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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

Anil Singh

Senior Executives

D. K. Gupta, V. P.
(Operations)
V. K. Khara, A.V. P.
(Works)

G. R. Bajaj, A.V.P.
(Marketing)
J. K. Oswal, Sr. G. M.
(Finance)

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

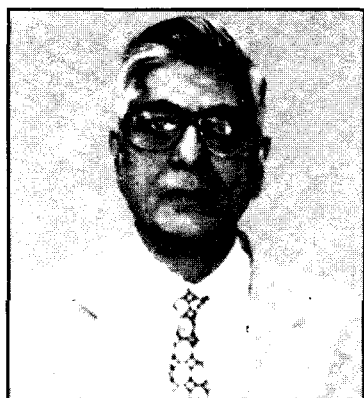
Unit I – Plot No. 104-105, Sector 59, HSIDC Industrial Estate, Ballabhgarh, Faridabad, Haryana.

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

Unit-III-Plot No. 116, Sector 59, HSIDC Industrial Estate, Ballabhgarh, Faridabad, Haryana

Unit-IV Plot No. 17, Sector 3, Industrial Estate IIE, Hardwar, Uttaranchal

CHAIRMAN'S MESSAGE



Dear Shareowners,

In my previous year statement I had chalked out the details of how your Company has emerged as one of the leading medical healthcare company over the years, following a set of strategies which ensured prudent products and a wide reach across geographies.

The year 2005-06 has seen the Company further moving in the direction that it has set for itself as a strong player in the healthcare industry, with a mix of products. Nothing gives the Company greater satisfaction than hearing from clients and opinion makers about the business progress, the market ranking and the quality offerings.

During the Financial Year 2005-06, the Company could reach its highest level of production of 1143.41 Lac. nos. of Medical Disposables and record turnover of Rs. 7043.41 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 45 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. 717.53 lac. Indeed the Company has become one of the foremost Companies in the Indian Healthcare Disposables Industry.

We look to the future with optimism because of the centre of economic growth is shifting to Asia. Demand and rapid capacity creation in virtually every aspect of the economy characterizes the Asian growth story. The world is increasingly focusing on the economic prowess of the two most populous nations – India and China. The spotlight in the coming years will be in the growth paradigms of these two giants. It is a historic opportunity to correct disparities across the continents, to rebalance the world and take it towards a more equitable paradigm of growth and consumption in various parts of our planet.

India's economy, poised to continue to grow at almost 8% is a major factor in realizing this vision. We believe that this growth rate is sustainable. In fact, there is potential for achieving even higher growth rates. The robustness of the Indian economy is reflected through its vibrant capital markets and its increasing FDI inflows.

Cost reduction, better cash management, quality improvement and a reduction in development time for new products, have been amongst the major point of focus in the Company during the year. The Company is also witnessing increasing sale in several countries

POLY MEDICURE LIMITED

in the world. The increasing acceptance of the Company's products in different countries is a testimony to improved quality and market relevance.

POLY MEDICURE LIMITED has always bet on its people, particularly young people. Our faith in the talent of India is immense. I am happy to report that POLYMED is powered by the energy and enthusiasm of youth. Our average age is below 38 and our teams of young achievers are giving shape to our aspiration in emerging business domains, while taking leadership position in existing business.

The coming year will be particularly exciting. The Company will be launching a range of new, technically-advanced products, both in domestic and overseas markets. There will be challenges but the tremendous spirit that has always been displayed by employees at all levels in the organization, I believe, will meet those challenges and enable POLYMED to retain its leadership position as a major healthcare Company actively participating in the country's prosperity and carrying the banner of India to overseas markets with a sense of great pride. Your Company continues to focus on value creation opportunities for our stakeholders.

All these factors sustain continuous growth and high return for all our stakeholders.

I have continued to enjoy steadfast support from the Board of Directors of POLYMED. I would like to this opportunity to express my gratitude to the Board, customers, suppliers, bankers, employees and our shareholders for their unceasing confidence and support.

With best wishes.

D.R. Mehta
Chairman

Place: New Delhi
Date: 31st, July, 2006

Vision

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

Mission

- ❖ To attain 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

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.

