himself for reappointment
4. To appoint Statutory Auditors and fix their remuneration M/s. P.B. Vijayaraghavan & Co., Chartered Accountants, Chennai, the retiring statutory auditors of the Company who are eligible for reappointment.

California
Date: 31.07.2009

On behalf of the Board Place:
For **INVICTA MEDITEK LIMITED**
sd/-
MANAGING DIRECTOR.

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and proxy need not be a member.
2. The proxies should be lodged with the company not later than 48 hours before the time fixed for the commencement of the meeting
3. Members are requested to notify change of address, if any, to the company.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 15th September, 2009 to 19th September, 2009 (Both days inclusive).
5. Members desiring to have any clarification on account are requested to write to the company at an early date so as to enable to keep the Company keep the information ready.
6. Members/ Proxies should bring the attendance slip duly filled in for attending the meeting.
7. Members are requested to inform the Company their Income Tax Permanent Number (PAN) / General Index Register Number (GIR), if any allotted to them by the Income Tax Department and the particulars of their Bank Account, in case the same have not been sent earlier.
8. Members are hereby informed that the Company has its own-in-house registry and handles share transfers, transmission etc. and therefore the shareholders are requested to send their share certificates for transfer to the Registered Office of the Company.

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9. Members holding shares in physical form and desirous in making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the company the prescribed Form 2B, which is attached for this purpose.

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF PROPOSED RE-APPOINTMENT OF DIRECTORS.

Mr. Harikumar J Menon, aged 43 years is presently occupying the position of the Directorship of the Company and also holds membership of the committees of the Directors of the Company. The particulars in respect of Mr. Harikumar J Menon, Directorship and Committee Membership in other Companies are as follows: -

Directorship in other Companies
NIL

Committee Membership in other Companies
NIL

Mr. Abhilash J Mayur, aged 41 years is presently occupying the position of the Directorship of the Company and also holds membership of the committees of the Directors of the Company. The particulars in respect of Mr. Abhilash J Mayur, Directorship and Committee Membership in other Companies are as follows:

Directorship in other Companies
NIL

Committee Membership in other Companies
NIL

INVICTA MEDITEK LIMITED

DIRECTOR'S REPORT

DIRECTORS REPORT TO THE MEMBERS

Dear Shareholders,

Your Directors have pleasure in submitting the 17th Annual Report along with audited balance sheet & Profit and Loss account for the year ended on 31st March 2009.

1. FINANCIAL RESULTS:

The operation and working results are as detailed hereunder;

Particulars	Amount a on 31.03.2009 (in Rs. Lakhs)	Amount a on 31.03.2008 (in Rs. Lakhs)
Income From Operation	134.28	60.38
Operating profit/loss before Interest, Depreciation & Amortization (EBIDTA)	(120.33)	(152.17)
Less: Interest	12.18	0.50
Less: Depreciation & Amortization	11.88	9.65
Net Profit before tax	(144.57)	(162.32)
Less: Provision for Current Tax	Nil	Nil
Less: Provision for Deferred Tax	Nil	Nil
Less: Provision for FBT (Current Years)	1.58	(1.18)
Add: Excess Provision made for FBT in earlier Years	Nil	Nil
Net Profit after tax	(146.15)	(163.50)
Less: Balance Brought forward from previous year	(678.62)	(518.02)
Prior Year adjustments	Nil	Nil
Available for appropriation	(824.59)	(681.52)
Balance carried to B/S	(824.59)	(681.52)

FUTURE PROSPECTS

The business of the joint implants was improving steadily. However, the sustaining of the business required infusion of capital to get the business to the break even point and become profitable. With the global credit crunch and the global financial crisis it became extremely difficult to sustain operations.

As per the approval granted by you through postal ballot process on 20.03.2009 for the sale / transfer of the land situated at 290, SIDCO Industrial Estate, Ambattur, Chennai 600098 and subsequently for to sell / transfer and / or otherwise dispose off the whole or substantially the whole of the Undertaking of the Company through postal ballot process on 29.06.2009. The Board of directors disposed off the whole of the undertaking to M/s. TTK Healthcare Limited for an amount of Rs. 3.90 Crores.

With the settlement of the immediate liabilities completed, we are now looking at prospects where

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we can revive the Company with a new business plan. A Couple of proposals have been evaluated. We anticipate to complete the evaluation process and take a decision in the interest of the Shareholders.

2. FIXED DEPOSITS:

Your company has neither invited nor accepted deposits from public, during the year under review.

3. DIVIDEND

In view of the losses incurred by the company, no dividend is recommended for the year under review.

4. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, particulars regarding foreign exchange earnings and expenditure appear and with regard conservation of energy or technology absorption are enclosed herewith

5. INTERNAL CONTROLS AND THEIR ADEQUACY:

IMEL has made strides in improving the internal controls over the past year. We have streamlined our finance systems and are current in all our transactions. We have established a financial planning calendar that drives the periodic budgeting process. The variance analysis is done quarterly to understand the factors that drove the variance. Quarterly audit is done to ensure compliance with the GAAP rules. In addition, the company has put internal controls in the areas of payroll, purchases, capital assets and cash/bank.

In the area of operations, WIP and Stock reports have been established to keep track of inventory and also improve the yield. Over the past year, the company has obtained the CE certification. A full-fledged quality department has been put in place that has improved our manufacturing flow so that there is lot identification and improved inspection to reduce quality issues.

The internal control systems are commensurate to the size of the operation of the Company. Whenever it is required, the systems and procedures are upgraded to suit the challenging business needs.

6. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your directors state;

a. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

c. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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d. that the directors had prepared the annual accounts on a going concern basis

7. STATEMENT PURSUANT TO LISTING AGREEMENT

The company's securities are listed with Mumbai Stock Exchange and it has paid the respective annual listing fees up-to-date and there is no arrear.

Update on issue of shares.

(A) The amount has been utilized for the operational expenses of the company which is in line with the terms of the issue.

(B) As a part of the increasing the capital funding, the company had issued 25,00,000 warrants on a preferential basis. The company collected a 10% of the amount as an initial paid up capital and has a timeline of 18 months to collect the balance of the funds. The Company has allotted 5,89,919 Equity shares on 19.12.2008. The Company has also allotted 5,39,333 to Mr. Abhilash J Mayur on 11.02.2009 on receipt of balance money from warrant holder. The Company has forfeited the warrants issued to Mr. T Ratna Kumar in view of non receipt of balance money from him.

We have not completed the listing process in connection with the above allotments due to financial crunch. The Company will take steps to complete the listing process once the funds are available.

(C) The company has not issued shares under Employees Stock Option Scheme.

