

OSCAR  
INVESTMENTS  
LIMITED

32nd

*Annual  
Report  
2009-2010*

\_\_\_\_\_

\_\_\_\_\_

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**BOARD OF DIRECTORS** : Mrs. Japna Malvinder Singh (Managing Director)  
Mr. Malvinder Mohan Singh  
Mr. Shivinder Mohan Singh  
Mrs. Aditi Shivinder Singh  
Mr. Anuj Chowdhry  
Dr. Preetinder Singh Joshi

**BANKERS** : Standard Chartered Bank  
Hongkong & Shanghai Banking  
Corporation Ltd.  
ABN Amro Bank  
HDFC Bank Ltd.  
Axis Bank Ltd.

**AUDITORS** : R.V. Shah & Co.  
28, Maheshwar Niwas,  
44-45, Tilak Road  
Santacruz (west)  
Mumbai - 400 054

**REGISTERED OFFICE** : 55 Hanuman Road,  
Connaught Place,  
New Delhi - 110 001

**ANNUAL GENERAL MEETING** : Venue : 55 Hanuman Road,  
Connaught Place,  
New Delhi - 110001  
Date : 30th September, 2010  
Day : Thursday  
Time : 11.00 A.M.



OSCAR INVESTMENTS LIMITED  
ANNUAL REPORT 2009-2010

NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of Oscar Investments Limited ("the Company") will be held on Thursday, September 30, 2010 at 11.00 A.M. at 55 Hanuman Road, Connaught Place, New Delhi -110 001, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Profit and Loss Account of the Company for the financial year ended March 31, 2010 and Balance Sheet as at that date together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shivinder Mohan Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Anuj Chowdhry, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s R. V. Shah & Co., Chartered Accountants, as the Auditors of the Company, to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of next Annual General Meeting, on a remuneration, to be decided by the Board of Directors.

**SPECIAL BUSINESS**

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

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any of the Companies Act, 1956 including any other statutory modifications(s) or re-enactment thereof for the time being in force, Dr. Preetinder Singh Joshi who was appointed as an Additional Director on October 5, 2009, pursuant to the provisions of Section 260 of the Companies Act, 1956 and applicable provisions of Articles of Association of the Company be and is hereby appointed as Director of the Company subject to retirement by rotation."

By Order of the Board of Directors

Dated : August 25, 2010 Ghanshyam Kaushik  
Place : New Delhi Company Secretary

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The instrument appointing a proxy should however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. The relevant explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
3. Information pertaining to the Directors seeking re-appointment/appointment is given in the Report in Corporate Governance in the Annual Report.
4. Members holding shares in physical form are requested to intimate change in their address if any immediately to the Company's Registrar

& Share Transfer Agents M/s Link Intime India Pvt. Limited. Members holding shares in electronic form must intimate the change in their address, if any, to their respective Depository Participant only.

5. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the company's Registered Office on all working days of the company, between 10.00 am to 1.00 pm upto the date of Annual General Meeting.
6. Members/proxies should bring duly filled attendance slips sent herewith to attend the Meeting. Members, who hold Shares in electronic form are requested to bring their Client ID and DP ID numbers for identification at the Meeting.
7. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members desirous of getting any information on the accounts and operations of the company are requested to address their queries to the company at the Registered Office of the company at least 7 days before the date of meeting, so that requisite information can be made available at the Meeting.
9. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send a duly certified copy of their Board Resolution authorizing such representative(s) to attend and vote at the Meeting.
10. Equity Shares of the company are under Compulsory Demat for trading. Members are requested to convert their holdings from physical to Demat form and send all Demat Request Form (DRF) to our Registrar & Share Transfer Agents or our office through your Depository Participants. For any queries, Members may write to the Company Secretary, Oscar Investments Limited, The ISIN No. of the Company is INE221D01C18.
11. The Register of Members and Transfer Books of the company shall remain closed from September 27, 2010 to September 30, 2010 (both days inclusive).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 TO THE ACCOMPANYING NOTICE.**

Dr. Preetinder Singh Joshi was appointed as additional Director on October 5, 2010 by the Board of Directors of the Company. As per provisions of Section 260 of the Companies Act, 1956 and Articles of Association of the Company, holding office upto the date of ensuing Annual General Meeting of the Company. Being eligible, he offered himself for appoint as Director.

Dr. Joshi if appointed shall be liable to retire by rotation in accordance with the provisions of Articles of Association of the Company.

The Board recommends the resolution for your approval.

None of the Directors of the Company are in any way concerned or interested in this resolution.

By Order of the Board of Directors  
For Oscar Investments Limited

Dated : August 25, 2010 Ghanshyam Kaushik  
Place : New Delhi Company Secretary

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**REPORT OF THE DIRECTORS**

Your Directors are pleased to present the Thirty Second Annual Report along with Audited Accounts for the year ended March 31, 2010.

**Financial Highlights**

Particulars	Rs. in Lacs	
	March 31, 2010	March 31, 2009
Gross Income	6868.30	139751.48
Expenditure	248.24	2970.43
Profit Before Tax (PBT)	6620.06	106781.04
Provision for Tax		
- Current	1541.52	11511.50
- Deferred	(0.91)	1.59
Profit After Tax (PAT)	5079.45	95267.95
Profit Brought Forward from last year	100107.56	23893.15
Excess Provision for Tax Written Back	0.70	0.05
Taxes for Earlier Year	(0.69)	0.00
Available for appropriation	105187.03	119161.16
<b>Appropriations</b>		
Statutory Reserve Fund	1015.90	19053.60
Balance Carried to Balance Sheet	104171.13	100107.56

**Dividend**

To conserve the resources of the Company for future investments your Directors have deemed it prudent not to recommend any Dividend for the financial year ended March 31, 2010.

**Operational review**

During the year under review, the Company achieved a Profit before Tax of Rs. 6620.06 Lacs. The Profit after Tax was Rs. 5079.45 Lacs as compared to Rs. 95267.95 Lacs (which included the gain from sale of Investments in Ranbaxy Laboratories Ltd of Rs. 102,000 Lacs) in the previous year. An amount of Rs. 1015.90 Lacs was transferred to Statutory Reserve Fund pursuant to Section 45 (1) C of the Reserve Bank of India Act, 1934. The Company's Net Worth as on March 31, 2010 stood at Rs. 134303.77 Lacs as against Rs. 129224.30 Lacs last year.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**ECONOMY AND INDUSTRY OVERVIEW**

The Indian Economy, which had managed to emerge out of the global turmoil in the year 2008-09 relatively unscathed, witnessed a quick rebound in the year 2009-2010 followed by unprecedented boost of liquidity by Federal Governments across countries.

The growth story of India has always looked robust compared to its peers, given the long term dynamics in its favour. A lower export dependence and high domestic demand saw India emerge relatively unharmed from global turbulence. India, along with China, was the only major economy to have registered a 5% plus growth.

The Indian Financial markets have performed better than others during this year. The recovery in equity markets has been spectacular and the emerging markets have outperformed the developed markets in FY 10 with India, Brazil and Russia among top outperformers.

**OPERATIONAL OVERVIEW OF THE COMPANY**

Your Company has earned a Net Profit before Tax of Rs.68.20 Crores during the year which largely comprises of dividend and interest income earned by the Company.

**OPPORTUNITIES & THREATS**

Your Company is very well poised to exploit new opportunities. The Indian economy is among the fastest growing economies in the world and the demographic dividend continues to provide immense opportunities for growth. There are increased opportunities for consolidation/ acquisitions and restructuring which opens out opportunities for further expansion.

The key threats to the Company's business is attendant market risks in form of fall in return and/or reduction in value of its investments depending upon the market conditions. The Company manages all these risks by maintaining a conservative financial profile and by following prudent business and risk management practices

**FUTURE OUTLOOK**

The Company has sufficient funds which are deployed to earn a safe and attractive return for the company. The Company is on look out for expanding its business by suitably deploying its available funds and exploring opportunities for consolidation and acquisitions etc.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**RISKS & CONCERNS**

The Company is exposed to risks that are specific to its business and the environment within which it operates, like volatility of interest rates, market and credit risks, competitiveness of the financing industry etc. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

**HUMAN RESOURCES**

The Company is deriving maximum output from the existing employees through motivation and in order to conserve costs, no recruitments have been made.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has proper and adequate system of Internal Control commensurate with its size and business. The Company ensures adherence to Internal Control Policies and Procedures as well as all regulatory compliances. The Company has an Audit Committee of the Board of Directors which meets regularly to review, inter-alia, adequacy of Internal Controls and Audit Findings on various aspects of the business.

**CAUTIONARY STATEMENT**

Statement in this "Management Discussion and Analysis" describing the Company's objectives, expectations or predications may be within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied in such forward-looking statement. The Company undertakes no obligation to publicly update or revise any forward looking statements whether as a result of new information, future events or otherwise.

**Fixed Deposits**

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

**Directors**

In terms of Article 100 of the Articles of Association of the Company, Mr. Shivinder Mohan Singh, Mr. Anuj Chowdhry Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The requisite disclosure regarding

the above Directors has been made in the Report on Corporate Governance which forms part of this Report.

Dr. Preetinder Singh Joshi was appointed as additional director of the company effective from October 5, 2010. In accordance with the provisions of the Companies Act, 1956, the Additional Director appointed as above hold office upto the ensuing Annual General Meeting. The Company is in receipt of Notice under Section 257 of the Companies Act, 1956 from the members proposing their candidature as Director of the Company, liable to retire by rotation.

Mr. V. M. Bhutani, Director of the Company, resigned during the year. The Board places on record its appreciation for the valuable contribution rendered by Mr. Bhutani during his tenure as a Director of the Company.

**Subsidiary Companies**

The audited statement of accounts of Shimal Research Laboratories Limited, (SRLL) a wholly owned subsidiary of the Company and Fortis Clinical Research Limited, the subsidiary of SRLL together with the Reports of Directors' and Auditors' for the year ended March 31, 2010 as required under Section 212 of the Companies Act are annexed.

**Consolidated Financial Statements**

As required under Clause 32 of the listing Agreements with the Stock Exchanges, Audited consolidated Financial statements form part of the Annual Report.

**Listing**

The Equity Shares of the Company continue to remain listed on Bombay Stock Exchange Limited (BSE) and Delhi Stock Exchange (DSE). The Company has paid the requisite Annual Listing Fee to BSE and DSE for the financial year 2010-11.

**Directors' Responsibility Statement**

In terms of the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors hereby state and confirm as under:

- (i) that in the preparation of the annual accounts for the year ended on March 31, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;

**OSCAR INVESTMENTS LIMITED  
ANNUAL REPORT 2009-2010**

- (ii) that the Directors had selected appropriate 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 2009-2010 and of the profit of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts of the Company on a going concern basis.

**Particulars of Employees**

None of the employees is in receipt of remuneration for the year, which in aggregate was more than the limit prescribed under Section 217(2A) of the Companies Act, 1956 and rules made thereunder.

**Corporate Governance**

A separate Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed as a part of this Report along with the Auditors' Certificate thereon.

**Auditors and Auditors' Report**

M/s R.V. Shah & Co., Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting and being eligible, offer

themselves for re-appointment. The Company has received a letter from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The Company is not engaged in manufacturing activities and, therefore, the particulars as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies' (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy, Research and Development and Technology Absorption are not applicable.

There were no Foreign Exchange Earnings and Outgo during the year.

**Acknowledgement**

The Board wishes to place on record its sincere appreciation for the continued assistance, support and co-operation extended to the Company by the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the staff of the Company.

On behalf of the Board of Directors

(Japna Malvinder Singh) (Anuj Chowdhry)  
Managing Director Director

Place: New Delhi

Date : August 25, 2010



## REPORT ON CORPORATE GOVERNANCE

### Company's Philosophy on Corporate Governance

Your Company believes that the fundamental objective of Corporate Governance is to maximize shareholders value legally, ethically and on a sustainable basis, while ensuring fairness to every stakeholder of the Company. The Company has a consistent policy of good Corporate Governance upholding highest level of transparency in dissemination to Shareholders, customers, creditors, employees, associates or the state.

The Company is fully compliant with the mandatory requirements of Clause 49 of the Listing Agreements formulated by Securities & Exchange Board of India (SEBI).

### Board of Directors

#### Composition of the Board

The Board of Directors of the Company consists of six (6) Directors, out of which two (2) are Independent Directors.

The composition and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting and also the number of Directorships and Committee membership[s] (Chairmanship[s]) held by them in other Indian Public Companies as on March 31, 2010 are presented in Table 1.

