

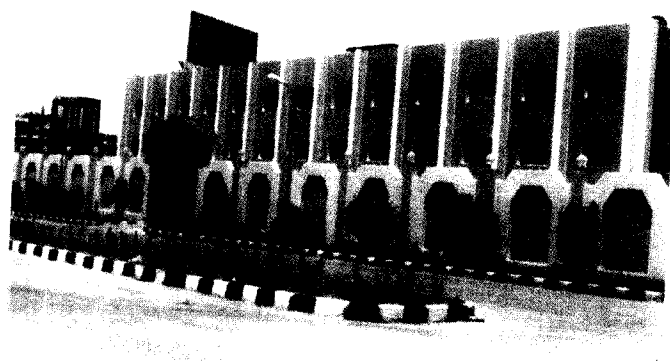
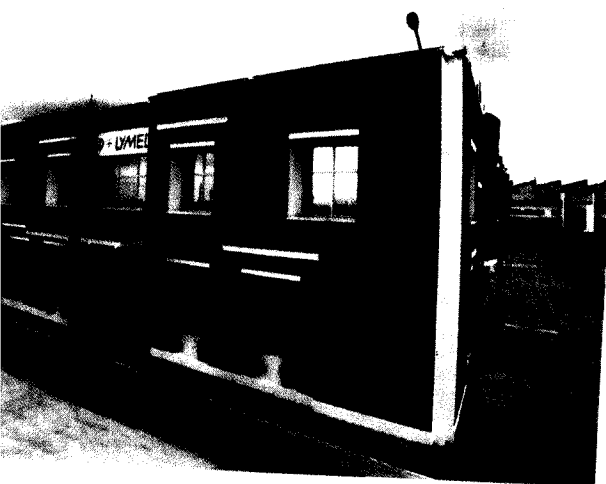
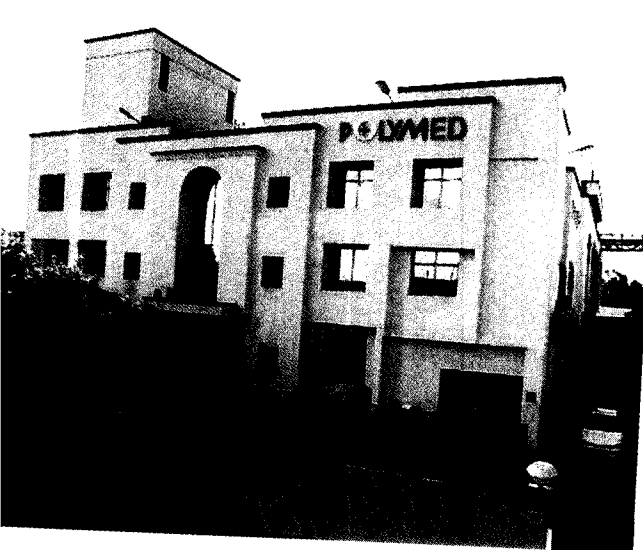
POLYMED
Healthcare Disposables



Future to Healthcare

10TH ANNUAL REPORT 2004-05

POLY MEDICURE LIMITED



POLY MEDICURE LIMITED**POLYMED**
Healthcare Disposables**CORPORATE INFORMATION****Board of Directors**

D. R. Mehta
Chairman
Dr. S. R. Mohnot
J. K. Baid
Y. S. Choudhary
P. C. Surana

Himanshu Baid
Managing Director
Rishi Baid
Executive Director

Board Committees**Audit Committee**

Dr. S. R. Mohnot
Y. S. Choudhary
P. C. Surana

Investors' Grievance Committee

Dr. S. R. Mohnot
P. C. Surana
Himanshu Baid

Remuneration Committee

D. R. Mehta
Dr. S. R. Mohnot
Y. S. Choudhary
P. C. Surana

Executive Committee

D. R. Mehta
Dr. S. R. Mohnot
P. C. Surana
Himanshu Baid
Rishi Baid

Company Secretary

Y. P. Bansal

Senior Executives

D. K. Gupta
V. K. Khera
J. K. Oswal

G. R. Bajaj
P. S. Negi

Auditors

Chaturvedi & Co.

Bankers

State Bank of India

Registered Office

First Floor, 12, Sant Nagar, East of Kailash, New Delhi - 110 065.