8. CODE OF CORPORATE GOVERNANCE

A detailed report on Corporate Governance as updated with the particulars of this financial year, as per the directions from SEBI is annexed to this report together with Report of the Auditors on the Compliance with the said Code and a report of Management discussion and analysis is also annexed separately.

9. DIRECTORATE

In compliance with the provisions of the Companies Act, 1956 in accordance with the Company's Articles of Association, Mr. Hari Menon and Mr. Abhilash J Mayur, retire at this Annual General Meeting and being eligible offer themselves for reelection.

10. AUDITORS

M/s. P. B. VIJAYRAGHAVAN & Co., Chartered Accountants, Chennai, have expressed willingness to continue in office, if appointed. They have furnished to the Company a certificate of their eligibility for appointment as auditors, pursuant to section 224 (1B) of the Companies Act, 1956. The Board of Directors recommend to the Members to appoint them as auditors for the current year and fix their remuneration.

11. AUDITORS REPORT

With regard to the remarks made by the Statutory Auditors of the Company in their report the Directors would like to reply as under:

(i) With respect to remarks made by the Auditors in point No.3 of their report.

We wish to clarify that, the Company is looking at prospects where in can be revived with a new business plan in a short span of time.

(ii) With respect to remarks made by the Auditors in point No. (viii).

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We wish to clarify that, we are in the process of computing the next round of royalty payments and under advice, the cess associated with this will be paid by the end of October 31, 2009. business plan in a short span of time.

12. DEPOSITORY SYSTEM:

Company's shares are under compulsory demat mode and members are requested to dematerialize their shares for operational convenience.

13. PROCEEDS OF PREFERENTIAL ALLOTMENT OF SHARES:

The proceeds of the amount received from preferential allotment of shares were used for the purpose for which it has been raised.

14. MANAGEMENT DISCUSSION & ANALYSIS:

a. Industry structure & Development:

The industry is in the development phase and the regulatory compliances are in the process of being made effective. However, the financial turbulence did slow the sales down marginally and this did affect the adoption of our products. Combines with this and the lack of working capital, it was not possible to sustain operations and weather the financial crunch.

b. Opportunities & Threats:

The company had rolled out the BP Knee at a high cost of development. There were delays in the rollout and hence there was a drain in cash to sustain operations. The planned revenue generation was not met and as stated earlier, the lack of working capital led to the failure of the business.

c. Segment-wise analysis:

Your Company is dealing in only one segment i.e., manufacturing joint implants.

d. Outlook:

With the settlement of the immediate liabilities completed, we are now looking at prospects where we can revive the Company with a new business plan. A Couple of proposals have been evaluated. We anticipate to complete the evaluation process and take a decision in the interest of the Shareholders.

e. Risks and concerns:

The non availability of significant capital may not allow us to take on a business plan. The alternative is for a company to take over our firm and then consolidate the business plan. All viable opportunities are being explored keeping the interests of the shareholders in mind.

f. Internal control systems and their adequacy:

Your Company has in place, adequate internal control systems and procedures commensurate with the size and nature of our business. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. These procedures are designed to ensure that:

* An effective and adequate internal control environment is maintained across the Company.

* All assets and resources are acquired economically, used efficiently and are adequately protected.

INVICTA MEDITEK LIMITED

*Significant financial, managerial and operating information is accurate, reliable and is provided timely, and

* All internal policies and statutory guidelines are complied with.

g. Discussion on financial performance with respect to operational performance :

Your business did grow revenue year - year. However, there were significant spending that was required to be able to launch the product and also to produce the necessary inventory. The company had established all the operational processes and procedures. The expected ramp of revenue did not materialize and hence there was a huge shortage in working capital that was needed to sustain the business. Due to the credit crunch across the financial institutions, your company was not able to raise any sort of loans and hence we had to resort to selling the assets and the business to settle the immediate liabilities which had become due.

h. Material developments in human resources/industrial relations front, including number of people employed :

Your company had established the required workforce to be able to carry out the needs of the supply. However, with the lack of working capital we had to resort to shutting down operations by the middle of the fourth quarter.

15. PARTICULARS OF EMPLOYEES

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operations of the Company during the year. During the year no employee is in receipt of remuneration in excess of limits prescribed under 217(2A) of the Companies Act, 1956.

16. ACKNOWLEDGMENT

Your Directors place on record their appreciation of the dedicated service of the employees, investors, and suppliers, customers of the Company at all level for the growth of the Company.

Place: California.
Date: 31.07.2009

On behalf of the Board
For INVICTA MEDITEK LIMITED

-sd-
(M.R. SATHISH KUMAR)
MANAGING DIRECTOR

-sd-
(ABHILASH MAYUR)
DIRECTOR

INVICTA MEDITEK LIMITED

ANNEXURE TO THE DIRECTORS REPORT

Information required U/s 217 (1) (E) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Board of Directors) Rules, 1988 and forming part of the director's report.

A. Conservation of Energy

The Company has continued its endeavors for conservation and optimal use of energy. The Technical and infrastructure Development at the factory have taken into account mechanisms to improve the conservation of energy in all its forms utilized in the organization.

- a. Energy Conservation measures taken:
Usage of energy is being monitored carefully and awareness to conserve energy has been created.
- b. Additional Investment and Proposals, if any, being implemented for reduction of consumption of energy.
Regular Investments are being made to optimize the use of energy.
- c. Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the Cost of Production of goods.
Wastage has been reduced considerable.
- d. Total Energy consumption per unit of production as prescribed in Form "A".
Financial year ended 31.03.2009

A) Power and Fuel Consumption	31.03.2009
1) Electricity	
a) Purchased Units (Nos)	89736 Units
Total Amount (Rs.)	447581/-
Rate per Unit (Rs.)	4.99/-

B. Technology Absorption

The Company which holds the unique position in the manufacturing of Orthopedic Implants has imported the advanced means of technology widely practiced by various nations abroad in order to maintain the prevailing global standards and to carve a niche in the international market. The Continuous up gradation of the process by the foreign company has resulted in better quality and efficiency.

C. Foreign Exchange Earnings and Outgo

The total Foreign Exchange used and earned

	<u>Rs. In Lakhs</u>
1. Foreign Exchange Earned	31.63
2. Outgo of Foreign Exchange	11.31

Place: California
Date: 31.07.2009

On behalf of the Board
for INVICTA MEDITEK LIMITED

-sd-
(M.R. SATHISH KUMAR)
MANAGING DIRECTOR

-sd-
(ABHILASH MAYUR)
DIRECTOR

INVICTA MEDITEK LIMITED

CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE.

1. Introduction

The Company is complying with the mandatory requirements of the Code of Corporate Governance introduced by the SEBI and incorporated in Clause 49 of the Listing Agreement in all material respect effective from financial year 2002-2003.