Table 1

Name of the Directors	Category #	Attendance Particulars			No. of other Directorships and Commitment Membership/ Chairmanships		
		Number of Board Meetings		Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mrs. Japna Malvinder Singh (Managing Director)	Executive (Promoter)	14	6	No	Nil	Nil	Nil
Mr. Malvinder Mohan Singh	Non-Executive (Promoter)	14	6	No	12	6	2
Mr. Shivinder Mohan Singh	Non-Executive (Promoter)	14	9	No	11	4	Nil
Mrs. Aditi Shivinder Singh	Non-Executive (Promoter)	14	8	No	Nil	Nil	Nil
Mr. Anuj Chowdhry	Non-Executive (Independent)	14	12	No	2	2	1
Mr. V.M. Bhutani <sup>1</sup>	Non-Executive (Independent)	14	2	No	Nil	Nil	Nil
Dr. Preetinder Singh <sup>2</sup>	Non-Executive (Independent)	14	2	No	11	5	1

<sup>1</sup> Ceased to be a Director from October 5, 2009

<sup>2</sup> Appointed as additional Director w.e.f October 5, 2009

#### Notes :

- Private Limited Companies, foreign companies under section 25 of the Companies Act, 1956 are excluded for the purpose.
- Only Audit Committee and Shareholder's/Investor's Grievance Committee are considered for the purpose of committee positions as per listing agreement.
- As mandated by Clause 49, none of the Directors are members of more than ten Board level Committees nor are they Chairman of more than five Committees in which they are members.

#### Board Meetings

During the financial year ended on March 31, 2010, the Board of Directors of the Company met Fourteen (14) times on April 3, 2009, April 22, 2009, April 30, 2009, July 31, 2009, August 18, 2009,

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

September 1, 2009, September 4, 2009, September 10, 2009, October 5, 2009, October 30, 2009, December 14, 2009, January 15, 2010, January 29, 2010, and March 3, 2010.

**Committees of the Board**

The Company has Six Board-level Committees i. e. Audit Committee, Shareholders' /Investors' Grievance and Share Transfer Committee and Remuneration Committee, Nomination Committee, Risk Management Committee and Asset Liability Management Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members is taken by the Board of Directors.

Details of the role and composition of these committees, including number of meetings held during the financial year and attendance thereat are provided below:

**a) Audit Committee**

Terms of Reference of the Audit Committee are as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement with the Stock Exchanges, inter alia, includes a review of financial reporting process, draft financial statements and Auditors' Report (before submission to the Board), accounting policies and practices, internal controls and internal audit systems, risk management policies and practices, related party transactions, internal audit reports and adequacy of internal audit function.

The role of the Audit Committee includes recommending the appointment and removal of external auditor, discussion of audit plan, fixation of audit fee and also approval for payment of any other services.

The Audit Committee was reconstituted on October 5, 2009 and presently comprises of Dr. Preetinder Singh Joshi, Non-Executive independent Director as the Chairman, Mr. Anuj Chowdhry, Non-Executive Independent Director and Mr. Malvinder Mohan Singh, Promoter Non-Executive Director as Members. The Secretary of the Company acts as a Secretary to the Committee.

During the financial year under review the Audit Committee met five (5) times viz on April 22, 2009, July 24, 2009, August 10, 2009, October 24, 2009 and January 22, 2010. The composition of the Committee and attendance of each member of the Committee are given in Table 2.

**Table 2**

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr. Preetinder Singh Joshi <sup>2</sup>	Non-Executive Independent Director	Chairman	5	2
Mr. V.M. Bhutani <sup>1</sup>	Non-Executive Independent Director	Chairman	5	3
Mr. Malvinder Mohan Singh	Promoter Non-Executive Director	Member	5	2
Mr. Anuj Chowdhry	Non-Executive Independent Director	Member	5	5

<sup>1</sup> Chairman till October 5, 2009

<sup>2</sup> Appointed as Chairman on October 5, 2009

**b) Shareholders'/Investors' Grievance and Share Transfer Committee**

The Shareholders'/Investors' Grievance Committee has been constituted to specifically look into the redressal of complaints of shareholders and investors and other issues concerning shareholders. The Committee approves transfer(s) and transmission(s) of shares and requests for split, subdivision, consolidation, issue of duplicate certificates, dematerialisation/ rematerialisation etc. of shares.

The Committee was reconstituted on October 5, 2009 and presently comprises of Dr. Preetinder Singh Joshi, Non-Executive Independent Director as Chairman, Mr. Anuj Chowdhry, Non-Executive Independent Director and Mr. Malvinder Mohan Singh, Promoter Non-Executive Director as Members. The Secretary of the Company acts as a Secretary to the Committee.

The Committee met 3 times in the year under review viz August 28, 2009, November 10, 2009, and January 6, 2010.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

The composition of the Committee and attendance of each member of the Committee are given in Table 3.

**Table 3**

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr. Preetinder Singh Joshi <sup>2</sup>	Non-Executive Independent Director	Chairman	3	2
Mr. V.M. Bhutani <sup>1</sup>	Non-Executive Independent Director	Chairman	3	1
Mr. Malvinder Mohan Singh	Promoter Non-Executive Director	Member	3	1
Mr. Anuj Chowdhry	Non-Executive Independent Director	Member	3	3

<sup>1</sup> Chairman till October 5, 2009

<sup>2</sup> Appointed as Chairman on October 5, 2009

The Company has not received any complaint during the year ended March 31, 2010. There was no share transfer request pending with the company as March 31, 2010.

**COMPLIANCE OFFICER**

The Company Secretary is the Compliance Officer of the Company.

**Remuneration of Directors/Remuneration Committee**

**(i) Remuneration Committee**

The Company is not mandatorily required to constitute a remuneration committee. Accordingly, no such committee has been constituted.

**(ii) Remuneration to Non-Executive Directors**

Presently, the Non-Executive Directors do not receive any remuneration from the Company and are not paid any sitting fees for attending the meeting of the Board and committee(s) thereof.

**(iii) Remuneration to Executive Director**

The details of remuneration paid to executive Director during the financial year 2009-10 are given below in Table 4.

**Table 4**

Name of the Executive Director	All elements of remuneration package i.e. salary, allowances, and perquisites (Rs. in Lacs)	Fixed component and performance linked incentives along with performance criteria (Rs. in Lacs)	Notice Period
Mrs. Japna Malvinder Singh	1.92	--	Three Months

**Shareholding of Non-Executive Directors**

The details of Equity Shares held by Non-Executive Directors in the Company as on March 31, 2010 are given below in Table 5.

**Table 5 : Details of Equity Shares held by Non-Executive Directors**

S. No.	Name of the Director	Number of Equity Shares held
1	Mr. Malvinder Mohan Singh	129000
2	Mr. Shivinder Mohan Singh	129000
3	Mrs. Aditi Shivinder Singh	Nil
4	Mr. Anuj Chowdhry	Nil
5	Dr. Preetinder Singh Joshi	Nil

During the year 2009-10, the Company did not issue any stock options.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**Subsidiary Companies**

The audited statement of accounts of Shimal Research Laboratories Limited, subsidiary of the Company and of Fortis Clinical Research Limited, a wholly owned subsidiary of Shimal Research Laboratories Limited together with the Reports of Directors' and Auditors' for the year ended March 31, 2010 as required under Section 212 of the Companies Act are annexed.

**General Body Meetings**

Table 6 gives the details of the last 3 General Meetings.

**Table 6 : Details of the last 3 General Meetings**

Financial Year	Category	Time	Day and Date	Location of the meeting	Special Resolution(s) passed
2006-07	29th AGM	11:00 am	Friday, 28/09/2007	55 Hanuman Road, Connaught Place, New Delhi - 110 001	No
2007-08	30th AGM	11:00 am	Friday, 30/09/2008	55 Hanuman Road, Connaught Place, New Delhi - 110 001	No
2008-09	31st AGM	11:00 am	Wednesday, 30/09/2009	55 Hanuman Road, Connaught Place, New Delhi - 110 001	No

No special Resolution was passed by the Company in the last three Annual General Meetings:

No special resolution was put through postal ballot during the financial year 2009-10.

**Disclosures**

**a) Related Party Transactions**

Details of related party transactions are disclosed in Note No. 9 to the Notes to the Accounts forming part of the Audited Accounts. All materially significant related party transactions are periodically placed before the Audit Committee.

The Company has not entered into any transaction of material nature with any of the related party which may have any potential conflict with the interests of the Company.

**b) Code of Conduct**

The Board of Directors has adopted the Code of Conduct for Members of the Board and for Senior Management personal. The Code lays down, in detail, the standards of business conduct, ethics and governance.

The Code has been circulated to all the Members of the Board and Senior Management personal. Compliance has been affirmed by all of them. A declaration signed by the Managing Director to this effect is given at the end of this Report.

**c) Disclosure of Accounting Treatment in preparation of Financial Statements**

The Company has followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in the preparation of its financial statements.

**d) Disclosure of Risk Management**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which are periodically reviewed.

**e) Certification**

Certificate issued by the Managing Director with regard to the Financial Statements and other matters as required in Clause 49 of the Listing Agreement is enclosed.

**f) Means of Communication with Shareholders**

The financial results of the Company are communicated to BSE and DSE where the Company's Equity Shares are listed, after approval they are approved by the Board of Directors of the Company. The results are also published in one English Daily and in one Regional Newspaper.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

g) Table 7 gives details of the publications of the financial results in the year under review.

**Table 7: Publications of the financial results during 2009-10**

Description	Date
Unaudited Financial Results for the quarter ended on June 30, 2009	01-08-2009
Unaudited Financial Results for the quarter/half year ended on September 30, 2009	31-10-2009
Unaudited Financial Results for the quarter/Nine months ended on December 31, 2009	31-01-2010
Unaudited financial results for the quarter and the year ended on March 31, 2010	01-05-2010

**General Shareholders' Information**

**a) Annual General Meeting**

Date : September 30, 2010  
Time : 11:00 A.M.

Venue : 55 Hanuman Road, Connaught Place, New Delhi - 110001

**b) Financial Calendar**

Financial year : April 1 to March 31

For the year ended March 31, 2010, results were announced on:

- First quarter : July 31, 2009
- Half-yearly : October 30, 2009
- Third quarter : January 28, 2010
- Fourth quarter : April 30, 2010

For the year ending March 31, 2011, results will be announced by

- First quarter : July 30, 2010
- Half yearly : End October, 2010
- Third quarter : End January, 2011
- Fourth quarter : End April, 2011
- Annual : End July/August, 2011

**c) Stock Market price for the year**

The market price of the equity shares of OIL during the period under review on the BSE was highest on August 26, 2009 at Rs. 517.10 per share and was the lowest on November 3, 2009 at Rs. 305.10 per share. The Equity Shares of the Company were not traded on Delhi Stock Exchange.

**d) Listing on Stock Exchange**

The Equity Shares of the Company are listed on Bombay Stock Exchange-(BSE) and Delhi Stock Exchange (DSE). The Company confirms that it has paid annual listing fees due to both the above Stock Exchanges for the year 2010-11.

**e) Stock Code**

Stock code of the Company is 501179 (BSE)

**f) Book Closure**

The date of book closure is from September 27, 2010 to September 30, 2010 inclusive of both days.

**g) Dividend Payment**

During the financial year 2009-10, the Directors have not recommended any Dividend.

**Share Transfer System**

All Share Transfers are completed within statutory time limit from the date of receipt, provided documents meet the stipulated requirement of statutory provisions in all respects. All Share Transfer and other communications regarding Share-Certificates, change of-address, dividends, etc. should be addressed to Registrar and Transfer Agents.

**h) Distribution of Shareholding**

Table 8 and 9 lists the distribution of the Shareholding of the Equity Shares of the Company by size and by ownership class as on March 31, 2009.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**Table 8 : Shareholding Pattern by size**

Categories	No. of Shareholders	%Age	No. of Shares held	%Age
0001-5000	2759	99.03	398592	2.31
5001-10000	2	0.07	11200	0.06
10001-20000	4	0.14	53944	0.31
20001-30000	1	0.04	30000	0.17
30001-40000	1	0.04	35488	0.21
40001-50000	0	0.00	0	0
50001-100000	3	0.11	228781	1.32
100001 and above	16	0.57	16522635	95.61
<b>Total</b>	<b>2786</b>	<b>100.00</b>	<b>17280620</b>	<b>100.00</b>

**i) Shareholding Pattern**

**Table 9 : Shareholding Pattern as at March 31, 2010**

Category	No. of Shares Held	Percentage of Present Capital (%)
<b>A. Promoter s' Holding</b>		
Indian Promoters	11941917	69.11
Foreign Promoters	Nil	Nil
<b>Sub-Total</b>	<b>11941917</b>	<b>69.11</b>
<b>B. Non-Promoters' Holding</b>		
<b>1. Institutional Investors</b>		
a. Mutual Funds and UTI	Nil	Nil
b. Banking, Financial Institution/Insurance Companies (Central/State Government Institutions/Non-Govt. Institutions)	Nil	Nil
c. FIs	Nil	Nil
<b>Sub-Total</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Others</b>		
a. Private Corporate Bodies	4113274	23.80
b. Indian Public	1225429	7.09
c. NRIs/OCBs	Nil	Nil
d. Any other	Nil	Nil
<b>Sub-Total</b>	<b>5338703</b>	<b>30.89</b>
<b>Grand Total</b>	<b>17280620</b>	<b>100</b>

**j) Dematerialisation of Shares**

The Equity Shares of the Company are in compulsory demat mode. As on March 31, 2010, 1,05,11,074 Shares constituting over 60.83% of Equity Share Capital of the Company were held in dematerialised form.

