



# **Sword & Shield Pharma Ltd.**

**REGD. OFFICE :**

**311, Rajkamal Plaza-B,  
Nr. Samruddhi Bldg., Opp. High Court,  
Income Tax, Ahmedabad-380 014.**

**11th Audit Report For the  
A/C. Year 2005-2006**

## **Sword & Shield Pharma Ltd.**

**BOARD OF DIRECTORS** : PRAVINBHAI M. PATEL - MANAGING DIRECTOR  
JITENDRABHAI PATEL - DIRECTORS  
JYOTSHNABEN PATEL - DIRECTORS

**ADDRESS** : KIRITBHAI SONI & ASSOCIATED  
CHARTERED ACCOUNTANTS  
301, RAJKAMAL PLAZA-B,  
OPP. OLD HIGH COURT,  
AHMEDABAD.

**REGISTERED OFFICE** : 311, RAJKAMAL PLAZA-B,  
NR. SAMRUDDHI BUILDING,  
OPP. HIGH COURT,  
AHMEDABAD.

**FACTORY** : 3001/M, G.I.D.C.,  
PHASE - III, AT-CHHATRAL,  
DIST. : GANDHINAGAR.

**BANKERS** : THE UNITED CO-OPERATIVE BANK LTD.

## **Sword & Shield Pharma Ltd.**

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Opp. High Court, Income Tax, Ahmedabad-380 014.

### **NOTICE**

Notice is hereby given that the Eleventh Annual General Meeting of the Members of SWORD & SHIELD PHARMA LIMITED will be held on Saturday, the 30<sup>th</sup> day of September, 2006, at 11-00 A.M. at Indulal Yagnik Trust Hall, Rajkamal Plaza-A, Income Tax Office, Ahmedabad-380 014. to transact the following business :

#### **Ordinary Business :**

1. To receive, consider and adopt the Balance Sheet as on 31st March 2006 and the Profit and Loss Account for the year ended on 31st March 2006 along with Schedules on the Accounts and the report of the Directors and Auditor's thereon.
2. To consider and appoint Mr. Jitendra Patel, Director of the company, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider the reappointment of Auditor-to hold the office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and to fix their remuneration. KIRIT BHAI SONI & ASSOCIATES Chartered accountants, Ahmedabad are the statutory Auditors of the Comapny who retired at this meeting and are eligible for reappointment.

Report Junction

By Order of the Board of Directors

Sd/-

Director

Date : 17<sup>th</sup> July 2006

Place : Ahmedabad.

#### **NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIED TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY AND THE PROXY NEED NOT TO BE A MEMBER.
2. PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The member/proxy should bring the attendance slip duly filled in for attending the meeting.
4. The Register of Members and Share Transfer Book of the Company will remain closed from 29<sup>th</sup> September-2006 to 30<sup>th</sup> September 2004 (Both the days)

# Sword & Shield Pharma Ltd.

Regd. Office : 311, Rajkamal Plaza-B, Nr. Samruddhi Bldg.,  
Opp. High Court, Income Tax, Ahmedabad-380 014.

## DIRECTORS' REPORT

Your Directors have pleasure in submit the Eleventh Annual Report & the Accounts of the Company for the year ended 31-3-2006.

## FINANCIAL RESULTS :

	2005-06 Amount (Rs. In Lacs)	2004-2006 Amount (Rs. In Lacs)
INCOME	145.89	270.40
INCREASED (DECREASE) IN GOODS	(3.01)	3.33
EXPENDITURE	128.63	257.56
PROFIT BEFORE DEPRECIATION	14.24	15.81
DEPRECIATION	15.68	17.59
MISC. WRITTENOFF	0.26	0.26
PROFIT/LOSS BEFORE TAX	(1.70)	(2.04)
PROVISION FOR TAX	-----	-----
PROFIT/LOSS CARRIED TO B/S.	(1.70)	(2.04)

## OPERATIONS :

During the financial 2005-2006, the performance of the Company was not satisfactory. The income of the Company was more than double as compared to the previous year. However, due to increased Manufacturing expenses and major ups and downs in the market condition, the financial position of the Company was severely affected. The Company incurred a net loss of Rs. 2.66 lacs, which was however less in comparison of the last year. The Management is sincerely endeavoring to increase its income and control its overheads, so as to bring positive results. Thus, the directors are hopeful for the current year.