2. Company Philosophy on Code of Corporate Governance:

The basic philosophy of the Company towards Corporate Governance is to protect and enhance the long-term value of all the stake holders- shareholders, clients, creditors and employees. The Company is committed to achieve these objectives with in the regulatory framework through transparency in dealings.

3. Board of Directors:

The Board of Directors comprises of 4 (Four) directors, One Chairman and Executive, One Executive Director and 2 (Two) Non-Executive Independent Directors.

During the financial year ended 31st March 2009, Eight Board Meetings were held on 23.04.2008, 27.06.2008, 28.07.2008, 05.08.2008, 29.10.2008, 19.12.2008, 30.01.2009 and 11.02.2009.

The last AGM was held on 1st August, 2008.

The composition of Board of directors and their attendance at the meeting during the year and at the last annual general meeting as also number of other directorships/ memberships of committees are as follows:

Name of the Director	Deignation & Category	No of Board Meeting in the Year		Attendance of Last AGM	No. of Directorship held in other Indian Co.	No of Board Committee memberships held in other Co.
		Held	Attendend			
M.R. SATHISHKUMAR	Chariman & Executive	08	06	YES	NIL	NIL
V.K. MURUGESAN	Director & Executive	08	05	YES	NIL	NIL
ABHILASHKUMAR	Director Non Executive & Independent	08	03	NIL	NIL	NIL
HARIKUMAR J MENON	Director Non Executive & Independent	08	03	NIL	NIL	NIL

*Resigned w.e.f. 31.07.2009

Further the Board of Directors would like to inform the members that none of the Directors are disqualified to act as directors of this Company of any other Public Company under Section 274 (1)(g) and other applicable provisions of the Companies Act, 1956

INVICTA MEDITEK LIMITED

Information about the Directors proposed to be appointed/ reappointed required to be furnished pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges is forming part of the notice of the 17th Annual General Meeting to the Shareholders of the Company

4. Audit Committee:

The Members of the Audit Committee met 5 times on 23.04.2008, 27.06.2008, 23.07.2008, 29.10.2008 and 30.01.2009. The following are the members of the Audit Committee.

Name of Directors	Status	No. of Meeting	
		Held	Attended
Mr. Abhilash J Mayur	Chariman	4	4
Mr. Harikumar J Mehon	Member	4	4
Mr. Sathish Kumar	Member	4	NIL

Mr. M.R.Sathish Kumar is the Compliance Officer of the Company.

The terms of reference of the Audit committee cover the matter specified under Clause 49 of the Listing Agreement.

5. Remuneration Committee:

The Remuneration Committee consisting of Mr. Abhilash J Mayur, Harikumar J Menon and Sathish Kumar, decide the structure of the Remuneration to directors. The details of remuneration paid to directors are as follows:

Particulars of remuneration paid to *Mr. V.K. Murugesan.

Name	Period	Salary	Perquisites	Total
*V.K. Murugesan	1/4/2008 to 31/03/2009	5,94,036	0	5,94,036

* Resigned w.e.f. 31.07.2009. Particulars of remuneration paid to Mr. Sathish Kumar NIL

6. Share Transfer / Investors Grievance Committee:

The Committee is to look after transfer of shares and the investors complaints, if any, and to redress the same expeditiously, the following are the members of the Share transfer / Investors Grievance Committee:

Name of Directors	Status
*V.K.Murugesan	Chairman
Hari Menon	Member
Sathish Kumar	Chairman
** Abhilash J Mayur	Member

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* Resigned w.e.f. 31.07.2009

** Appointed w.e.f. 31.07.2009

Note: There was a reconstitution of Share Transfer/Investors Grievance Committee as Mr.V.K.Murugesan was resigned w.e.f. 31.07.2009. Mr. M.R.Sathish Kumar was appointed as Chairman of the Committee. Mr. Abhilash J Mayur was added as a member of the Committee.

Mr.M.R.Sathish Kumar is the Compliance Officer of the Company.

During the year ending 31.03.2009, the Share transfer / Investor Grievance Committee met 6 times on 14.06.2008, 30.06.2008, 16.08.2008, 30.09.2008, 15.10.2008 and 16.02.2009 and approved share transfers (both physical and demat), attended to investors grievances.

No Complaints of any material nature were received during the year under review.

7. General Body Meetings:

The Last three AGM held as follows: -

Financial Year ended	Location	Date	Time
31-03-2006	AIEMA Technology Centre, Ambattur Industrial Estate, Chennai-058	08.09.2006	10.00 A.M.
31-03-2007	No.290, SIDCO Industrial Estate, Ambattur, Chennai-600 098	06.06.2007	10.30 A.M.
31-03-2008	AIEMA Technology Centre, I- Cross Road, Ambattur Industrial Estate, Chennai- 600 058	01.08.2008	10.30 A.M.

8. Disclosures:

(i) Related Party Disclosures:

No transaction of material nature has been entered into by the Company with related Parties (i.e.) Directors, or Management, their subsidiaries or relatives conflicting with the Company's interest subject to that extent specified in the notes of Accounts.

(ii) Compliances by the Company

There were no instances of non-compliance by the Company on any matter related to Capital markets during the last three years. Hence there have been no penalties; strictures imposed by SEBI/ Stock Exchanges or any other Statutory/ Local Authorities against the Company.

9. Means of Communication:

Your company publishes the quarterly results, book closure / record dates in Trinity Mirror in English daily and Makkal Kural in Tamil daily being vernacular daily new paper. These results are promptly submitted to the Stock Exchanges to enable them to display the same on their website.

Management Analysis and Discussion appended to this report.

INVICTA MEDITEK LIMITED

10. General Shareholder's information :

1. Financial Calander(Tentative)	Audited annual results for the year ending March,2009 _Second week of May, 2009 Mailing of Annual Reports _Second week of May, 2009 Annual General Meeting day of, 2009
Financial reporting for the Quarter ending 30.06.2008 Second quarter ending 30.09.2008 Third quarter ending 31.12.2008 Fourth quarter ending 31.03.2009	By Fourth Week of July 2008 By Fourth Week of October 2008 By Fourth Week of January 2009 By Fourth Week of April 2009
2. Book Closure Date	From 15.09.2009 to 19.09.2009 (Both days inclusive).
3. Venue of AGM	On Saturday the 19th day of September, 2009 at AIEMA TECHNOLOGY CENTER, I-Cross Road, Ambattur Industrial Estate, Ambattur, Chennai – 600 058
4. Dividend payment date	N. A.
5. Equity Shares of Rs.10 each are listed at	The Stock Exchanges, Mumbai
6. Listing of shares and other securities	The stock Exchange, Mumbai
6. Stock Code	523844 Annual Listing Fees for the year 2009-10 has been duly paid to the above stock exchange.
7. Registered Office	No. 290 SIDCO Industrial Estate, Ambattur, Chennai 600 098

Stock Market data

a) Yearly high and low quotation of shares traded at BSE for 2008 – 2009 are:
Shares of the Company are not frequently provided.