International Securities Identification Number (ISIN) - INE 221D01018 (with NSDL and CDSL).

**k) Profile of Directors seeking Re-appointment/Appointment**

**Appointment of Director**

Dr. Preetinder Singh Joshi was appointed as additional director of the company effective from October 5, 2009. In accordance with the provisions of the Companies Act, 1956, the Additional Director appointed as above hold office upto the ensuing Annual General Meeting. The Company is in receipt of Notice under Section 257 of the Companies Act, 1956 from the members proposing their candidature as Director of the Company, liable to retire by rotation.

**Brief profile of Dr. Preetinder Singh Joshi**

Dr. Preetinder Singh Joshi holds an M.B.B.S. degree from Medical College, Amritsar and M.D. degree in Cardiology & General Medicine from Maulana Azad Medical College, Delhi. He is a member of Royal College of Physicians, UK. He has over 33 years of experience in medical

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

profession in India and abroad. Dr. Joshi is an eminent Cardiologist and is presently working as Director of Maharaj Sawan Singh Charitable Hospital, Beas (Punjab).

**Dr. P. S. Joshi is a Director of Board of other Companies as under:**

- Fortis Healthcare Limited
- Religare Technova Limited
- Religare Technova Global Solutions Limited
- Escorts Hospital and Research Centre Limited
- Escorts Heart and Super Speciality Hospital Limited
- Escorts Heart Centre Limited
- Fortis Hospotel Limited
- Hiranandani Healthcare Private Limited
- International Hospital Limited
- Escorts Heart Institute and Research Centre Limited
- Escorts Heart and Super Speciality Institute Limited
- Shimal Research Laboratories Limited
- A-1Book Company Private Limited

**Re-appointment of Directors**

In terms of the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Shivinder Mohan Singh and Mr. Anuj Chowdhry will retire at the forthcoming Annual General Meeting of the Company, and being eligible, offer themselves for re-appointment. Brief particulars of Mr. Shivinder Mohan Singh, Mr. Anuj Chowdhry are given below:

**Mr. Shivinder Mohan Singh**

**Profile**

Mr. Shivinder Mohan Singh is the Director of the Company. He graduated with a B.A. (Honors) degree in mathematics from St. Stephen's College, Delhi and holds an MBA degree with a specialization in health sector management from the Fuqua School of Business, Duke University, U.S.A. Mr. Singh has led the Company in setting up and running Fortis Hospital - Mohali, with a super-specialty focus on cardiac sciences and the Fortis Hospital - Noida. He was the chief operating officer of the Fortis Hospital - Mohali for two years. Mr. Singh has also held the position of Director - Projects of the Company and has been responsible for the completion of the construction of the Fortis Hospital - Noida. He has also led the acquisition of Escorts Heart Institute And Research Centre Limited (EHIRCL) and is currently the managing director of EHIRCL. He is a fellow of Aspens India Leadership Initiative and is on the board of visitors of Fuqua School of Business, Duke University. Mr. Singh is one of the trustees of a non-government organization called 'Joining Hands' and is also the Chairperson of the Health Service Committee of the FICCI and an Executive Committee member of the FICCI. He is a board member of the Indo British Partnership (IBP) Network, the Chairman of the Delhi State Council of the CII and a board member of the NABH. Mr. Singh also holds the chair of healthcare of UK Trade & Investment and is on the National Board of Advisors of the Association Internationale des Étudiants en Sciences Économiques et Commerciales. In the year 2006, he was awarded the LMA Trident - Young Entrepreneur Award.

Mr. Shivinder Mohan Singh is a Director and Member of Committees of Board of other Indian public Limited Companies as under:

<u>Name of the Company</u>	<u>Nature of Interest</u>
Escorts Heart Institute And Research Centre Limited	CEO & Managing Director
Fortis Healthcare Limited	Managing Director
Fortis Healthcare Holdings Limited	Director
Religare Enterprises Limited	Director
Religare Voyages Limited	Director
Super Religare Laboratories Limited	Director
Fortis Clinical Research Limited	Director
Religare Health Insurance Company Limited	Director
AEGON Religare Life Insurance Company Limited	Director
Religare Technova Limited	Director
Fortis Hospitals Limited	Director

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**Membership of the Committees of the Board**

<u>Name of the Companies</u>	<u>Name of Committee(s)</u>
Super Religare Laboratories Limited	Audit Committee - Member
Religare Enterprises Ltd	Issue Committee - Member
Fortis Healthcare Limited	Management Committee - Member Shareholders'/Investors' Grievance Committee - Member Finance Committee - Member Committee under Clause 41 of the Listing Agreement - Member Issue Committee - Member
Religare Health Insurance Company Limited	Audit Committee - Member
Fortis Hospitals Limited	Audit Committee - Member Management Committee - Member

**Mr. Anuj Chowdhry**

**Profile**

Mr. Anuj Chowdhry is a Fellow member of the Institute of Chartered Accountants of India and having more than 21 years of rich and varied experience in corporate finance, equity and debt placements and business restructuring.

His experience includes advising Large Indian Business Conglomerates on business and financial consulting and strategy. He has a successful track record of arranging equity and debt finance of over \$ 400 million for fast growing mid-market companies and of structuring joint venture relationships for Western Multinationals entering India.

He is very well networked within the Indian Corporate Sector, Banks and Financing Institutions such as Yes Bank, Rabo Bank, FCI, IDBI, Canara Bank, State Bank of India to name a few to facilitate business collaborations and funding. He is specialized in distressed asset debt restructuring and works actively with specialized, distressed assets funds.

Mr. Chowdhry is a Director and Member of Committees of Board of other Indian public Limited Companies as under:

- Religare Arts Investment Management Limited
- Maharishi Housing Development Finance Corporation Ltd
- Religare Technova Global Solutions Limited
- Religare Aviation Limited

Committee Memberships - Nil

**Outstanding GDRs/ADRs/Warrants/Options**

There are no outstanding ADRs or GDRs or Warrants or Convertible instruments.

**Details of public funding obtained in the last three years**

The Company has not obtained any public funding in the last three years.

**Information supplied to the Board**

The Board has complete access to all information of the Company. The information being provided to the Board include quarterly results of the Company, minutes of the meetings of the Committees of the Board, non-compliance of any regulatory, statutory or listing requirements etc.



**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**Registrar & Transfer Agents**

The details of Registrar & Share Transfer Agents of the Company are as follows:

**Link Intime India Pvt. Limited**

A-40, 2nd Floor, Naraina Industrial Area Phase II  
Near Batra Banquet Hall,  
New Delhi - 110028  
Phone: 011-41410592/93/94  
Fax: 011-41410591  
Email : delhi@intimespectrum.com

**Address for Correspondence**

For any assistance regarding rematerializing of shares, share transfers, transmissions, change of address, non -receipt of annual report or any other query relating to shares, please write to:

**1. The Compliance Officer/Company Secretary**

Oscar Investments Limited  
55 Hanuman Road,  
Connaught Place,  
New Delhi - 110 001  
Phone : 011-23346875  
Fax : 011-23346876  
Email : oscar\_inv@airtelbroadband.in

**2. Link Intime India Pvt. Limited**

A-40, 2nd Floor, Naraina Industrial Area Phase II,  
Near Batra Banquet Hall,  
New Delhi - 110028  
Phone: 011-41410592/93/94  
Fax: 011-41410591  
Email : delhi@intimespectrum.com

**DECLARATION BY MANAGING DIRECTOR**

I hereby confirm that the Company has obtained an affirmation from all the Members of the Board and Senior Management that they have complied with the Code of Conduct in financial year 2009-10.

**Japna Malvinder Singh**  
Managing Director

**Certificate of Compliance from Auditors' as stipulated under Clause 49  
of the Listing Agreement of the Stock Exchange in India**

To the Members of Oscar Investments Limited

We have examined the compliance of conditions of corporate governance by Oscar Investments Limited for the year ended March 31, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of 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 the corporate governance. It is neither an audit nor 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, we certify that the Company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement.

We state that generally no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Company.

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

**For R. V. Shah & Co.**  
Chartered Accountant

Place : Mumbai  
Dated : 26th August, 2010

**(R. V. Shah)**  
Proprietor

**OSCAR INVESTMENTS LIMITED  
ANNUAL REPORT 2009-2010**

**AUDITORS' REPORT**

To  
The Shareholders:

We have audited the attached Balance Sheet of M/s. OSCAR INVESTMENTS LIMITED as at 31st March 2010 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. 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.

1. We conducted our audit in accordance with the 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 from any material misstatement. 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 (the Act) we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - iii. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
  - iv. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section 3(C) of Section 211 of the Act.
  - v. Based on representations made by all the Directors of the Company to the Board and the information and explanations as made available to us by the Company, none of the Directors of the Company prima-facie have any disqualifications as referred to in clause (g) of sub-section (1) of Section 274 of the Act
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2010,
    - b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date,  
and
    - c) in the case of Cash Flow Statement of the cash flows for the year ended on that date.

For R.V.SHAH & CO.  
Chartered Accountants  
ICAI Registration No. 109765W

(R.V.SHAH)  
Proprietor  
Membership No.: 016097

Place : Mumbai  
Dated : 26th August, 2010

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR AUDITOR'S REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2010 OF OSCAR INVESTMENTS LIMITED.**

On the basis of such checks as we considered appropriate and in terms of the information and Explanation given to us, we state that:

- i. a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets of the Company have been physically verified during the year by the management and no material discrepancies between the book records and the physical inventory have been noticed.
- c) No substantial part of fixed assets of the Company have been disposed off during the year.
- ii. a) The Company is trading in Shares and Securities by purchasing/selling shares and securities, the balance of which is closing stock. The Stock has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory. No discrepancies were noticed on verification between physical stock and the book records.
- iii. (A) In respect of loans, secured or unsecured, granted by the Company to parties covered in the register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
  - (a) The Company has granted loan to one party during the year. At the year end, the outstanding balance of such loans granted aggregated to Rs. Nil and the maximum amount involved during the year was Rs. 94.03 Crores.
  - (b) The rate of interest, where stipulated, and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interests of the Company.
  - (c) The receipt of principal amounts and interest during the year have been regular as per stipulations.
  - (d) There were no overdue amounts at the year end.
- (B) In respect of loans, secured or unsecured, taken by the Company from parties covered in the register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us :
  - (a) The Company had taken loans from one party during the year. At the year end, the outstanding balance of such loans taken was Rs. 60 Crore and the maximum amount involved during the year was Rs. 158.47 Crore.
  - (b) The rate of interest and other terms and conditions of such loans are in our opinion, prima facie not prejudicial to the interests of the Company.
  - (c) The payment of principal amount and interest during the year have been regular as per stipulations.
- iv. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventories and fixed assets and for the sale of goods and services.
- v. a) In our opinion, the transactions that need to be entered in the register maintained under Section 301 of the Act have been so entered.
- b) There are no transactions of purchase and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act aggregating during the year to Rs.5,00,000/- or more in respect of each party.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

- vi. The Company has not accepted any deposits from the public.
- vii. In our opinion, the Company's present internal audit system is commensurate with its size and nature of its business.
- viii. a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities applicable to it.  
b) At the end of the financial year there were no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- ix. The Company did not have any accumulated losses at the end of the financial year, nor had it incurred any cash loss during the financial year or in the immediately preceding financial year.
- x. According to the records produced, the Company has not defaulted in repayment of its dues to any financial institution or bank or debenture holders during the year.
- xi. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xii. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts as to dealings or trading in shares, securities, debentures and other investments and have been held by the Company in its own name, except to the extent of the exemption, if any, granted under Section 49 of the Act.
- xiii. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee in connection with loans taken by others from banks or financial institutions during the year.
- xiv. The Company has not obtained any term loans during the year.
- xv. According to the information and explanations given to us, and on the basis of review of utilization of funds on an overall basis, the funds raised on short term basis have, prima facie, not been used for long term investment during the year.
- xvi. The company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Act.
- xvii. The Company has created charge as per Debenture Security Agreement in respect of debentures issued.
- xviii. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the Company nor have we been informed by the management of any such instance being noticed or reported during the year.
- xix. Clauses (viii), (xiii) and (xx) of the aforesaid Order are not applicable to the Company.