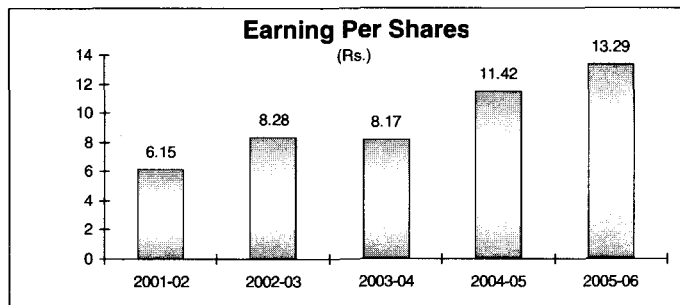
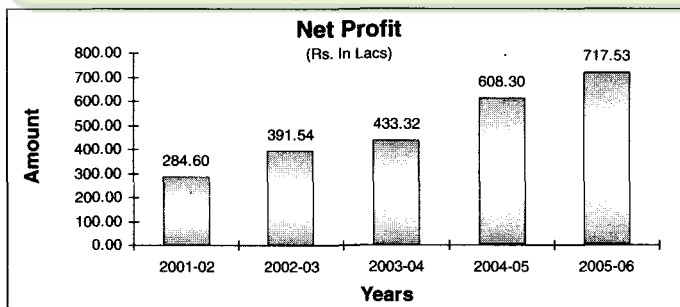
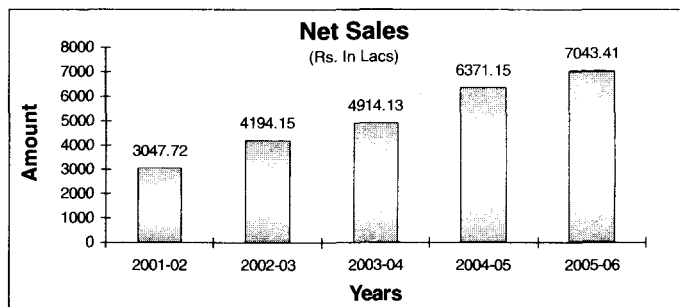
House-Keeping

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.

Five Years Trend



POLY MEDICURE LIMITED**NOTICE**

Notice is hereby given that the Eleventh Annual General Meeting of the Members of POLY MEDICURE LIMITED will be held on Tuesday, the 5th day of September, 2006 at 11:30 a.m. at Government Servants Co-operative House Building Society Ltd., Kalyan Kendra, 9, Paschimi Marg, Vasant Vihar, New Delhi 110057 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March, 2006, Cash Flow Statement and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2006.
3. To appoint a Director in place of Dr. S. R. Mohnot, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri P. C. Surana, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 6,00,00,000/- (Rupee Six Crores) divided into 60,00,000 (Sixty Lac) Equity shares of Rs.10/- (Rupees 10/-) each to Rs. 9,00,00,000/- (Rupee Nine Crores) divided into 90,00,000(Ninety Lac) Equity shares of Rs. 10/- (Rupee Ten) each”.

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

“RESOLVED THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing clause V of the Memorandum of Association of the Company relating to share capital be and is hereby altered by deleting the same and substituting in its place the following as new clause V:

The Authorized Share Capital of the Company is Rs. 9,00,00,000/- (Rupee Nine Crores) divided into 90,00,000(Ninety Lac) Equity shares of Rs. 10/- (Rupee Ten) each”.

8. 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 and other applicable provisions, if any, of the Companies Act, 1956, the existing Article 4 of the Articles of

Association relating to the share capital be and is hereby altered by deleting the existing Article and substituting in its place the following as new Article 4:

"The Authorized Share Capital of the Company is Rs. 9,00,00,000/- (Rupee Nine Crores) divided into 90,00,000(Ninety Lac) Equity shares of Rs. 10/- (Rupee Ten) each. The Company shall have power to increase, reduce, subdivide or to repay the same or to divide the same into several classes and to attach there to any right to consolidate or sub-divide the Shares and Shares and to very such right as may be determined in accordance with the regulations of the Company "

9. To consider and if thought fit to pass with or without modifications the following resolution as a special resolution.

"RESOLVED THAT in accordance with the provisions of section 81 (1-A) and other applicable provisions, if any, of the Companies Act, 1956, (including any amendment thereto or re-enactment thereof) (hereinafter referred to as "the Act") and subject to the enabling provisions in the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with the Stock Exchange where the shares of the Company are listed and in accordance with the applicable guidelines issued by the Securities and Exchange Board of India (SEBI), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all statutory, regulatory and Government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions or sanctions, which may be agreed to by the Board or any Committee constituted thereof (hereinafter referred to as "the Board"), the consent of the Company be and is hereby accorded to the Board to issue and allot upon such terms and conditions as laid down in the explanatory statement annexed to the notice calling the meeting 4,25,000 Fully Convertible Warrants of Rs.106/- each to the promoters of the Company

RESOLVED FURTHER THAT the Relevant Date for the purpose of pricing of issue of the Shares, in accordance with the Securities And Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, is *6th August, 2006, being the 30th day prior to 5th September, 2006*, (i.e., the 30th day prior to the date on which the meeting of the shareholders is to be held, in terms of Section 81(1-A) of the Companies Act, 1956, to consider the proposed issue)".

10. To consider and if thought fit to pass with or without modifications the following resolution as a special resolution.

"RESOLVED THAT pursuant to the provisions of Section 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with the provisions contained in Schedule – XIII to the said Act, consent of the Company be and is hereby accorded to the increase in remuneration of Shri Himanshu Baid, Managing Director of the Company, as set herein below with effect from 1st August, 2006 till the remaining term of his office.

I. Remuneration

a) Salary

The basic salary shall be in the pay scale of Rs.2,10,000 – 20,000 – 2,30,000.