Distribution of share holding as on 31.03.2009.

No. of Equity Shares held	No. of shares	31st March 2008 No. of share Holders	% of shareholding
Upto 500	4,47,302	2806	6.2047
501 - 1000	1,38,362	164	1.9193
1001 - 2000	1,52,318	98	2.1129
2001 - 3000	61,584	24	0.8543
3001 - 4000	78,159	22	1.0842
4001 - 5000	1,28,550	27	1.7832
5001 - 10000	2,41,196	31	3.3457
10001 and above	59,61,570	52	82.6957
Total	72,09,041	3224	100.00

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Shares dematerialized up to March 2009

The shareholding of the Company is held both in physical and demat form. The shareholders of the Company are requested to demat their shares so as to enable them to trade in the stock Exchanges as our Company's shares are in compulsory demat list.

A. Compliance Officer:

Mr. M.R.Sathish Kumar is the Compliance Officer. Shareholders may contact him at the following address.

INVICTA MEDITEK LIMITED
No. 290 SIDCO Industrial Estate,
Ambattur, Chennai 600 098.

B. Investor Grievances:

The Company has a regular system of attending to investor grievances. These grievances are promptly attended to and there is no complaint pending as on date.

C. Registrar and Share Transfer Agents: Physical and Demat:

M/s. Cameo Corporate Services Limited
No. 2, Club House Road, Subramaniam Building, Chennai 600 002

Share transfers are registered and returned in the normal course within a period of 15 days from the date of receipt, if the documents are order in all respects. Request for dematerialization of shares are processed and confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL) within 15 days.

D. Investor Correspondence:

Shareholders can send in their correspondence to the Regd. Office at No. 290 SIDCO Industrial Estate, Ambattur, Chennai 600 098 of the company at or to the share transfer agents at the above address.

E. Intimation of change of address, bank details etc.

All the members are requested to notify immediately any change in their address, bank details, bank mandate and nominate details to the Registrar and Share transfer agent of the company

M/s. Cameo Corporate Services Limited
No.2, Club House Road, Chennai 600 002.

INVICTA MEDITEK LIMITED

F. Share holding pattern.

Share holding pattern as on 31.03.2009.

CATEGORY HELD	NO.OF SHARES	% OF SHARE HOLDING
1. Promoters		
- Indian Promoters	0	0.00
- Foreign Promoters	1,918,043	26.6060
2. Persons acting in concert	0	0.00
Sub- Total (1+2)	1,918,043	26.6060
3. Institutional Investors		
a. Mutual Funds and UTI	Nil	Nil
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Government Institutions	Nil	Nil
c. Foreign Institutional Investors	Nil	Nil
Sub - Total (3)	Nil	Nil
4. Others		
a. Private corporate Bodies	3,70,365	5.1374
b. Indian Public	2,944,250	40.8411
c. NRIs/OCBs	4,47,873	6.2126
d. Foreign Nationals	1,528,510	21.2029
e. Foreign Collaborators	Nil	Nil
Sub - Total (4)	5,290,998	73.3940
GRAND TOTAL(1+2+3+4)	7,209,041	100.0000

G. Legal Proceedings:

There are no legal proceedings pending against the Company.

11. SUBSIDIARY COMPANY

The Company does not have any subsidiary company.

12. CAUTIONARY STATEMENT:

Details given herein above relating to various activities and future plans may be forward looking statements within the meaning of applicable laws and regulations. The actual performance may differ from those expressed or implied.

INVICTA MEDITEK LIMITED

COMPLIANCE CERTIFICATE OF CORPORATE GOVERNANCE

To

The Members of
Invicta Meditek Limited

We have examined the compliance of conditions of Corporate Governance by Invicta Meditek Limited for the year ended on 31st March, 2009 as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchange(s) in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither the audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement and that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company's Registrar and Transfer Agents.

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

For P.B.Vijayaraghavan & Co.,
Chartered Accountants

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P.B.SRINIVASAN
PARTNER

Place : Chennai
Date : 31.07.2009

INVICTA MEDITEK LIMITED

AUDITOR'S REPORT

AUDITOR'S REPORT TO THE MEMBERS OF INVICTA MEDITEK LIMITED

1. We have audited the attached Balance Sheet of **INVICTA MEDITEK LIMITED** as at **31ST March 2009** and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. Attention is invited to the following:

We draw attention to Note no. 3 of Schedule – 14 in the financial statements. The company has discontinued its operations since February 2009. Subsequently the Company has entered into a binding sale agreement with TTK Healthcare Limited to sell its assets for a consideration of Rs.3.90 crores and we are of the opinion that the Company is no longer a going concern. The financial statements accordingly have been drawn up and the classes of assets and liabilities as on 31st March 2009 have been adjusted as per the provisions of Engagements and Quality Control Standards - SA570 - Going Concern issued by the Institute of Chartered Accountants of India.

4. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
5. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) 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.
 - (b) In our opinion, the company has kept proper books of accounts as required by law, so far as appears from our examination of those books.
 - (c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet and Profit & Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act 1956 to the extent applicable.
 - (e) On the basis of written representations received from the Directors, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a director in terms of

INVICTA MEDITEK LIMITED

clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- (f) The company has not levied or collected any cess for the purpose of rehabilitation or revival or protection of assets of the sick industrial companies on its annual turnover and has not paid to the credit of the central government the said levy as required u/s 441A of the companies Act as the same has not been notified by the central government.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with notes thereon and attached thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (l) In the case of balance sheet, of the state of affairs of the company as at 31st March 2009;
- ii) In the case of the Profit & Loss Account, of the **LOSS** for the year ended on that date;
- iii) In the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For P.B.Vijayaraghavan & Co,
CHARTERED ACCOUNTANTS

Place : Chennai
Date : 31.07.2009

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P.B.SRINIVASAN
PARTNER
Membership No.203774

INVICTA MEDITEK LIMITED

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITOR'S REPORT ON THE ACCOUNTS OF INVICTA MEDITEK LIMITED FOR THE YEAR ENDING 31st March 2009

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4-A) of the Companies Act, 1956, we report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As per the information and explanation given to us, all the fixed assets have been physically verified by the management during the year at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies were noticed on such verification.
 - (c) Subsequent to the Balance Sheet date, the company has entered into an binding agreement with TTK Healthcare Ltd to sell all its assets for a consideration of Rs. 3.90 crores and it affects the going concern of the company.
- (ii) (a) The Inventories of the Company have been physically verified by the management during the year.
 - (b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventories are reasonable and adequate in relation to size of the company and nature of its business.
 - (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. There are no material discrepancies noticed on physical verification.
- (iii) The Company has taken interest free loan from the parties covered in the register maintained under Section 301 of the Companies Act amounting to Rs.84.50 lakhs which is not prima-facie prejudicial to the interest of the Company.
- (iv) 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 nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods. During the course of audit, no major weakness has been noticed in the internal control.
- (v) (a) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements, if any, that needed to be enter into in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
- (vii) The Central Government has not prescribed maintenance of Cost records under

INVICTA MEDITEK LIMITED

Section 209 (1) (d) of the Companies Act, 1956..