For R.V.SHAH & CO.  
Chartered Accountants  
ICAI Registration No. 109765W

(R.V.SHAH)  
Proprietor  
Membership No.: 016097

Place : Mumbai  
Dated : 26th August, 2010

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**BALANCE SHEET AS AT 31ST MARCH, 2010**

	SCHEDULE	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	A	172,806,200	172,806,200
Reserves and Surplus	B	13,257,571,761	12,749,624,315
		<u>13,430,377,961</u>	<u>12,922,430,515</u>
<b>LOAN FUNDS</b>			
Secured Loans	C	4,000,000,000	—
Unsecured Loans	D	600,000,000	600,000,000
		<u>18,030,377,961</u>	<u>13,522,430,515</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	E	17,496,913	12,926,511
Less: Depreciation		8,964,944	7,021,196
Net Block		<u>8,531,969</u>	<u>5,905,315</u>
<b>INVESTMENTS</b>			
	F	9,947,483,876	6,454,145,314
<b>DEFERRED TAX ASSETS/(LIABILITY) (Net)</b> (Note 5 of Schedule N)			
		803,226	711,900
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Stock in Trade - Shares & Securities		12,412	12,215
Sundry Debtors	G	520,834	711,110
Cash and Bank Balances	H	2,355,410,596	2,048,095,984
Loans and Advances	I	7,256,470,466	6,367,591,978
		<u>9,612,414,308</u>	<u>8,416,411,287</u>
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
Liabilities	J	231,952,329	198,733,368
Provisions	K	1,306,903,089	1,156,009,933
		<u>1,538,855,418</u>	<u>1,354,743,301</u>
<b>NET CURRENT ASSETS</b>			
		<u>8,073,558,890</u>	<u>7,061,667,986</u>
		<u>18,030,377,961</u>	<u>13,522,430,515</u>
<b>NOTES TO THE ACCOUNTS</b>			
As per our attached report of even date For R. V. SHAH & CO. Chartered Accountants ICAI Registration No. 109765W		For and on behalf of the Board of Directors	
(R.V. SHAH) Proprietor Membership No. 016097	Managing Director	Director	
		Company Secretary	
Place : Mumbai Date : 26th August, 2010		Place : New Delhi Date : 25th August, 2010	

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

SCHEDULE	YEAR ENDED 31.03.2010 Rs.	YEAR ENDED 31.03.2009 Rs.
<b>INCOME</b>		
Dividend	137,195,511	330,735,173
Profit on Sale of Investments (Net)	2,679,573	10,199,174,291
Commission & Brokerage	-	836,311
Income/(Loss) from Capital Market Operation	L 11,574,565	(115)
Interest/Income from Trading in Units of Mutual Funds	M 385,813,671	-
Premium Received on Redemption of Preference Shares/NCD (TDS Rs. 10,72,603/- Previous Year Rs. Nil)	102,046,130	12,052,500
Difference in Exchange	47,566,372	(114,823,009)
Interest (TDS Previous Year Rs. 7,79,84,465/-)	-	355,417,288
Share of Profit/(Loss) in Partnership Firms (Net)	(45,328)	315,087,496
Surplus from Trading in Units of Mutual Funds	-	(123,331,588)
<b>TOTAL</b>	<b>686,830,494</b>	<b>10,975,148,347</b>
<b>EXPENDITURE</b>		
<b>PERSONNEL :</b>		
Salaries and Allowances	2,697,099	1,406,821
Staff Welfare Expenses	49,022	54,347
<b>ADMINISTRATION :</b>		
Repairs & Maintenance	1,858,564	24,500
Electricity & Water	219,335	212,592
Legal and Professional	1,548,042	2,605,641
Service Charges (Net)	6,766,411	4,442,173
Travelling and Conveyance	4,778,391	911,495
Business Promotion	1,909,111	-
Printing and Stationery	149,473	184,108
Custodial & Depository charges	82,409	68,138
Postage and Telephones	1,410,853	358,400
Administrative & Service charges	-	15,600
Advertisement	50,835	35,789
Donation	-	80,000,000
Miscellaneous Expenses	1,167,541	183,871
<b>Auditors' Remuneration :</b>		
- Audit Fees	45,000	35,000
- Tax Audit	15,000	10,000
- Taxation	4,500	4,500
- Certification Work	10,750	7,100
- Others	30,363	26,648
<b>FINANCE :</b>		
<b>Interest :</b>		
- Others	-	184,405,196
Brokerage	70,000	-
Loan Prepayment Charges	-	10,000,000
Securities Transaction Tax	2,570	677
Syndication Fee	-	10,080,000
Bank Charges	5,689	4,284
Amount Written off (Net)	189,488	21,182
Depreciation	1,943,748	1,965,486
<b>TOTAL</b>	<b>24,824,194</b>	<b>297,043,548</b>

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

SCHEDULE	YEAR ENDED 31.03.2010 Rs.	YEAR ENDED 31.03.2009 Rs.
<b>PROFIT BEFORE TAX</b>	662,006,300	10,678,104,799
Provision for Tax		
-- Current	154,152,000	1,151,150,000
-- Deferred	(91,326)	159,020
<b>PROFIT AFTER TAX</b>	<u>507,945,626</u>	<u>9,526,795,779</u>
Profit brought forward - Earlier years	10,010,756,436	2,389,315,011
Excess Provision for Tax Written Back	70,939	5,646
Taxes for Earlier year	<u>(69,119)</u>	<u>-</u>
<b>AVAILABLE FOR APPROPRIATION</b>	<u>10,518,703,882</u>	<u>11,916,116,436</u>
<b>APPROPRIATIONS</b>		
Statutory Reserve (Note 4 of Schedule N)	101,590,000	1,905,360,000
Balance Carried to Balance Sheet	<u>10,417,113,882</u>	<u>10,010,756,436</u>
	<u>10,518,703,882</u>	<u>11,916,116,436</u>
Basic and Diluted earnings per share of Rs.10/- each (Note 6 of Schedule N)	29.39	551.30
<b>NOTES TO THE ACCOUNTS</b>	<b>N</b>	
As per our attached report of even date For <b>R. V. SHAH &amp; CO.</b> Chartered Accountants ICAI Registration No. 109765W	For and on behalf of the Board of Directors	
<b>(R.V. SHAH)</b> Proprietor Membership No. 016097	Managing Director	Director
	Company Secretary	
Place : Mumbai Date : 26th August, 2010	Place : New Delhi Date : 25th August, 2010	

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010**

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE 'A'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
349,50,000 Equity Shares of Rs. 10/- each	349,500,000	349,500,000
25,000 12% Non-Cumulative Redeemable Preference Shares of Rs.10/- each	250,000	250,000
2,500 12% Non-Cumulative Redeemable Preference Shares of Rs.100/- each	250,000	250,000
	<u>350,000,000</u>	<u>350,000,000</u>
<b>Issued and Subscribed</b>		
1,72,80,620 Equity Shares of Rs.10/- each Fully Paid Up	172,806,200	172,806,200
	<u>172,806,200</u>	<u>172,806,200</u>

**SCHEDULE 'B'**

<b>RESERVES AND SURPLUS</b>	As At 31.03.2009 Rs.	Deductions Rs.	Additions Rs.	As At 31.03.2010 Rs.	As At 31.03.2009 Rs.
Capital Reserve	104,000	--	--	104,000	104,000
Capital Redemption Reserve	980,900	--	--	980,900	980,900
Amalgamation Reserve	63,073,589	--	--	63,073,589	63,073,589
Share Premium	127,115,760	--	--	127,115,760	127,115,760
Statutory Reserve	2,460,537,000	--	101,590,000	2,562,127,000	2,460,537,000
General Reserve	61,256,630	--	--	61,256,630	61,256,630
Special Reserve	25,800,000	--	--	25,800,000	25,800,000
Surplus in Profit and Loss A/c	10,010,756,436	10,010,756,436	10,417,113,882	10,417,113,882	10,010,756,436
	<u>12,749,624,315</u>	<u>10,010,756,436</u>	<u>10,518,703,882</u>	<u>13,257,571,761</u>	<u>12,749,624,315</u>

**SCHEDULE 'C'**

**SECURED LOANS - Short Term**

Floating Rate Secured Redeemable Non-Convertible Debentures (Note 3 Schedule N) (Secured by First charge on pari passu basis by way of English Mortgage on the Immovable Property of the Company)	4,000,000,000	--
	<u>4,000,000,000</u>	<u>--</u>

**SCHEDULE 'D'**

**UNSECURED LOANS**

-- Intercompany Deposits	600,000,000	600,000,000
	<u>600,000,000</u>	<u>600,000,000</u>



**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**SCHEDULE 'E'**  
**FIXED ASSETS**

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost As At 31.03.2009	Additions/ (Deductions)	Cost As At 31.03.2010	Up To 31.03.2009	Additions/ (Deductions)	Up To 31.03.2010	As At 31.03.2010	As At 31.03.2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	214,689	--	214,689	--	--	--	214,689	214,689
Computer	431,890	428,064	859,954	381,366	142,372	523,738	338,216	50,524
Office Equipments	83,287	496,423	579,710	63,317	25,750	99,067	480,643	19,970
Vehicles	11,286,498	1,027,676	12,314,174	5,874,678	1,518,450	7,393,128	4,821,046	5,411,820
Furniture and Fixtures	884,147	2,618,239	3,502,386	683,798	246,069	929,867	2,572,519	200,349
Airconditioner	26,000	--	26,000	18,037	1,107	19,144	6,856	7,963
<b>TOTAL</b>	<b>12,926,511</b>	<b>4,570,402</b>	<b>17,496,913</b>	<b>7,021,196</b>	<b>1,943,748</b>	<b>8,964,944</b>	<b>8,531,969</b>	<b>5,905,315</b>
<b>PREVIOUS YEAR</b>	<b>12,896,871</b>	<b>29,840</b>	<b>12,926,711</b>	<b>5,055,710</b>	<b>1,965,486</b>	<b>7,021,166</b>	<b>5,905,315</b>	

**SCHEDULE 'F'**  
**INVESTMENTS**

Particulars	Nos./ Units	Face Value (Per Share/ Deb. etc.)	At Book Value/ Cost	Nos./ Units	Face Value (Per Share/ Deb. etc.)	At Book Value/ Cost
		Rs.	Rs.		Rs.	Rs.
<b>(i) Investments (Other than Trade) At Cost</b>						
<b>A. Quoted Shares and Debentures</b>						
<b>1. Equity Shares</b>						
Curewel India Ltd.	100	10	1,771	100	10	1,771
Religare Technova Ltd.	474,900	10	3,403,450	474,900	10	3,403,450
Perfect Pac Ltd.	20	10	495	20	10	495
Fortis Malar Hospitals Ltd.**	2,451,333	10	72,831,437	2,523,750	10	75,144,727
<b>2. Debentures</b>						
Mangalore Refinery and Petrochemicals Ltd.	50	19	950	50	19	950
-16% Partly Convertible						
<b>B. Unquoted Shares</b>						
<b>1. Equity Shares</b>						
Zim Portfolio Private Ltd.	185,000	10	1,850,000	185,000	10	1,850,000
Noble Financial Services Pvt. Ltd.	135,000	10	1,350,000	135,000	10	1,350,000
Super Religare Laboratories Ltd. **	6,674,659	10	73,421,249	6,674,659	10	73,421,249
<b>2. Preference Shares</b>						
Fortis Healthcare Ltd.**				4,800,000	9	432,000,000
- 0% Redeemable Preference Shares						
Zim Portfolio Private Ltd.	90,000	10	900,000	90,000	10	900,000
- 11% Non Cumulative Redeemable						
Noble Financial Services Pvt. Ltd.	65,000	10	650,000	65,000	10	650,000
- 10% Non Cumulative Redeemable						
Fortis Healthcare Holdings Ltd.**	14,050,000	10	1,922,500,000	12,250,000	10	122,500,000
- 10% Non Cumulative Redeemable						
Malav Holdings Pvt.Ltd.**	3,650,000	10	36,500,000	3,650,000	10	36,500,000
- 10% Non Cumulative Redeemable						
Shivi Holdings Pvt.Ltd.**	2,950,000	10	29,500,000	2,950,000	10	29,500,000
- 12% Non Cumulative Redeemable						
Best Healthcare Pvt.Ltd.	13,500	100	14,850,000	13,500	100	14,850,000
- 10% Non Cumulative Redeemable						
Greenline Buildwell Pvt.Ltd.	122,000	100	134,200,000	122,000	100	134,200,000
- 10% Non Cumulative Redeemable						
Best Medicines Pvt.Ltd.	35,000	100	38,500,000	35,000	100	38,500,000
- 10% Non Cumulative Redeemable						
Best Cure Pvt. Ltd.	42,500	100	46,750,000	42,500	100	46,750,000
- 10% Non Cumulative Redeemable						