Ph.: 91-11-26481889, 26481893, 26481899, 26481838

Fax: 91-11-26481894, 26481839

E-Mail: polymed@vsnl.com

Web Site: <http://www.polymedicure.com>

Registrar and Transfer Agent

Mas Services Private Limited

AB- 4, Safdarjung Enclave, New Delhi - 110 029

Ph.: 011-26104142, 26104326 Fax: 011- 26181081

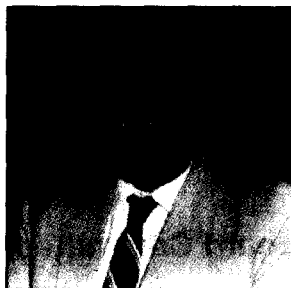
E-Mail: masserv@giasdl01.vsnl.net.in

Works

Unit I - Plot No. 104-105, Sector 59, HSIDC Industrial Estate, Ballabhgarh, Faridabad, Haryana.

Unit II - Plot No. 115, Sector 59, HSIDC Industrial Estate, Ballabhgarh, Faridabad, Haryana.

Unit-III-Plot No. 113, Sector 59, HUDA Industrial Estate, Ballabhgarh, Faridabad, Haryana.

POLY MEDICURE LIMITED**POLYMED**
Healthcare Disposables**OUR TRIBUTE**

Shri R. M. Bhandari
(1925 - 2005)

Shri R. M. Bhandari, our revered Chairman for the last nine years (1995 to 2005) was an exceptional human being and an outstanding business leader. Under his visionary leadership, Poly Medicure emerged as one of the foremost Companies in the Indian Healthcare Disposables Industry.

For Shri Bhandari, the people were the most important asset. He scouted around for the best and most talented professionals, nurtured them and continuously propelled them to attain ever rising goals. These highly motivated people comprise the core of what he named: **"The Polymed Family"**.

Shri Bhandari led many corporates and organisations including governmental and social institutions. He left an indelible imprint of himself in all. He had the distinction of leading all the organisations to success and glory.

While his personality was firmly rooted in traditional Indian values and ethos, he was quintessentially a modern man. The corporate philosophy he followed was short, simple and succinct - The real challenge is not merely to respond to change, but to create change. He inspired the Poly Medicure team to do better than the best.

His sterling qualities of leadership, remarkable foresight, uncompromising pursuit of excellence, sheer humility and intrinsic capacity to motivate and trust people will continue to guide us at Poly Medicure. We are proud and privileged to inherit this precious legacy.

From Polymed Family

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CHAIRMAN'S MESSAGE



Dear Shareholders,

Though young, your Company, Poly Medicure has taken significant strides in the year 2004-05. The Company was incorporated in 1995 and started commercial production in early 1997. Yet during the Financial Year 2004-05, the Company could reach its highest level of production of 91.56 million nos. of Medical Disposables and record turnover of Rs. 6449.29 lac. The Company has been able to improve its productivity, quality and profitability. There has been a notable technological up-gradation of its plants,

equipments and processes. Today we are exporting our products to more than 40 countries across the globe. Some of these are western countries with the most stringent standards of performance and quality. The profitability of the Company also improved having a net profit of Rs. 608.30 lac. Indeed the Company has become one of the foremost Companies in the Indian Healthcare Disposables Industry.

In the backdrop of its vision the Company has concentrated on the maximization of the shareholders' wealth. For this, while on one hand the Company has strived to increase high quality production and profitability, which have benefited all the Shareholders, on the other, the Company has also been pursuing open transparent and ethical policies so that the Shareholders get better Corporate Governance and the Company earns greater goodwill.

Taking a wider view, it is my belief that, in tandem with the national growth, our progress too will continue unabated. Our country's GDP grew almost at the rate of 7%. This development coupled with the expanding middle class base with higher disposable incomes will add to the over all demand in most of the sectors including the Healthcare one. Cost efficiencies and the availability of skilled manpower will also contribute to the earning capability of the domestic industry. Several sectors of the industry have prospered, enjoying the benefits of the strong growth trend. The entry of new domestic as also the international Companies in several sectors have encouraged the positive minded Indian corporates to become more competitive and world class.

Additionally the rises in literacy rate and levels of income have increased the awareness about the healthcare. According to one estimate the people in India spend five times more on healthcare now as compared to the spending in this sector about ten years ago. Equally significantly they are willing to pay premium for quality healthcare. Indian Healthcare market is also receiving

POLY MEDICURE LIMITED

impetus due to the positive policies of the government, aiming at making India an important health tourism destination by taking advantage of the highly specialized manpower and by upgrading the existing infrastructure to the world standards. In short the larger and hopeful picture is that all segments of Healthcare industry are poised to grow in parallel to meet the increased demand.

It is my conviction that for the Company opportunities are aplenty. We have the capability to capitalize on these positive trends. We can leverage our strengths to expand our size substantially while keeping the focus on high quality. We have a robust strategy and are committed to implement it effectively. For doing so we have an enlightened management, dedicated employees and a vast chain of trade and supplier partners. We also have earned goodwill among the members of medical profession, who have an experience-tested faith in our brand-POLYMED.