- (viii) According to the information and explanations given to us, the company was regular in depositing dues in respect of Employees Provident Fund, Employees State Insurance Fund, Income Tax, Wealth Tax, Investor Education and Protection Fund, Value Added Tax, Customs Duty with the appropriate authority during the year except in the case of Cess of Rs.23,348/- payable under Section 3 of Research & Development Cess Act, 1986 on Royalty paid to Non-Residents on transfer of technology.
- (ix) The Company has accumulated losses more than 50% of its net worth and has incurred cash losses during the year and the preceding year.
- (x) According to the records produced, the Company has not defaulted in repayments of its dues to any financial institutions, banks during the year.
- (xi) In our opinion and according to information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other security.
- (xii) The Provision of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies is not applicable to the Company.
- (xiii) The company is not a dealer in shares, securities, debentures and other investments.
- (xiv) As per the information and explanation given to us by the management, the company has not given any guarantee for loans taken by others from banks or Financial Institutions.
- (xv) On the basis of review of utilization of funds on an overall basis, in our opinion, the term loans taken by the Company were applied for the purposes for which the loans were obtained.
- (xvi) On the basis of review of utilization of funds on an overall basis, in our opinion, the funds raised on short term basis have not been used for long term investments or vice versa during the year.
- (xvii) The company has made preferential allotment of shares to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year and the price at which the shares have been issued is not prejudicial to the interest of the Company.
- (xviii) No debentures have been issued during the year.
- (xix) The Company has not raised money by way of public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.
- (xx) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For P.B. VIJAYARAGHAVAN & CO.,
CHARTERED ACCOUNTANTS.

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P.B. SRINIVASAN
PARTNER
Membership No. 203774

Place:- Chennai
Date: 31.07.09

INVICTA MEDITEK LIMITED
No,290, SIDCO Industrial Estate
Ambattur, Chennai 600 098

BALANCE SHEET AS AT 31.03.2009

Amount in Rs.

PARTICULAR	SCH	31-03-2009	31-03-2008
<u>SOURCES OF FUNDS</u>			
<u>Share holders' funds</u>			
Share capital	1	7,20,90,410	6,19,47,100
Reserves & Surplus	2	2,03,37,511	1,46,91,251
<u>loan funds</u>			
Secured Loans		90,44,222	2,17,127
Unsecured Loans	3	1,37,32,312	1,99,76,154
Total		11,52,04,454	9,68,31,633
<u>APPLICATION OF FUNDS</u>			
<u>Fixed Assets</u>			
Gross Block	4	2,54,62,592	1,63,37,704
Less: Depreciation		61,56,351	50,12,511
Less: Impairment Loss on Assets		32,25,520	
Add: Appreciated value on land & building & Tech			
Knowhow		1,49,19,279	
Net Block		3,10,00,000	1,13,25,193
Deferred Tax Asset	5	-	27,10,639
<u>Current Assets Loans & Advances</u>			
Inventory	6	89,48,671	1,28,84,570
Sundry Debtors	7	29,59,268	15,31,806
Cash & Bank	8	5,60,224	71,85,808
Loans & Advances	9	27,74,723	43,03,853
		1,52,42,886	2,59,06,037
Less: Current Liabilities and Provisions	10	1,34,97,925	1,09,72,936
Net Current Assets		17,44,961	1,49,33,101
Profit & Loss Account Balance		8,24,59,493	6,78,62,699
Total		11,52,04,454	9,68,31,633

Notes to Accounts & Significant Accounting Policies 14

For Invicta Meditek Ltd

-sd-
Managing Director

-sd-
Director

For P.B.Vijayaraghavan & Co,
Chartered accountants

-sd-
P.B.Srinivasan
Partner
Membership No.203774

INVICTA MEDITEK LIMITED
No.290, SIDCO Industrial Estate
Ambattur, Chennai 600 098

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009 Amount in Rs.

PARTICULARS	SCH	31.03.2009	31.03.2008
INCOME			
EXPORT SALES		3,163,061	3,835,786
DOMESTIC SALES LESS RETURNS		10,056,226	1,922,582
OTHER INCOME		209,239	325,036
ASSET APPRECIATION		14,919,277	-
INCREASE/(DECREASE) IN STOCK		(3,997,821)	10,232,593
		24,349,983	16,315,997
EXPENDITURE			
PURCHASES LESS RETURNS		5,738,533	4,806,826
CONSUMABLES		768,461	680,515
LABOUR CHARGES		2,147,361	7,256,743
ADMINISTRATIVE AND OTHER EXPENSES	11	11,307,102	10,533,882
ESTABLISHMENT EXPENSES	12	7,777,312	6,659,989
MANAGERIAL REMUNERATION		-	600,000
DEPRECIATION		1,187,664	958,059
PROVISION FOR IRRECOVERABLE DEPOSITS		-	470,104
PRIOR PERIOD (INCOME)/LOSS		-	-
DEFERRED REVENUE EXP WRITTEN OFF		6,636,324	229,659
PROVISIONS FOR SLOW/NON-MOVING STOCKS		-	61,921
IMPAIRMENT LOSS ON ASSETS		3,225,519	-
		38,788,276	32,257,697
LOSS BEFORE TAX		(14,438,294)	(15,941,700)
LESS: PROVISION FOR FBT		(158,500)	(118,519)
BALANCE BROUGHT FORWARD		(67,862,699)	-
BALANCE CARRIED FORWARD		(82,459,493)	(67,862,699)

For Invicta Meditek Ltd

-sd-

Managing Director

-sd-

Director

For P.B.Vijayaraghavan & Co,
Chartered accountants
-sd-

P.B.Srinivasan
Partner

Membership No.203774

Place : Chennai
Date : 31.07.2009

INVICTA MEDITEK LIMITED

Schedules attached to and forming part of the Balance Sheet

Amount in Rs.