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

Particulars	Nos/ Units	Face Value (Per Share/ Deb. etc.) Rs.	At Book Value/Cost Rs.	Nos/ Units	Face Value (Per Share/ Deb. etc.) Rs.	At Book Value/Cost Rs.
<b>3. Optionally Convertible Debentures</b>						
- 5% Green Grass Estates Pvt. Ltd.	1,500,000	1,000	1,500,000,000	-	-	-
- 5% Vitoba Cosmetics Pvt. Ltd.	1,500,000	1,000	1,500,000,000	-	-	-
<b>4. Subsidiary (Equity Shares)</b>						
Shimal Research Laboratories Ltd.	25,335,000	10	253,350,000	25,335,000	10	253,350,000
<b>(II) Investments in Mutual Fund - Current (Quoted)</b>						
- Religare Gold Exchange Traded Fund - Growth	5,952 (Units)	1,680	10,000,000	-	-	-
<b>(III) Investments in Mutual Fund - Current (Unquoted)</b>						
- Religare Qtrly Interval Fund	-	-	-	24,992,752.102 (Units)	-	250,000,000
- Religare PSU Equity Fund - Dividend Plan	25,000,000 (Units)	-	250,000,000	-	-	-
- Religare Liquid Fund - Super Institutional Growth	279,296,259.493 (Units)	-	3,527,500,000	-	-	-
<b>(IV) Investment in Debt Instruments</b>						
<b>Unquoted - Non Trade - Current</b>						
<b>Certificates of Deposit</b>						
- Canara Bank	-	-	-	5,000,000	100	478,385,000
- Yes Bank Ltd.	-	-	-	6,000,000	100	595,868,400
- ICICI Bank Ltd.	-	-	-	2,500,000	100	244,984,250
- State Bank of Bikaner & Jaipur	-	-	-	2,500,000	100	245,740,250
- Union Bank of India	-	-	-	2,565,000	100	251,108,113
- State Bank of Hyderabad	-	-	-	2,500,000	100	244,390,500
- State Bank of Indore	-	-	-	2,500,000	100	245,517,500
- State Bank of Patiala	-	-	-	4,850,000	100	471,270,880
<b>Commercial Paper</b>						
- Reliance Capital Ltd.	-	-	-	1,800,000	100	179,721,360
<b>Non Convertible Debentures</b>						
- 8.45% Indian Railway Finance Corporation	-	-	-	500,000	100	49,122,907
- 10.48% Grasim Industries Ltd.	-	-	-	500,000	100	53,890,247
- 11.25% Power Finance Corporation	-	-	-	1,500,000	100	174,414,144
- 10.90% Rural Electrification Corporation	-	-	-	500,000	100	56,649,384
- 8.65% Rural Electrification Corporation	-	-	-	500,000	100	49,146,099
- 11.5% Shriram Transport Finance Company Ltd.	-	-	-	1,500,000	100	182,744,583
<b>Other Securities</b>						
- Collateralised Debt Trust Series 24 (Option - I) Series A1	-	-	-	35	-	347,876,009
- Credit Asset Trust Series XLIX Class A1	-	-	-	27	-	295,353,762
- Corporate Loan Securitisation Series XXXIII Trust 2006 Option-II- Series B	-	-	-	25	-	270,502,076
<b>(V) Religare Securities Ltd.- Active Investment Portfolio A/c</b>			529,320,523			502,483,208
<b>(VI) Investment in Capital of Partnership Firms</b>						
Oscar Traders			102,000			102,000
Oscar Syndicate			1,000			1,000
Delta Associates			1,000			1,000
			<b>9,947,483,876</b>			<b>6,454,145,314</b>
<b>NOTES :</b>						
1. Aggregate of Quoted Investments						
- Book Value			86,238,103			78,551,393
- Market Value			136,468,846			66,387,585
2. Aggregate Book Value of Unquoted Investments			9,861,245,773			6,375,593,921
3. All Investments are Long Term unless otherwise Stated and have been valued at Cost.						
4. All the above mentioned Shares / Debentures/Units are fully paid up unless otherwise stated.						
** Company under the same management.						

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE 'G'</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured - Considered Good)		
Debts outstanding for less than Six Months	520,834	711,110
	<u>520,834</u>	<u>711,110</u>
<b>SCHEDULE 'H'</b>		
<b>CASH AND BANK BALANCES</b>		
Cash in Hand	94,090	8,100
Cheques in Hand	-	1,500,000,000
With Scheduled Banks in ;		
- Current Accounts	2,354,032,029	546,728,987
- Dividend Accounts	1,284,477	1,358,897
	<u>2,355,410,596</u>	<u>2,048,095,984</u>
<b>SCHEDULE 'I'</b>		
<b>LOANS AND ADVANCES</b>		
(Unsecured - Considered good)		
Loans - Corporate	5,578,330,000	4,893,860,000
- Others	78,023,610	40,299,181
Interest Accrued but not due	211,229,523	183,204,284
Advances Recoverable in Cash or in Kind or for Value to be received	30,733,520	52,369,075
Advance Payment of Taxes and Tax Deducted at Source'	1,347,966,713	1,187,819,338
Security Deposits	10,187,100	10,040,100
	<u>7,256,470,466</u>	<u>6,367,591,978</u>
<b>SCHEDULE 'J'</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors for expenses	264,010	5,393,949
Investor Education and Protection Fund		
- Unclaimed Dividend	1,284,477	1,358,897
(Appropriate amounts shall be transferred to "Investor Education and Protection fund" as and when due)		
Difference in Exchange Payable (HSBC)	67,256,637	114,823,009
Tax Deducted at Source	5,937,044	14,614,775
Interest Accrued but not due	157,210,161	62,542,738
	<u>231,952,329</u>	<u>198,733,368</u>

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE 'K'</b>		
<b>PROVISIONS</b>		
Tax	1,306,728,000	1,155,928,000
Gratuity	62,676	41,860
Leave Encashment	60,413	40,073
Wealth Tax	52,000	-
	<u>1,306,903,089</u>	<u>1,156,009,933</u>
<b>SCHEDULE 'L'</b>		
<b>INCOME/(LOSS) FROM CAPITAL MARKET OPERATIONS</b>		
Sales of Equity Shares	65,357,592	-
Income from Capital Market Operations	5,894,752	-
Stock of 229 Equity Shares	12,412	12,215
	<u>71,264,756</u>	<u>12,215</u>
Less : Purchases/Additions of Equity Shares	59,677,976	-
Less : Op. Stock of 229 Equity Shares	12,215	12,330
	<u>11,574,565</u>	<u>(115)</u>
<b>SCHEDULE 'M'</b>		
<b>INTEREST/INCOME FROM TRADING IN UNITS OF MUTUAL FUNDS</b>		
Interest Income (TDS Rs. 6,67,50,765/-)	512,517,966	-
Income from trading in units of Mutual Funds	94,891,336	-
	<u>607,409,302</u>	<u>-</u>
Less : Expenses		
Interest paid for above	197,126,623	-
Debenture Issue Expenses etc.	24,469,008	-
	<u>221,595,631</u>	<u>-</u>
	<u>385,813,671</u>	<u>-</u>

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**SCHEDULE 'N'**  
**NOTES TO THE ACCOUNTS**

1. Share Capital includes 42,45,808 Equity Shares of Rs. 10/- each allotted on 30.11.2001 as fully paid-up pursuant to a Scheme of Amalgamation without payment being received in cash.
2. **Significant Accounting Policies :**
  - a. **Basis of preparation of financial statements**

The financial statements are drawn up in accordance with the historical cost convention on accrual basis and comply with the accounting standards referred to in Sec. 211(3C) of the Companies Act, 1956.
  - b. **Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.
  - c. **Fixed Assets and Depreciation**

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any thereon. Depreciation is charged on Written Down Value method at the rates specified in accordance with the provisions of schedule XIV of the Companies Act, 1956. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold.

Individual assets / group of similar assets costing less than Rs. 5,000 has been depreciated in full in the year of purchase.
  - d. **Investments**

Investments are classified into current and long-term investments. Current investments are stated at lower of cost or market value. Long-term investments are carried at cost less provisions, if any, for permanent diminution in the value of such investment.
  - e. **Stock in Trade**

Trading stocks of shares and securities are valued at cost or market value whichever is lower.
  - f. **Revenue Recognition**

Dividend income is accounted for when the right to receive the payment is established. Interest and other dues are accounted on accrual basis. Revenue from Sale of Shares & Securities are recognised on the date of Sale of such Shares & Securities.
  - g. **Debenture Issue Expenses**

Debenture issue Expenses incurred on issue of debentures is amortised over the tenure of the debentures.
  - h. **Employee Benefits**

The Company provides Gratuity and Leave Encashment on the basis of actuarial valuation.
  - i. **Taxes on Income**

Provision for current tax is computed in accordance with relevant tax provisions. Deferred tax is recognized for all timing differences between accounting income & taxable income and is quantified using enacted / substantially enacted tax rates as at the balance sheet date. Deferred tax assets are recognized subject to the management judgement that the realisation is virtually / reasonably certain.
  - j. **Borrowing Cost**

Borrowing Costs are accounted for as expense in the period in which they are incurred and they are related to.
  - k. **Foreign Currency and Derivative Transactions**
    - Foreign Currency Transactions are accounted at the Exchange rates prevailing on the date of the transaction.
    - Cross Currency interest rate swap is used as hedging instrument. The notional principal of such instrument is recorded as off Balance Sheet Item. Interest received and paid as well as accruals on Cross Currency Interest Rate Swap is converted into Indian Rupees and routed through the interest account. Exchange Gain/Loss on the cross currency interest swap is recognised at the year end exchange rate prevailing except in the circumstances where year end rates do not reflect the amount in reporting currency that is likely to be realised from or required to be disbursed or where the year end rate is unrealistic, in which circumstances, Exchange Gain/Loss is recognised at the amount which is likely to be realised from or required to be disbursed at the time of finalisation of accounts.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

3. Particulars of privately placed Secured Redeemable Non - Convertible Debentures :  
 - 40000000 Nos Floating Rate Secured Redeemable Non - Convertible Debentures of Rs. 100/- each - Rated A1 + by ICRA - of the aggregate nominal value of Rs. 400 Crores carrying interest @ MIBOR + 600 basis points with a floor of 6.20% and a cap of 6.25% p.a. on private placement basis on 20.10.2009. The same are redeemable at par at the end of 358 days from the date of allotment.
4. The Company has transferred a sum of Rs.10,15,90,000/- to Statutory Reserve Fund being 20% of Net Profit after tax during the year as required by Sec.45-IC of RBI Act, 1934.
5. The net deferred tax Assets of Rs.8,03,228/- as at 31st March,2010 has arisen on account of the following :

	2009-2010 Rs.	2008-2009 Rs.
Deferred Tax Asset/(Liability)		
- Depreciation	761,388	684,051
- Provision for Leave Encashment	20,534	13,621
- Provision for Gratuity	21,304	14,228
	803,228	711,900

6. Basic and Diluted Earning Per Share :

For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered :

Particulars	For the Year ended 31st March, 2010 (Rs.)	For the Year ended 31st March, 2009 (Rs.)
a) Net Profit after Tax	507,945,626	9,526,795,779
Less: Preference dividend and tax thereon	-	-
Net Profit available for equity shareholders	507,945,626	9,526,795,779
b) Weighted average number of equity shares (Nos.)	17,280,620	17,280,620
c) Basic and Diluted Earning Per Share (Rs.)	29.39	551.30

7. The Company has entered into Forward exchange contract for hedging purposes against an underlying liability. The exchange difference on the underlying liability and the forward exchange contract has been recognised in Profit and Loss Account in accordance with AS 11.

8. In the opinion of the management, there is only one reportable segment as envisaged by AS 17 'Segment Reporting'. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

The Company operates in one geographic segment namely "Within India" and hence no separate information for geographic segment wise disclosure is required.

9. Related Party Disclosures :

a. List of Related Parties where control exists or with whom transactions have taken place during the year are given hereunder :

- |   |   |   |
|---|---|---|
| i. Company holding substantial interest in voting power   | : | RHC Holding Pvt. Ltd.   |
| ii. Subsidiary Company  | : | Shimal Research Laboratories Ltd.   |
| iii. Partnership firm in which Company is a major partner   | : | Oscar Traders   |
| iv. Companies in which substantial interest in voting power is held   | : | Super Religare Laboratories Ltd.  |
| v. Key management personnel   | : | Mrs. Japna Malvinder Singh<br>- Managing Director<br>Mr. Malvinder Mohan Singh<br>- Director  |
| vi. Entities over which (i) and (v) above (directly or indirectly) are able to exercise significant influence and with whom transactions have taken place during the year | : | Fortis Healthcare Holdings Ltd<br>Fortis Healthcare Ltd.<br>Fortis Hospital Ltd.<br>Religare Aviation Ltd.<br>Religare Capital Market Ltd.<br>Religare Enterprises Ltd.<br>Religare Technova Business Intellect Ltd.<br>Religare Technova Ltd.<br>Religare Securities Ltd.<br>International Hospital Ltd.<br>Malav Holdings Pvt. Ltd.<br>Shivi Holdings Pvt. Ltd. |

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

b. The following transactions were carried out with Related Parties in the Ordinary Course of Business.