I would like to take this opportunity to express my gratitude to each one of you for your unstinted faith, support and confidence in the working of the Company. Further I also share the common optimism that Poly Medicure would grow even more in terms of production, quality, service and profitability in the coming years.

With best wishes.

Sincerely



D. R. Mehta
Chairman

Place : New Delhi

Date : 28th July, 2005

Vision at Poly Medicure

We aim to be research based, most reputed and trusted Company in the Medical Healthcare Disposable Industry.

Mission at Poly Medicure

- To achieve to the maximum extent global best practices and try to become a world class Healthcare Disposables Manufacturer.
- To provide quality products through sustained Research and Development.
- To be a technology driven, efficient and financially sound organisation.
- To earn the trust and confidence of members of medical profession and all stakeholders, with total customer satisfaction as the ultimate goal.
- Be a professionally managed employer of choice, attracting, developing and retaining quality personnel.
- To constantly enhance overall Shareholders value.
- To take a holistic approach towards environmental protection.

Core Values of Poly Medicure

Customer Satisfaction

POLY MEDICURE believes in long-term relations with customers through total Customer satisfaction. We ensure value for money for our Customers through better quality products.

Transparency

POLY MEDICURE practices transparency with all stakeholders through structured periodical communications including Directors' Report, Quarterly Financial Results, Annual Report and strive to adhere to the best Corporate Governance Practices.

Innovation

POLY MEDICURE encourages innovation in every facet of its activities including development of new products keeping in view the customers' requirements.

Quality Assurance

The Company has successfully implemented Quality Management System and has been accredited by SGS Yarsley International Certification Services, United Kingdom with ISO 9001:2000, ISO 13488:1996 and CE mark for some of its products. For the rest of the products, the Company has been accredited CE mark by DNV, Norway thus making the entire product range match up to International Quality Standards.

House-Keeping

POLY MEDICURE adheres to best house keeping standards at all its locations.

Fair Business Practices

POLY MEDICURE adheres to fair business practices and have a reputation of being fair and just to all its stakeholders.

DIRECTORS' PROFILE

D. R. Mehta, Chairman

D. R. Mehta, age 68 years, is a Law and Economics Graduate. He is a retired I.A.S. Officer. He has held high positions including Chairman of Securities and Exchange Board of India (SEBI), Dy. Governor of Reserve Bank of India (RBI), Director General of Foreign Trade etc. He has vast knowledge and experience in the field of Finance, Corporate Laws, Management, Economics and Capital Markets. He is an alumnus of Alford Sloan School of Management, M.I.T. Boston (USA) and Royal Institute of Public Administration, London (U.K.)

Dr. S. R. Mohnot

S. R. Mohnot, age 76 years, is Ph. D., C.M.C., F.I.M.C.I., F.I.S.T.D. He is a renowned Economist and Management Consultant. He has more than half a century of experience in the field of Economics and Management Consultancy. He worked with United Nations Industrial Development Organisation (UNIDO) as Industrial Economist and Team Leader. He is Chairman of Centre for Industrial and Economic Research (CIER) and President (Emeritus) of Indian Society of Training and Development. He has authored widely acclaimed books on management and economic and chaired international conferences in India and abroad. He is Chairman and Managing Director of Industrial Techno-Economic Services Private Limited and Director of QAI (India) Limited, Universal Cylinders Limited, International Print-O-Pack Limited, Software Dioxide Private Limited and Allied Electronics and Magnetics Limited.

J. K. Baid

J. K. Baid, age 63 years, is a Mechanical Engineer from BITS, Ranchi and has 38 years of experience in the field of Rotational Moulding Projects, PVC Projects and Pet Container Projects. He set up a unit to manufacture plastic PVC profiles for doors, windows, and partitions and self-watering plant pots and he also set up a joint venture in Abu Dhabi, UAE to manufacture rotational moulding tanks. He was also associated with the establishment of plant of Poly Medicure Limited. He is a Director in Polycure Martech Limited, Polycan Egypt, SAE, CAIRO.

Y. S. Choudhary

Y. S. Choudhary, age 62 years, is an Electronics Engineer from BITS Pilani. He has vast knowledge and experience in the field of Project Management, Marketing and setting up Projects. He is Managing Director in Himachal Exicom Communications Limited since 1994 and also Director in HTL Limited.

P. C. Surana

P. C. Surana, age 58 years, is a Chartered Accountant by profession. He has 36 years experience in the field of taxation and corporate laws. At present he is Director in S & A Finman Limited, Mahak Enterprises Private Limited, Meher Investments Private Limited, Technomedia Solutions Private Limited and K. S. Buildwell Private Limited.