Particulars	31.03.2009	31.03.2008
1. SHARE CAPITAL		
Authorized Capital		
25000000 Equity Shares of Rs. 10/- each	25,00,00,000	25,00,00,000
Issued, Subscribed & Paid Up:-		
Equity Shares of Rs. 10/- each		
7209041 Shares of each Rs. 10/-	7,20,90,410	6,19,47,100
	7,20,90,410	6,19,47,100
2. RESERVES & SURPLUS		
General Reserve	52,92,306	52,92,306
Share Premium Account	1,50,45,205	93,98,945
	2,03,37,511	1,46,91,251
3. Unsecured Loans		
From Directors	32,22,705	32,22,705
Preferential Allotment Received (Share Warrants)	52,81,355	1,63,21,788
From Others	52,28,252	4,31,661
	1,37,32,312	1,99,76,154
4. Secured Loans		
Vehicle Finance	-	2,17,127
Bank OD	90,44,221	-
	90,44,222	2,17,127
5. Deferred Tax Assets		
Deferred Expenditure	-	27,10,639
	-	-
	-	27,10,639
6. Inventories		
Raw Materials	12,45,618	10,39,462
Semi finished Goods	33,19,544	47,61,372
Finished Goods	43,83,509	71,45,657
Less : Slow/Non Moving Stocks	-	61,921
	89,48,671	1,28,84,570
7. Sundry Debtors		
Debts outstanding for more than 6 months	-	3,44,184
Other Debts	33,36,959	14,66,513
Less : Provision for Bad Debts	3,77,690	2,78,890
	29,59,268	15,31,806
8. Cash and Bank Balance		
Cash on hand	8,306	7,719
Foreign Currency	-	-
Bank balance - with scheduled banks	5,51,918	53,58,109
Fixed deposit	-	18,19,982
	5,60,224	71,85,808
9. Loans and Advances		
(Unsecured considered good)		
Term Deposit - Sales - Tax	2,500	2,500
Deposit with custom authorised	3,00,000	3,00,000
Deposit - EMD	1,70,104	1,70,104
Salary Advance	34,756	30,800
Fish and Richardson	-	3,43,496
DOT NORSKE VERITIES AS	55,000	55,000
Office Advances	78,862	3,00,000
Other Advances	19,35,231	29,52,693
VAT paid	-	667
Deposit - Reliance Communications	3,000	6,500
Electricity Deposit - TNEB	96,450	54,530
Prepaid Insurance Charges	47,678	36,421
TDS Receipt	51,142	51,142
	27,74,723	43,03,853

INVICTA MEDITEK LIMITED

Schedules attached to and forming part of the Balance Sheet

Amount in Rs.

Particulars	31.03.2009	31.03.2008
10. CURRENT LIABILITIES AND PROVISIONS		
A Current Liabilities		
Sundry Creditors		
Due to Micro and Small Enterprises	-	-
Due to Creditors other than Micro and small Enterprises	10,155,629	3,880,954
Others	-	4,168,436
CST 4% Payable	23,293	6,045
CST 2% Payable	6,000	1,800
Salaries and Wages Payable	763,083	823,845
TDS on Salary	-	417,937
TDS on Others	7,793	101,768
PROVISIONS :		
Provisions for FBT	140,262	58,519
Provision others	2,345,247	1,469,572
Excess Receipt on preference Allotment	56,618	44,060
	13,497,925	10,972,936
11. ADMINISTRATIVE AND OTHER EXPENSES		
Admn. & Factory Maintenance	194,478	95,272
Rates&Taxes	-	58,221
Electricity Charges	475,945	339,076
Communication Exp	595,999	486,120
Printing & Stationery	179,946	186,015
Professional & Consultancy Charges	953,599	2,217,244
Repair & Maintenance	358,775	612,936
Vehicle Maintenance	85,854	56,482
AGM expenses	2,488	3,984
Audit Fees 56,180	56,180	
Taxation and other matters	22,472	27,416
Fees & Subscription	50,747	829,816
Books & Periodicals	5,583	18,153
Foreign Exchange Fluctuation	109,721	(7,662)
Freight Charges Paid	260,723	167,260
Insurance Premium	98,515	39,575
Advertisement Expenses	63,082	76,098
Business Promotion Expenses	170,836	47,911
Commission on Sales	127,232	232,686
Security Charges	80,795	80,880
Testing & Design Charges	221,155	249,358
Preferential Allotment Processing Fees	-	63,186
Local Conveyance	461,490	238,944
Travel & Conveyance	1,402,804	2,085,044
Bank Charges	367,536	52,079
Interest paid (Bank TL & OD)	1,218,376	49,286
Listing Fees & Registrar Charges	11,084	23,116
Miscellaneous Expenses	658,211	278,803
Food & Beverages	284,527	175,322
Pooja expenses	33,013	6,362
Custodian Charges	8,990	5,648
Provision for bad & doubtful debts	98,801	152,563
Legal Expenses	643,865	424,684
Stall Cost	690,450	126,081

INVICTA MEDITEK LIMITED

Schedules attached to and forming part of the Balance Sheet

Amount in Rs.

Particulars	31.03.2009	31.03.2008
ISO Expense	-	3,312
Validation Fees	-	56,180
Royalty	466,965	74,880
Rent - Office	225,000	50,000
Settlement Commn. Interest Paid	-	356,529
Import Licence Fees	-	99,500
Import Duty	36,271	44,642
Brokerage	-	12,500
CE Certification Expense	-	97,832
Property Tax	29,820	22,365
Round Off	-	3
Advances written off	-	162,000
Deferred revenue exps. written off	518,487	-
Demat charges	28,440	-
Discount	8,846	-
	11,307,102	10,533,882
12. ESTABLISHMENT EXPENSES		
Salaries & Wages	6,432,096	5,777,998
Contribution to Provident fund & other funds	405,060	298,117
Staff Welfare & others	41,704	23,305
Bonus	97,733	183,018
Gratuity	37,636	268,850
Leave Encashment	-	108,701
Salary Settlement	763,083	-
	7,777,312	6,659,989
13. MANAGERIAL REMUNERATION		
Salary	-	600,000