Transactions	Subsidiary/ Partnership Firm	Company in which substantial interest in voting power is held	Key management personnel	Company holding substantial interest in voting power	(Rs. In Lacs) Entities over which (i) and (v) are able to exercise significant influence
<b>Unsecured Loans</b>					
a) Taken during the year	-	-	-	12,817.00	-
b) Repaid during the year	-	-	-	13,264.34	-
c) Balance as at 31st March, 2010	-	-	-	6,000.00	-
<b>Investments</b>					
a) Made during the year	-	-	-	-	47,021.47
b) Sold during the year	-	-	-	-	33,341.47
c) Balance as at 31st March, 2010	2,534.54	734.21	-	-	19,919.03
Sundry Debtors/ (Creditors) as at 31st March, 2010	-	-	-	-	5.21
<b>Loans</b>					
a) Given During the year	-	-	-	15,628.50	91,945.80
b) Returned during the year	-	-	-	15,628.50	83,400.00
c) Balance as at 31st March, 2010	-	-	-	-	18,645.80
d) Interest receivable as at 31st March, 2010	-	-	-	-	266.53
<b>Advance Recoverable in cash or in kind</b>					
a) Given During the year	-	-	-	-	-
b) Returned during the year	-	-	-	-	-
c) Balance as at 31st March, 2010	-	-	-	-	-
<b>Current Liabilities</b>					
a) Other Liabilities as at 31st March, 2010	0.45	-	-	-	-
b) Interest Accrued but not due as at 31st March, 2010	-	-	-	455.66	-
<b>Income</b>					
a) Share of Profit	(0.45)	-	-	-	-
b) Interest	-	-	-	-	1,497.10
c) Service Charges	-	-	-	29.35	-
d) Premium Received	-	-	-	-	1,020.46
e) Dividend	-	6.67	-	-	-
<b>Expenditure</b>					
a) Interest	-	-	-	506.29	-
b) Depository Charges	-	-	-	-	0.04
d) Managing Directors' Remuneration	-	-	1.92	-	-

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

c. Additional disclosure pursuant to Circular CRD/GEN/2003/1 dated February 6, 2003 of The Stock Exchange, Mumbai :

Name	Balance as at 31st March, 2010  (Rs. in Lacs)	Maximum amount outstanding during the year ended 31st March, 2009 (Rs. in Lacs)
A) Loans and Advances in the nature of loans to subsidiaries and associates	-	-
B) Others	-	-

Figures in brackets are the corresponding figures of the previous year.

10. Actuarial valuation has been done with the following assumptions for the following defined benefit schemes :

- a. Gratuity  
b. Leave Encashment

Particulars	Leave Encashment	Gratuity
Discount Rate	7.5 percent per annum	7.5 percent per annum
Future salary increase rate	5 percent per annum	5 percent per annum
Expected average remaining working lives of employees (years)	26.43	26.43

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Changes in the present value of the defined benefit obligation are as follows :

For the year ended March 31, 2010:

Particulars	Leave Encashment (Unfunded) Rs.	Gratuity (Unfunded) Rs.
Value of obligation as at April 1, 2009	40,073	41,860
Benefits paid	-	-
Actuarial (gain) / loss on obligation	20,340	20,816
Present value of obligation as at March 31, 2010	60,413	62,676

11. The details in respect of Partnership firms where the company is a partner are as under:

Name of Partnership Firms	Name of the Partners	Share of Profit/ Loss as on 31.03.2010	Share of Profit/ Loss as on 31.03.2009
a, M/s Oscar Traders	i. M/s. Oscar Investments Ltd.	85%	85%
	ii. Mr. Malvinder Mohan Singh	7.50%	7.50%
	iii. Mr. Shivinder Mohan Singh	7.50%	7.50%
		100%	100%

(Partners' Capital-Rs. 1,14,000/-,  
Previous Year-Rs. 1,14,000/-)



**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

b. M/s Oscar Syndicate	i. M/s. Oscar Investments Ltd.	10%	10%
	ii. M/s. RHC Holdings Pvt. Ltd.	90%	90%
		100%	100%

(Partners' Capital-Rs. 11,000/-,  
Previous Year-Rs. 11,000/-)

c. M/s Delta Associates	i. M/s. Oscar Investments Ltd.	10%	10%
	ii. M/s. Fern Healthcare Pvt. Ltd. (Formerly Ranbaxy Healthcare Pvt. Ltd.)	90%	90%
		100%	100%

(Partners' Capital-Rs. 11,000/-,  
Previous Year-Rs. 11,000/-)

**12. Directors' Remuneration:**

	2009-2010 Rs.	2008-2009 Rs.
Managing Director	192,000	192,000
Salaries & Allowances	192,000	192,000

**13. Interest Paid:**

	2009-2010 Rs.	2008-2009 Rs.
a. On Debentures	-	-
b. Others	-	184,405,196
	-	184,405,196

**14. Additional information pursuant to the Provisions of paras 3 and 4 of part II of Schedule VI to the Companies Act, 1956.**

	2009-2010	2008-2009
a. Expenditure in Foreign Currency during the year	NIL	NIL
b. Amount remitted during the year in Foreign Currency by way of Dividend	NIL	NIL
c. Earning in Foreign Currency	NIL	NIL

**15. Previous Year's Figures**

Previous year figures have been regrouped/recast to make the same comparable with those of the current year. Previous year's figures are strictly not comparable with those of the Current Year.

Signatories to Schedules A to N  
As per our attached report of even date  
For **R. V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No. 109765W

For and on behalf of the Board of Directors

**(R.V. SHAH)**  
Proprietor  
Membership No. 016097

Managing Director

Director

Company Secretary

Place : Mumbai  
Date : 26th August, 2010

Place : New Delhi  
Date : 25th August, 2010

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY**

(as required in terms of paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank), Directions, 1998)

(Rs. in Lacs)

Particulars	31-03-2010		31-03-2009	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
<b>LIABILITIES SIDE :</b>				
<b>(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>				
(a) Debentures : Secured	41,116.44	-	-	-
: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Terms Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	6,455.66	-	6,447.34	-
(e) Commercial Papers	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans - Cash credit from bank	-	-	-	-
<b>(2) Break-up of (1) (f) above (Outstanding public deposits inclusive interest accrued thereon but not paid) :</b>				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other Public Deposits	-	-	-	-
	<b>31-03-2010</b>		<b>31-03-2009</b>	
	Amount		Amount	
	Outstanding		Outstanding	

**ASSETS SIDE :**

<b>(3) Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :</b>				
(a) Secured	-	-	-	-
(b) Unsecured	-	59,085.03	-	51,797.73
<b>(4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities :</b>				
<b>(i) Lease assets including lease rentals under sundry debtors :</b>				
(a) Financial lease	-	-	-	-
(b) Operating Lease	-	-	-	-
<b>(ii) Stock on hire including hire charges under sundry debtors :</b>				
(a) Assets on hire	-	-	-	-
(b) Repossessed Assets	-	-	-	-
<b>(iii) Hypothecation loans counting towards EL/HP activities</b>				
(a) Loans where assets have been repossessed	-	-	-	-
(b) Loans other than (a) above	-	-	-	-

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

Particulars	(Rs. in Lacs)	
	31-03-2010 Amount Outstanding	31-03-2009 Amount Outstanding
<b>ASSETS SIDE :</b>		
<b>(5) Break-up of Investments (Trading-shares &amp; securities) :</b>		
1. Quoted :		
(I) Shares :		
(a) Equity	0.12	0.12
(b) Preference	-	-
(II) Debentures and Bonds	-	-
(III) Units of Mutual Funds	-	-
(IV) Government Securities	-	-
(V) Others (please specify)	-	-
2. Unquoted :		
(I) Shares :		
(a) Equity	-	-
(b) Preference	-	-
(II) Debentures and Bonds	-	-
(III) Units of Mutual Funds	-	-
(IV) Government Securities	-	-
(V) Others (please specify)	-	-
<b>Long Term Investments :</b>		
1. Quoted :		
(I) Shares :		
(a) Equity	762.37	785.50
(b) Preference	-	-
(II) Debentures and Bonds	-	-
(III) Units of Mutual Funds	100.00	-
(IV) Government Securities	-	-
(V) Others (please specify)	-	-
2. Unquoted :		
(I) Shares :		
(a) Equity	3,299.71	3,299.71
(b) Preference	22,243.50	8,563.50
(II) Debentures and Bonds	30,000.00	-
(III) Units of Mutual Funds	37,775.00	2,503.57
(IV) Government Securities	-	-
(V) Others - Immovable property	-	-
(VI) Others	5,294.25	49,392.74

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

(Rs. in Lacs)

Particulars	31-03-2010			31-03-2009		
	Amount net of Provisions		Total	Amount net of provisions		Total
	Secured	Unsecured		Secured	Unsecured	
<b>(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :</b>						
1. Related Parties						
(a) Subsidiaries	--	--	--	--	--	--
(b) Companies in the same group	--	--	--	--	--	--
(c) Other related parties	--	--	--	--	--	--
2. Other than related parties	--	59,085.03	59,085.03	--	51,797.73	51,797.73
Total	--	59,085.03	59,085.03	--	51,797.73	51,797.73

	31-03-2010		31-03-2009	
	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)

<b>(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>				
1. Related Parties				
(a) Subsidiaries	*2,533.50	2,533.50	*2,533.50	2,533.50
(b) Companies in the same group	*19,225.00	19,225.00	*1,225.00	1,225.00
(c) Other related parties	*1.04	1.04	*1.04	1.04
2. Other than related parties				
(a) Quoted	1,364.68	862.49	663.87	785.50
(b) Unquoted	*76,852.80	76,852.80	*59,999.99	59,999.99
Total	99,977.02	99,474.83	64,423.40	64,545.03

\* Valued at Cost net of Provisions.

	31-03-2010	31-03-2009
	Amount	Amount
<b>(8) Other Information :</b>		
(I) Gross Non-performing Assets		
(a) Related Parties	--	--
(b) Other than related parties	--	--
(II) Net Non-performing Assets		
(a) Related Parties	--	--
(b) Other than related parties	--	--
(III) Assets acquired in satisfaction of debts	--	--

For and on behalf of the Board of Directors

Place : New Delhi

Dated : 25th August, 2010

Managing Director

Director

Company Secretary

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**CASH FLOW STATEMENT ANNEXED TO AND FORMING PART OF**  
**BALANCE SHEET AS AT 31ST MARCH, 2010**

SCHEDULE	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary Items	662,006,300	10,678,104,799
Adjustments for:		
Depreciation	1,943,748	1,965,486
Interest Income	-	(355,417,288)
Dividend Income	(137,195,511)	(330,735,173)
Interest Expense	-	184,405,196
(Profit)/Loss on Sale of Investments	636,256	(10,253,088,618)
(Profit)/Loss from Capital Market Operation	(197)	115
Commission Received	-	(836,311)
Amount Written Off	189,488	21,182
<b>Operating Profit before Working Capital Changes</b>	<b>527,580,084</b>	<b>(75,580,612)</b>
(Increase)/Decrease in Loans and advances	(728,540,837)	(2,969,504,191)
(Increase)/Decrease in Other Current Assets	(160,428,189)	(1,181,290,269)
Increase/(Decrease) in Liabilities	33,260,117	177,648,312
<b>Cash generated from Operations</b>	<b>(328,128,825)</b>	<b>(4,048,726,760)</b>
Interest Paid	-	(231,168,855)
Direct Taxes Paid	(3,206,854)	(245,374)
Interest Received	-	527,439,435
<b>NET CASH FROM OPERATING ACTIVITIES - (A)</b>	<b>(331,335,679)</b>	<b>(3,752,701,554)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(6,829,988,271)	(5,429,811,638)
Sale of Investments	3,336,013,453	12,763,764,040
Purchase of Fixed Assets	(4,570,402)	(29,640)
Commission Received	-	836,311
Dividend Received	137,195,511	330,735,173
<b>NET CASH FROM INVESTING ACTIVITIES - (B)</b>	<b>(3,361,349,709)</b>	<b>7,665,494,246</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	4,000,000,000	-
Repayment of Borrowings	-	(2,004,000,000)
Unpaid Calls Recd.	-	4,500
<b>NET CASH FROM FINANCING ACTIVITIES - (C)</b>	<b>4,000,000,000</b>	<b>(2,003,995,500)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>307,314,612</b>	<b>1,908,797,192</b>
Cash and cash equivalents as at the beginning of the year	2,048,095,984	139,298,792
Cash and cash equivalents as at the end of the year	2,355,410,596	2,048,095,984

This is the Cash Flow Statement referred to in our Report of even date

For **R. V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No. 109765W

For and on behalf of the Board of Directors

(**R.V. SHAH**)  
Proprietor  
Membership No. 016097

Managing Director

Director

Company Secretary

Place : Mumbai  
Date : 26th August, 2010

Place : New Delhi  
Date : 25th August, 2010

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. REGISTRATION DETAILS**

Registration No. : 99476 State Code : 55  
 Balance Sheet Date : 31.03.10

**II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)**

Public Issue : NIL Right Issue : NIL  
 Bonus Issue : NIL Private Placement : NIL

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS  
 (AMOUNT IN RS. THOUSANDS)**

Total Liabilities : 18,030,378 Total Assets : 18,030,378

**SOURCES OF FUNDS**

Paid-up Capital : 172,806 Reserve & Surplus : 13,257,572  
 Secured Loans : 40,00,000 Unsecured Loans : 600,000

**APPLICATION OF FUNDS**

Net Fixed Assets : 8,532 Investments : 99,47,484  
 Net Current Assets : 80,73,559 Misc. Expenditure : - NIL -  
 Accumulated Losses : - NIL - Deferred Tax (net) : 803

**IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)**

Turnover : 6,86,831 Total Expenditure : 24,824  
 Profit /Loss Before Tax : +6,62,007 Profit /Loss After Tax : +5,07,946  
 (Please tick Appropriate box  
 + for profit,- for loss)  
 Earning Per Share : 29.39 Dividend Rate % : - NIL -

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)**

Item Code No.(ITC Code) : -N.A.- Product Description : INVESTMENT  
 -N.A.- TRADE FINANCE  
 -N.A.- ASSET BASED -  
 FINANCE

For and on behalf of the Board

Managing Director

Director

Place: New Delhi  
 Date : 25th August, 2010

Company Secretary

**OSCAR INVESTMENTS LIMITED  
ANNUAL REPORT 2009-2010**

**Statement Regarding Subsidiary Company Pursuant to section 212 (3) and 212 (5) of the Companies Act, 1956**

Name of Subsidiary Company	Financial Year to which Accounts relate	Holding Company's Interest as at close of Financial Year of Subsidiary Company		Net aggregate amount of Subsidiary Company's Profit after deducting its Losses or vice-versa, so far as it concerns members of Holding Company which are not dealt within the Company's Account.		Net aggregate amount of Subsidiary Company's Profit after deducting its Losses or vice-versa, dealt within the Company's Account		Holding Company's Interest at 31.03.2010 incorporate changes since close of financial year of Subsidiary Company
		i) Share Holding	ii) Extent of Holding	For the Current Accounting Year Rs. (Lacs)	For the Previous Accounting Year Rs. (Lacs)	For the Current Accounting Year Rs. (Lacs)	For the Previous Accounting Year Rs. (Lacs)	
Shimal Research Laboratories Limited	* March 31, 2010	2,53,35,000 equity shares of Rs. 10 each	67.56%	490.23 (Profit)	651.64 (Profit)	Nil	Nil	No Change
*Fortis Clinical Research Limited								

\* held through Shimal Research Laboratories Limited

On behalf of the Board of Directors

Managing Director  
Director  
Company Secretary

Place : New Delhi  
Date : August 25, 2010

## **DIRECTORS' REPORT**

Your Directors have pleasure in presenting their 9th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2010.