## DIVIDEND :

In view of the accumulated losses and also due to business loss, your directors do not recommend any dividend for the financial year 2005-2006.

## DIRECTORS :

Mr. Jitendra Patel retires by rotation in terms of Section 256 of The Companies Act. 1956 and being eligible offers himself for re-appointment.

## FIXED DEPOSITS :

The Company has not accepted any deposit coming under the provisions of Section 58 A of the Companies Act, 1956 read with Companies (Acceptance of deposits) Rules, 1975.

## AUDITORS :

M/s. Kiritbhai Soni & Associated, Chartered Accounts the Auditors of the Company retire at the conclusion of this Annual General Meeting & being eligible offer themselves for re-appointment. Your Directors recommend their appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

In terms of Section 217 (2AA) of The Companies Act, 1956 in relation to financial statement for the year under reference, the Board of directors state that :

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. Reasonable and prudent accounting policies have been used in the preparation of the financial statements, that they have been consistently applied and that reasonable and prudent judgment and estimates have been made in respect to items not concluded by the year end, so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2006, and of the profit for the year ended on that date.
3. Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The financial statements have been prepared on a going concerned basis.

**CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :**

A Statement giving details of conservation of energy technology absorption, foreign exchange earnings and outgo, in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and forms part of the Report.

**CORPORATE GOVERNANCE :**

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the amended Listing Agreements of the Stock Exchanges with which the Company is listed are applied with. A separate report on Corporate Governance is Annexure 'B' along with the Auditor's Certificate on its, compliance and forms part of this Report.

**PERSONAL :**

During the year employer-employee relations continued to be cordial. There was no employee drawing remuneration exceeding the limits laid down u/s. 217 of the Companies Act, 1956. Hence, particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 are not required to be given.

**ACKNOWLEDGEMENT :**

Your Directors are thankful to the entire team of personnel, who have put in their efforts for helping the Company to earn name and fame in the market by providing efficient and prompt service to its clients, Your Directors also place on records with deep sense of gratitude, their appreciation for the co-operation and support extended to the Company by Bankers, Customers and Business Associates of the company.

**For & on behalf of the Board of Directors**

Sd/-

**DIRECTOR**

Date : 30<sup>th</sup> August 2006

Place : Ahmedabad.

**STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF DIRECTOR'S REPORT.**

**A. CONSERVATION OF ENERGY :**

(a) Energy Conservation Measures taken :

The maintenance all electrical installation have been carried out continuously. The preventing maintenance program implemented by the Comapany has helped the Comapany to save any possible loss of energy.

(b) Additional investments and proposal. If any, being implemented for reduction of Consumption of Energy :

NIL

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods :

The Company was able to prevent any possible waste of energy consumption.

(d) Total energy consumption and energy consumption per unit of production in prescribed Form 'A' as mentioned herein below :

**Form 'A'**

**I. POWER AND FUEL CONSUMPTION :**

**1. Electricity :**

a. Purchased (GEB) :

Units (KWS) : 15448

Total Amount (Rs.) 125137

Rate / Unit (Rs.) 8.10

b. Own Generation :

Unit (KWS in Lakhs) : -----NA-----

Total Amounts (Rs. In Lakhs) : -----NA-----

Rate / Units (Rs.) : -----NA-----

**2. Coal / (Grade C & D) and Lignite :**

Quantity (in '000 MT) : -----NA-----

Total Cost (Rs. In Lakhs) : -----NA-----

Average Rate (in Rs. Per MT) : -----NA-----