Schedule 4

Fixed Asset and Depreciation schedule for the year ended 31st March 2009

Asset Class	Cost			Depreciation					Net Book Value (WDV)			
	As on 01.04.2008	Additions	*Deletions	As on 31.03.2009	Upto 31.03.2009	Total Dep for the year	Disposal	Upto 31.03.2009	Impairment Loss adj.	Appriciation on Realisable Value	As on 31.03.2009	As on 31.03.2009
Plant and Machinery	78,22,554	71,79,349		4,50,02,144	33,82,065	691,734	-	40,73,799	1632481		4,44,049	9295864
Computer	6,44,911	1,22,967		7,67,776	1,67,946	1,22,665	-	2,90,611	371449		4,76,965	105716
Vehicle	3,85,527	0	295,168	90,359	37,432	34,514	43,824	28,122	42011		3,48,095	20226
Electrical Fittings	7,16,464	4,04,444		11,21,445	2,27,578	85,612	-	3,13,190	463546		4,68,886	4,04,709
Furniture and Fixtures	7,90,244	2,77,407		10,67,653	5,73,356	77,392	-	6,50,728	305340		2,16,908	111535
Office Equipment	2,67,795	11,000		2,78,798	74,051	13,302	-	87,353	126545		193,747	61900
Building	2,856,318	1,399,175		4,294,493	437,981	63,189	-	500,270	-	13919277	2,459,237	17713500
Intangible Assets	5,27,378	26,048		553,426	113,622	99,256	-	212,278	341148		4,14,356	(0)
Technical Know-how	0	0		0	0	-	-	0	-	1000000	01000000	01000000
Land	22,86,500	-		22,86,500	0	-	-	0	-		2,286,500	2286500
TOTAL	1,63,37,704	94,29,059	2,95,168	2,54,62,592	50,12,511	11,87,664	43,824	61,56,351	32,25,520	1,49,19,277	1,13,25,193	3,10,00,000

INVICTA MEDITEK LIMITED

Notes on Accounts and Significant Accounting Policies

A. Significant Accounting Policies:

1. Basis of preparation:

The financial statements have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

Since the business and assets of the company were sold subsequent to the Balance Sheet date, the company ceases to be a Going Concern. Therefore in the financial statements, assets and liabilities are adjusted to its realizable value. The company is following accrual basis of accounting

2. Revenue Recognition:

Sales are recognized when the property in the goods passes to the buyer.

3. Fixed Assets:

Fixed Assets have been stated at cost less accumulated depreciation less impairment loss. Cost comprises of purchase price and any cost attributable to bring the assets in to its working condition or its intended use.

4. Depreciation:

Depreciation is provided on Straight Line Basis and at the rates specified in Schedule XIV of the Companies Act, 1956.

Assets purchased during the year are depreciated on pro-rata basis for the number of days the assets are put to use during the year.

5. Foreign Currency Transactions:

Transactions in foreign currencies are recorded at the rate prevailing on the date of the transaction. Monetary items are reinstated at the rates prevailing in the Balance Sheet date. Exchange gain or losses arising from such transactions are recognized in accordance with the AS 11 prescribed by the ICAI.

6. Inventories:

Inventories are valued at net realizable value based on the binding sale agreement.

7. Employees Benefits:

The company has registered itself with Provident Fund Authorities and accordingly contributions are charged of to revenue.

B. Notes on Accounts:

1. Discontinued Operation

On 13th July, 2009 the Board of Directors had announced a plan to dispose the companies assets.

2. The operations of the company were discontinued since 24.02.2009.

3. Events Occurring after the Balance Sheet Date:

On 14th July, 2009 the company signed a contract to sell the assets to TTK Healthcare Limited for Rs.3.90 crores (includes Rs.0.10 crore towards Technical Know-How). The buyer, TTK Healthcare Limited has paid the consideration of Rs.3.10 crores and Rs.0.40 crore has been retained towards disputed tax liabilities and the balance Rs.0.40 crores is to be received after twelve months from the date of handing over the possession of the undertaking.

INVICTA MEDITEK LIMITED

The recoverable amount of the assets other than Land and Buildings carried at Rs.1.32 crores was estimated to be Rs.1.00 crore and assets are written down by Rs.0.32 crore to their recoverable amount.

The recoverable amount of Land and Buildings carried at Rs.0.66 crores was estimated to be Rs.2.00 crores and Land and Buildings are appreciated by Rs.1.34 crores to the recoverable amount.

The company has recognized Provision for Termination Benefits of Rs.7, 63,083 to the employees whose jobs will be terminated as a result of the sale.

Since the company is not a going concern, the miscellaneous expenditure to the extent not written off on account of deferred revenue expenditure of Rs.39,25,685/- incurred towards a road show expenses were written off during this year.

4. Impairment of Assets:

(In Rs.)

Sl.No	Particulars	Carrying Cost	Recoverable Amount (on the basis of binding sale agreement)	Impairment Loss Recognized in the statement of P&L
1.	Computers	4,77,165	1,05,716	3,71,449
2.	Intangible Assets	3,41,148	0	3,41,148
3.	Plant and Machinery	1,09,28,345	92,95,864	16,32,481
4.	Electrical Installations	8,08,255	4,04,709	4,03,546
5.	Furniture & Fixtures	4,16,925	1,11,585	3,05,340
6.	Office Equipment	1,91,445	61,900	1,29,545
7.	Vehicle	62,237	20,226	42,011
	Total	1,32,25,520	1,00,00,000	32,25,520

5. Deferred Tax Assets:

The carrying amount of deferred tax assets of Rs.27,10,639 were written down, since the assets of the company were sold, it is no longer virtually certain that sufficient future taxable income will be available against which deferred tax assets can be realized.

INVICTA MEDITEK LIMITED

Other Notes

QUANTITATIVE DETAILS OF CAPACITY PRODUCTION

PRODUCT	Units	Installed	OP.Stock	Production	Scrap	Sales	Clo.Stock
HIPS-STEMS Nos.	2500	2500	264 (219)	507 (403)	0 (800)	349 (358)	422 536
HIPS-CUPS Nos.	2500	2500	27 (27)	39 0	0 (1354)	0 0	66 1327
INTERNAL Nos. FIXATION IMPLANTS	12000	12000	11556 (7068)	15030 (17215)	0 (35760)	8199 (12727)	18387 24204
KNEES Nos.	500	500	683 (112)	1257 (661)	0 (493)	569 (90)	1371 (190)
TOTAL			12530 (7426)	16833 (18279)	0	9117 (13175)	20246 (12530)

(Note figures in the bracket reflects the pervious year data)

The product manufactured by this company are outside the purview of compulsory license and as such there is no licensed capacity. Installed Capacity is as per the certificate of the management.

2. Quantitative details of raw materials consumed

Item	quantity	Value in Rs.
Steel & Castings (in kgs)	1515.100 (1767.98)	5738533.00 (2,628,543.22)

Components which do not individually account for 10% of the Value

3. Percentage of Raw Materials consumption

Indignous	100%	4877753.00 (3701784.00)
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INVICTA MEDITEK LIMITED

4. Earnings in Foreign Exchange – Export Sales (FOB Value) : Rs. 31,63,061/- (Rs.38,35,786/-)

5. Expenditure in Foreign Currency

Import of Raw Material Rs.6,51,450/- (Rs.815804/-)
Professional & Consultancy Fees Rs.4,79,574/- (Rs.8,18,379/-)

6. An amount of Rs.37.50 lakhs has been received towards preferential allotment and disclosed under "Unsecured Loans". The same is pending allotment.