### **FINANCIAL RESULTS**

During the year under review, the Company achieved a Profit before Tax of Rs. 49,023,001. The Profit after Tax was Rs. 38,456,944.

### **DIVIDEND**

To conserve the resources for business requirements of the Company your Directors do not recommend any Dividend for the financial year ended March 31, 2010.

### **FIXED DEPOSITS**

The Company has not invited/accepted any fixed deposits during the year.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of provisions of Section 217 (2AA) of the Companies Act, 1956, (Act) your directors your directors confirm as under:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) 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 profit or loss of the Company for that period ;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on going concern basis.

### **DIRECTORS**

Mr. Malvinder Mohan Singh and Ms. Sunita Naidoo, Directors retire by rotation in accordance with the Articles of Association of the Company and being eligible, offers themselves for re-appointment.

Dr. Preetinder Singh Joshi was appointed as additional director of the company effective from October 5, 2010, hold office upto the ensuing Annual General Meeting.

Mr. V. M. Bhutani and Mr. Hemant Dhingra, Directors of the Company, resigned during the year. The Board places on record its appreciation for the valuable contribution rendered by them during their tenure as Director of the Company.

### **SUBSIDIARY COMPANY**

The audited statement of accounts of Fortis Clinical Research Limited (FCRL) a wholly owned subsidiary of the Company for the year ended March 31, 2010 as required under Section 212 of the Companies Act are annexed.

### **PARTICULARS OF EMPLOYEES**

There are no particulars to be furnished under Section 217 (2A) of the Companies Act, 1956 as the Company has no such employees.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988 read with Section 217 (1) (e) is not applicable as the Company is not having any manufacturing activity.

There were no foreign exchange earnings and outgo during the year.

### **AUDITORS**

M/s R.V. Shah & Co. Chartered Accountants, Auditors of the Company retire and are eligible for re-appointment, the Company has obtained from them a certificate under Section 224 (1) of the Companies Act, 1956 to the effect that the re-appointment, if made, will be in accordance with limits specified under Section 224(1B) of the Companies Act, 1956.

For Shimal Research Laboratories Ltd.

Sd/-  
Director

Sd/-  
Director

Place : New Delhi  
Date : July 26, 2010



### AUDITORS' REPORT

To  
The Shareholders :

We have audited the attached Balance Sheet of M/s. Shimal Research Laboratories Limited as at 31st March, 2010 and also the annexed Profit and Loss Account and the Cash Flow Statement for the Year ended on that date. 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.

1. We conducted our audit in accordance with the 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 from any material misstatement. 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 (the Act), we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to above, we report that :
  - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - iii. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
  - iv. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section 3(C) of Section 211 of the Act.
  - v. Based on representations made by all the Directors of the Company to the Board, the information and explanations as made available to us by the Company, none of the Directors of the Company prima-facie have any disqualifications as referred to in clause (g) of sub-section (1) of Section 274 of the Act.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - a) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2010,
    - b) in the case of the Profit and Loss Account, of the Profit for the Year ended on that date, and
    - c) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.

For R.V. SHAH & CO.,  
Chartered Accountants  
ICAI Registration No. 109765W

(R. V. SHAH)  
Proprietor  
Membership No. 016097

Place : Mumbai  
Dated : 27th July, 2010

**SHIMAL RESEARCH LABORATORIES LIMITED**  
**ANNUAL REPORT 2009-2010**

**ANNEXURE REFERRED TO IN PARAGRAPHS 2 OF OUR AUDITOR'S REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31st March, 2010 OF SHIMAL RESEARCH LABORATORIES LIMITED**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that :

- i) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.  
(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- ii) In our opinion, there is an adequate internal control system commensurate with the size of the company and the nature of its business for purchase of inventories and fixed assets and for the sale of goods and services.
- iii) a) In our opinion the transactions that need to be entered in the register maintained under Section 301 of the Act have been so entered.  
b) There are no transactions of purchase and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act aggregating during the year to Rs.5,00,000 or more in respect of each party.
- iv) The Company has not accepted any deposits from the public.
- v) In our opinion, the Company's present internal audit system is commensurate with its size and nature of its business.
- vi) a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales tax, Wealth-tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities applicable to it.  
b) At the end of the financial year there were no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- vii) The Company did not have any accumulated losses at the end of the financial year, nor had it incurred any cash loss during the financial year or in the immediately preceding financial year.
- viii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- ix) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- x) There were no term loans obtained by the Company during the year.
- xi) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of the Act.
- xii) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the Company nor have we been informed by the management of any such instance being noticed or reported during the year.
- xiii) Clauses (i),(ii),(viii),(xi),(xiii),(xiv),(xvii),(xix) and (xx) of Paragraph 4A of the aforesaid order are not considered applicable to the Company.

For R.V. SHAH & CO.,  
Chartered Accountants  
ICAI Registration No. 109765W

(R. V. SHAH)  
Proprietor

Membership No. 016097

Place : Mumbai  
Dated : 27th July, 2010

**SHIMAL RESEARCH LABORATORIES LIMITED**  
ANNUAL REPORT 2009-2010

**BALANCE SHEET AS AT 31ST MARCH, 2010**

SCHEDULE	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SOURCES OF FUNDS</b>		
<b>SHAREHOLDERS' FUNDS</b>		
Share Capital	A 374,900,000	374,900,000
Reserves and surplus	B 908,150,671	869,631,454
	<u>1,283,050,671</u>	<u>1,244,531,454</u>
<b>DEFERRED TAX LIABILITY</b>	-	3,943
	<u>1,283,050,671</u>	<u>1,244,535,397</u>
<b>APPLICATION OF FUNDS</b>		
<b>INVESTMENTS</b>		
	C 55,300,000	49,000,000
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
Cash and Bank Balances	D 1,200,624,291	1,142,375,787
Loans and Advances	E 60,218,485	78,799,555
	<u>1,260,842,786</u>	<u>1,221,175,342</u>
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
Liabilities	F 17,115	16,545
Provisions	G 33,075,000	25,635,000
	<u>33,092,115</u>	<u>25,651,545</u>
<b>NET CURRENT ASSETS</b>	1,227,750,671	1,195,523,797
<b>MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted)	H -	11,600
	<u>1,283,050,671</u>	<u>1,244,535,397</u>
<b>NOTES TO THE ACCOUNTS</b>		

As per our attached report of even date  
For R.V. SHAH & CO.  
Chartered Accountants  
ICAI Registration No. 109765W

For and on behalf of the Board of Directors

(R. V. SHAH)  
Proprietor  
Membership No. 016097

Director

Director

Place : Mumbai  
Dated : 27th July, 2010

Place : New Delhi  
Dated : 26th July, 2010

**SHIVAL RESEARCH LABORATORIES LIMITED**  
ANNUAL REPORT 2009-2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	YEAR ENDED 31.03.2010 Rs.	YEAR ENDED 31.03.2009 Rs.
<b>INCOME</b>		
Interest-Short Term Loan-Others (TDS Rs. 30,95,445/-) (Previous Year Rs.1,46,75,120/-)	30,955,807	64,762,195
Profit on Sale of Investments in Mutual Fund	-	549,915
Dividend	18,112,260	-
<b>TOTAL</b>	<b>49,068,067</b>	<b>65,312,110</b>
<b>EXPENDITURE</b>		
Depository Charges	827	-
Interest Paid:		
- Others	-	40,451
Filing Fees	2,000	7,000
Printing & Stationary	-	1,250
Legal & Professional Charges	276	65,809
Auditors' Remuneration:		
- Audit	10,000	7,000
- Tax Audit	5,000	3,000
- Others	15,333	17,781
Miscellaneous Expenses	30	56
Preliminary Expenses Written off	11,600	5,800
<b>TOTAL</b>	<b>45,066</b>	<b>148,147</b>
<b>Profit Before Tax</b>	<b>49,023,001</b>	<b>65,163,963</b>
Provision for Tax		
- Current	10,570,000	22,505,000
- Deferred	(3,943)	(1,971)
<b>Profit After Tax</b>	<b>38,456,944</b>	<b>42,660,934</b>
Excess/(Short) Provision for Tax	62,273	(2,455)
Profit/(Loss) brought forward- Earlier years	29,031,454	(13,627,025)
<b>BALANCE CARRIED OVER TO BALANCE SHEET</b>	<b>67,550,671</b>	<b>29,031,454</b>
Basic and Diluted earnings per share of Rs. 10/- each (Note 3 of Schedule I)	1.03	1.14

**NOTES TO THE ACCOUNTS- SCHEDULE**

As per our attached report of even date  
For R.V. SHAH & CO.  
Chartered Accountants  
ICAI Registration No. 109765W  
(R. V. SHAH)  
Proprietor  
Membership No. 016097

For and on behalf of the Board of Directors

Director

Director

Place : Mumbai  
Dated : 27th July, 2010

Place : New Delhi  
Dated : 26th July, 2010

**SHIMAL RESEARCH LABORATORIES LIMITED**  
ANNUAL REPORT 2009-2010

**SCHEDULES FORMING PART OF THE BALANCE SHEET**  
**AS AT 31ST MARCH, 2010**

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE - 'A'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
4,00,00,000 Equity Shares of Rs.10/- each	400,000,000	400,000,000
	<u>400,000,000</u>	<u>400,000,000</u>
<b>Issued and Subscribed</b>		
3,74,90,000 Equity Shares of Rs.10/- each fully Paid up (Includes 2,53,35,000 Equity Shares held by Holding Company M/s. Oscar Investments Limited and its nominees)	374,900,000	374,900,000
	<u>374,900,000</u>	<u>374,900,000</u>
<b>SCHEDULE - 'B'</b>		
<b>RESERVES AND SURPLUS</b>		
Securities Premium Account	840,600,000	840,600,000
Profit and Loss Account	67,550,671	29,031,454
	<u>908,150,671</u>	<u>869,631,454</u>

<b>SCHEDULE - 'C'</b>						
<b>INVESTMENTS</b>						
Particulars	Nos.	Face Value Per Share Rs.	At Book Value/Cost Rs.	Nos.	Face Value Per Share Rs.	At Book Value/Cost Rs.
<b>(I) Investments – Non Trade (At Cost)</b>						
<b>– Long Term</b>						
<b>Unquoted - Fully Paid up</b>						
<b>Equity Shares - Wholly</b>						
<b>Owned Subsidiary</b>						
–Fortis Clinical Research Ltd.	4,900,000	10	49,000,000	4,900,000	10	49,000,000
			<u>49,000,000</u>			
<b>(II) Current Investments – Non Trade (Unquoted)</b>						
<b>Religare Liquid Fund</b>						
–Super Institutional Growth	498,622,851		6,300,000			–
		Units	<u>6,300,000</u>			–
			<u>55,300,000</u>			<u>49,000,000</u>
<b>Total (I) + (II)</b>						

- NOTES :**
1. Aggregate of Quoted Investments –
  2. Aggregate Book Value of Unquoted Investments 55,300,000 49,000,000

**SHIMAL RESEARCH LABORATORIES LIMITED**  
**ANNUAL REPORT 2009-2010**

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE - 'D'</b>		
<b>CASH AND BANK BALANCES</b>		
With Scheduled Banks in :		
- Current Account	<u>1,200,624,291</u>	<u>1,142,375,787</u>
	<u>1,200,624,291</u>	<u>1,142,375,787</u>
<b>SCHEDULE - 'E'</b>		
<b>LOANS AND ADVANCES</b> (Unsecured- Considered good)		
Corporate Loan - Short Term	-	3,000,000
Interest Receivable	27,858,980	50,087,075
Advances Recoverable in Cash or in Kind or for Value to be received	78,950	78,950
Advance Payment of Taxes, Self Assessment Tax and Tax Deducted at Source	32,280,565	25,602,847
Income Tax Refund Receivable	-	30,683
	<u>60,218,495</u>	<u>78,799,555</u>
<b>SCHEDULE - 'F'</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors for Expenses	14,890	14,665
Tax Deducted at Source	2,225	1,880
	<u>17,115</u>	<u>16,545</u>
<b>SCHEDULE - 'G'</b>		
<b>PROVISIONS</b>		
Tax	<u>33,075,000</u>	<u>25,635,000</u>
	<u>33,075,000</u>	<u>25,635,000</u>
<b>SCHEDULE - 'H'</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
Preliminary Expenses	-	11,600
	<u>-</u>	<u>11,600</u>

**SHIMAL RESEARCH LABORATORIES LIMITED**  
ANNUAL REPORT 2009-2010

**SCHEDULE - 'I'**

**NOTES TO THE ACCOUNTS**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of preparation of financial statements**

The financial statements have been prepared under historical cost convention in accordance with the generally accepted accounting principles. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

**b. Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

**c. Investments**

Investments are classified into current and long-term investments. Current investments are stated at lower of cost or market value. Long-term investments are carried at cost less provisions, if any, for permanent diminution in the value of such investment.