7. Remuneration to Auditors

For Audit of the year ended 31.03.2009	56180
	(56180)

8. Opening stock as on 01.04.2008	12884570
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Add: Purchases during the year	5738533
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Less : Closing Stock as on 31.03.2009	18623103
	17935782

Consumption for the year 2008-09	687321
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10 Previous year figures have been re grouped to conform to layout of the accounts of the current year

As per report of evendate
For P.B.Vijayaraghavan & Co.,

For Invicta Meditek Limited

-sd-

P.B.SRINIVASAN
PARTNER.
Membership No.203774

-sd-

M.R.SATISH KUMAR
MANAGING DIRECTOR

-sd-

ABHILASH J MAYUR
DIRECTOR

Place: Chennai
Date : 31.07.2009

INVICTA MEDITEK LIMITED

INVICTA MEDITEK LIMITED
NO.290, SIDCO Industrial Estate
Ambattur, Chennai - 600 098.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

Particulars	31st March 2009	31st March 2008
Cash Flow from Operating Activities		
Net Profit Before Tax	(14,596,794.00)	(15,941,700.00)
Adjustment for Depreciation	1,187,664.00	958,059.00
Assets Written Off	-	229,659.00
Impairment Loss on Fixed Assets	3,225,519.00	-
Asset Appreciation	(14,919,279.00)	-
Loss/Profit on sale of Assets	96,344.00	-
Deferred Tax Assets Written Off	2,710,639.00	-
Provision for Slow / Non Moving Stocks	-	61,921.00
Working Capital Changes		
Inventory	3,935,899.00	(10,232,592.00)
Sundry Debtors	(1,427,462.00)	(523,176.00)
Loans & Advances	1,529,130.00	(2,816,730.00)
Current Liabilities	<u>2,524,989.00</u>	<u>5,845,818.00</u>
	(1,136,557.00)	(6,477,041.00)
Net Cash Flow from Operations (A)	(15,733,351.00)	(22,418,741.00)
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(9,420,055.00)	(3,329,152.00)
Sale of Fixed Assets	155,000.00	-
Net Cash Flow from Investing Activities (B)	(9,265,055.00)	(3,329,152.00)
Cash Flow from Financing Activities		
Increase in Share Capital	10,143,310.00	12,413,800.00
Increase in Share Premium	5,646,260.00	5,657,085.00
Increase in Loan Funds	2,583,252.00	13,826,697.00
Net Cash Flow from Financing Activities (C)	18,372,822.00	31,897,582.00
Net Increase in Cash & Cash Equivalents (A + B + C)	(6,625,584.00)	6,149,689.00
Add Cash and Cash Equivalents in the Beginning of the Period	7,185,808.00	1,036,119.00
Cash and Cash Equivalents at the end of the Period	560,224.00	7,185,808.00

For Invicta Meditek Ltd
-sd-
Managing Director

-sd-
Director

For P.B.Vijayaraghavan & Co.,
Chartered Accountants
-sd-
P.B.Srinivasan
Partner
M.No.203774

Place : Chennai
Date : 31.07.2009

INVICTA MEDITEK LIMITED

BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE

ii	Registration Details			
	Registration No.18-22948/1992			State Code 18
	Balance Sheet Date	31-03-2009		
iii	Capital raised during the year (Amount in Rs. Thousands)			
	Public Issue		NIL	
	Right Issue		NIL	
	Bonus Issue		NIL	
	Private Placement		10143	
iii	Position of Mobilisation and Deployment of Funds (Amount in Rs.000')			
	Total Liabilities	115204	Total Assets:	115204
	Sources of Funds			
	Paid up Capital	72090		
	Reserves & Surplus	20338		
	Secured Loans	9044		
	Unsecured Loans	13732		
	Application of Funds			
	Net Fixed Assets	31000		
	Investments	0		
	Net Current Assets	1745		
	Accumulated Losses	82459		
	Deferred Tax Asset	0		
IV	Performance of Company			
	Turnover(Total Income)	13428	Total Expenditure	27885
	Profit/Loss before Tax	-14457	Profit/Loss after Tax	-14597
	(Please tick appropriate box + for profit - for loss)			
	Earning per share	Nil	Dividend %	Nil
V	Generic Names of Three Principal Products / Services of Company (as per monetary terms)			
	Item Code			
	Product Description NA	PNEUMATIC SYSTEMS		
	Item Code			
	Product Description NA	HIP INSTALLATION COMPONENTS		
	Item Code			
	Product Description NA	KNEE INSTALLATION COMPONENTS		

For Invicta Meditek Limited

Place: California
Date: 31.07.2009

-sd-
DIRECTOR.

-sd-
MANAGING DIRECTOR.

INVICTA MEDITEK LIMITED

AUDITORS CERTIFICATE

We have examined the attached Cash flow Statement of Invicta Meditek Limited for the year ended 31st March 2009. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the listing agreement(s) and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our report of 31.03.2009 to the members of the company.

For P.B.Vijayaraghavan & Co,
CHARTERED ACCOUNTANTS

Place:Chennai
Date : 31.07.2009

P.B.SRINIVASAN
PARTNER
Membership No.203774

INVICTA MEDITEK LIMITED

INVICTA MEDITEK LIMITED

Registered Office at 290, SIDCO Industrial Estate, Ambattur, Chennai - 600 098.

Client ID :
DP ID :
Folio No :
No of Shares :

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

NAME OF THE ATTENDING MEMBER / PROXY (IN BLOCK LETTER) :

I hereby record my presence at the 17th Annual Meeting held on Saturday 19th Sep 2009 at 10.00 am at AIEMA Technology Centre, Ambattur Estate, Ambattur, Chennai - 600 058.

SIGNATURE OF MEMBER OR PROXY

..... CUT HERE

INVICTA MEDITEK LIMITED

Registered office at 290, SIDCO Industrial Estate, Ambattur, Chennai - 600 098.

Client ID :
DP ID :
Folio No :
No of Shares :

I/We of in the district of being member(s) of the above named company hereby appoint in the district of or failing him/her of in the district of as my/our proxy to vote me/us on behalf at the 17th Annual General Meeting of the Company to be held on Saturday the 19th Sep 2009 at 10.00 am and at every adjournment thereof.

Signed this day of 2009.

Note : The proxy form, to be valid, should be deposited at the Registered office of the company at 290, SIDCO Industrial Estate, Ambattur, Chennai - 600 098 not less than 48 hours before the meeting.

BOOK POST / UCP

If undelivered please return to

INVICTA MEDITEK LIMITED

No. 290, SIDCO Industrial Estate,
Ambattur, Chennai - 600 098.