**d. Change in Accounting Policy**

The Company in Compliance with the Accounting Standard (AS-26) "Intangible Assets" issued by the Institute of Chartered Accountants of India, has changed its Accounting Policy for the amortization of preliminary expenses, these from being amortized over a period of five years are being fully amortized in the current year. Had the Company continued its previous policy, the Profit for the current year would have been higher by Rs. 5,800/-

**e. Revenue Recognition**

Dividend income is accounted for when the right to receive the payment is established. Interest and other dues are accounted on accrual basis. Revenue from Sale of Shares & Securities are recognised on the date of Sale of such Shares & Securities.

**f. Taxes on Income**

Provision for current tax is computed in accordance with relevant tax provisions. Deferred tax is recognized for all timing differences between accounting income & taxable income and is quantified using enacted / substantially enacted tax rates as at the balance sheet date. Deferred tax assets are recognized subject to the management judgement that the realisation is virtually/reasonably certain.

2. There is no Deferred Tax Assets/Liability in terms of Accounting Standard 22 Issued by the Institute of Chartered Accountants of India.

**3. Basic and Diluted Earning per Share;**

For the purpose of calculation of Basic and Diluted Earning per Share the following amounts are considered:

Particulars	For the year ended 31-Mar-10	For the year ended 31-Mar-09
Net Profit/ (Loss) after Tax (Rs.)	38,456,944	42,660,934
Weighted Average number of Equity Shares (Nos.)	37,490,000	37,490,000
Basic and Diluted Earning per Share (Rs.)	1.03	1.14
Face Value per Share (Rs.)	10.00	10.00

**4. Related Party Disclosures :**

a List of Related Parties where control exists or with whom transactions have taken place during the year are given hereunder :

- |  |   |
|--|---|
| i. Holding Company   | :- Oscar Investments Ltd.                                 |
| ii. Subsidiary Company   | :- Fortis Clinical Research Ltd.                          |
| iii. Individuals having control/significant influence (Directly or indirectly) | :- Mr. Malvinder Mohan Singh<br>Mr. Shivinder Mohan Singh |
| iv. Key Managerial personnel   | :- None   |

b. The transactions were carried out with Related Parties in the Ordinary Course of Business :- None

5. Expenditure in foreign currency during the year Nil (Nil).

6. Previous Year figures have been regrouped/recast to make the same comparable with those of the Current Year.

As per our attached report of even date

For **R.V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No. 109765W

For and on behalf of the Board of Directors

(**R. V. SHAH**)  
Proprietor  
Membership No. 016097

Director

Director

Place : Mumbai  
Dated : 27th July, 2010

Place : New Delhi  
Dated : 26th July, 2010

**SHIMAL RESEARCH LABORATORIES LIMITED**  
**ANNUAL REPORT 2009-2010**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

	(AMOUNT IN RUPEES)	
	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxation, and extraordinary items	49,023,001	65,163,963
<b>Adjustments For :-</b>		
Interest Income	(30,955,807)	(64,762,195)
Interest Expense	-	40,451
Profit on Sale of Investments	-	(549,915)
Preliminary Expenses Written Off	11,600	5,800
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>	<b>18,078,794</b>	<b>(101,896)</b>
(Increase) / Decrease in Loans and advances	3,000,000	(3,000,000)
(Increase) / Decrease in Other Current Assets	(6,647,035)	(22,534,685)
Increase / (Decrease) in Liabilities	570	(6,743)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>14,432,329</b>	<b>(25,643,324)</b>
Interest Paid	-	(94,155)
Direct Taxes Paid	(3,067,727)	(457,455)
Interest Received	53,183,902	14,675,120
<b>NET CASH FROM OPERATING ACTIVITIES - (A)</b>	<b>64,548,504</b>	<b>(11,519,814)</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Investments	(6,300,000)	-
Sale of Investments	-	253,049,915
<b>NET CASH FROM INVESTING ACTIVITIES - (B)</b>	<b>(6,300,000)</b>	<b>253,049,915</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>NET CASH FROM FINANCING ACTIVITIES - (C)</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>58,248,504</b>	<b>241,530,101</b>
Cash and cash equivalents as at the beginning of the year	1,142,375,767	900,845,686
Cash and cash equivalents as at the end of the year	1,200,624,291	1,142,375,787

This is the Cash Flow Statement referred to in our Report of even date.

For R.V. SHAH & CO.  
Chartered Accountants  
ICAI Registration No. 109785W

For and on behalf of the Board of Directors

(R. V. SHAH)  
Proprietor  
Membership No. 016097

Director

Director

Place : Mumbai  
Dated : 27th July, 2010

Place : New Delhi  
Dated : 26th July, 2010



**SHIMAL RESEARCH LABORATORIES LIMITED**  
ANNUAL REPORT 2009-2010

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. REGISTRATION DETAILS**

Registration No. 

1	0	9	1	8	5
---	---	---	---	---	---

 State Code 

5	5
---	---

Balance Sheet Date 

3	1	0	3	2	0	1	0
---	---	---	---	---	---	---	---

**II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)**

Public Issue 

		N	I	L
--	--	---	---	---

 Right Issue 

		N	I	L
--	--	---	---	---

Bonus Issue 

		N	I	L
--	--	---	---	---

 Private Placement 

		N	I	L
--	--	---	---	---

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)**

Total Liabilities 

1	2	8	3	0	5	1
---	---	---	---	---	---	---

 Total Assets 

1	2	8	3	0	5	1
---	---	---	---	---	---	---

**SOURCES OF FUNDS**

Paid-up Capital 

3	7	4	9	0	0
---	---	---	---	---	---

 Reserve and Surplus 

9	0	8	1	5	1
---	---	---	---	---	---

Secured Loans 

		N	I	L
--	--	---	---	---

 Deferred Tax 

		N	I	L
--	--	---	---	---

**APPLICATION OF FUNDS**

Net Fixed Assets 

		N	I	L
--	--	---	---	---

 Investments 

	5	5	3	0	0
--	---	---	---	---	---

Net Current Assets 

1	2	2	7	7	5	1
---	---	---	---	---	---	---

 Misc. Expenditure 

		N	I	L
--	--	---	---	---

Accumulated Losses 

		N	I	L
--	--	---	---	---

**IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)**

Turnover 

	4	9	0	6	8
--	---	---	---	---	---

 Total Expenditure 

				4	5
--	--	--	--	---	---

Profit Before Tax 

	4	9	0	2	3
--	---	---	---	---	---

 Profit After Tax 

	3	8	4	5	7
--	---	---	---	---	---

Earning Per Share in Rs. 

	1	.	0	3
--	---	---	---	---

 Dividend Rate 

		N	I	L
--	--	---	---	---

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)**

Item Code No. 

		N	A
--	--	---	---

		N	A
--	--	---	---

Product Description 

		N	A
--	--	---	---

		N	A
--	--	---	---

Place : New Delhi  
Date : 26th July, 2010

Director

Director

**FORTIS CLINICAL RESEARCH LIMITED**  
**ANNUAL REPORT 2009-2010**

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Fifth Annual Report of the Company together with the Audited Accounts for the period ended 31st March 2010.

**FINANCIAL RESULTS** (Amount in Rs. Lacs)

Particulars	For the year ended 31st March, 2010	For the year ended 31st March, 2009
Operating Income	1277.99	1996.73
Other Income	48.51	50.67
Less: Expenditure	1130.71	1364.34
EBITDA margin	195.79	683.06
Interest & Finance Charges	-	-
Depreciation & Amortization	148.64	141.00
Profit/(Loss) (After Tax)	(7.75)	588.50
Cash Profit / (Loss)	140.89	729.50

**OPERATIONS**

During the fifth year of operations, the Company incurred losses (after taxes) of Rs. 7.75 lacs which are after taking into consideration deferred tax assets of Rs. 28.86 lacs and reversal of previous year deferred tax assets of Rs.25.09 lacs. The current tax expense for the year is Rs. 14.99 Lacs and the prior period adjustments are of Rs. 43.48 lacs. The following are the major achievements of your Company in the financial year 2009-10.

- (i) Fortis Clinical Research Limited was created as a professional Contract Research Organization (CRO) to conduct clinical research projects in compliance to national and international GCP guidelines. Its vision is to be a leading provider of quality clinical research services from India to facilitate the drug development efforts of the international pharmaceutical industry. The facility occupies 19,000 sq ft space spread over four floors in Faridabad and consists of an 80-bed ward, 2-bed ICU, 16 phlebotomy stations, a drug store, a bioanalytical section with sample processing and instrument labs with fume hoods and six LCMC and two HPLC machines. The facility has a high focus on quality systems in conformance to international GLP/GCP standards. The Company has a bank of healthy volunteers drawn from the local community in Faridabad and is currently conducting bioequivalence studies with generic products as its main service offering.
- (ii) During the fifth year of operations in 2009-10, the Company earned revenues of Rs 12.78 crores and has projected a business of over Rs 16.67 crores in year 2010-11.
- (iii) During the year, approximately 65 bioequivalence studies were completed and dossiers submitted by sponsor to various international regulatory agencies including those of UK, Brazil, Finland, France, Spain, Denmark, Norway, Ireland, Poland, Portugal, Germany, Hungary, and Netherlands besides India.

**(iv) INTERNATIONAL AUDITS/INSPECTIONS**

The Company was audited a third time by ANVISA (Regulatory authority of Brazil) in April 2009. The authority had already listed FCRL in their website as an approved Contract Research Organization (CRO) in October 2009. This pre-qualifies FCRL to undertake studies for any Company intending to register drug products with ANVISA. The Company also got the intimation in June 2010 for the USFDA Audit in July 2010.

- (v) During the year, the company entered into an agreement with a sponsor to establish two state-of-the-art clinical research facilities for which an interest free business advance of Rs. 7 Crore was received for construction of the facilities.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Harpal Singh and Mr. Shivinder Mohan Singh, retire by rotation and are eligible for re-appointment.

**TRANSFER TO RESERVES**

During the year no amount has been transferred to reserves.

**DIVIDEND**

No dividend has been declared for the year.

**FIXED DEPOSIT**

The Company has not invited/received any fixed deposit during the year as per Section 58A of the Company Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

**AUDITORS**

M/s Walker Chandok & Co., Chartered Accountants, retires as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. They have confirmed their willingness to accept the office of the Auditors, if reappointed.

The Auditors Report read along with the notes to the accounts are self explanatory and therefore does not call for any further comments.

**INDUSTRIAL RELATIONS**

The industrial relations generally remained cordial during the period under review.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS/ OUTGO**

The information required under 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 is given as Annexure to the Directors' Report.

**PARTICULARS OF EMPLOYEES**

Information pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended is given as Annexure to the Directors' Report.

**DIRECTORS' RESPOSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that-

- i) in preparation of the annual accounts, the applicable accounting standards, had been followed and that there are no material departures;
- ii) such accounting policies have been selected and applied 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 2009-10 and of the profit of the Company for the same period;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on going concern basis.

**ACKNOWLEDGEMENT**

The Directors wish to thank the customer, dealers, bankers, the Central and the State Governments for their continued support. They also take this opportunity to record their appreciation of the contribution made by all the employees to the operations of the Company during the year.

On behalf of Board of Directors  
for Fortis Clinical Research Limited

Place : New Delhi  
Dated : July 6, 2010

Director

Director

## **ANNEXURE TO DIRECTORS' REPORT**

### **COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

#### **A. CONSERVATION OF ENERGY**

Energy Management continued to be a key area. Regular monitoring of energy generation, distribution and consumption trends were carried out to have effective control on energy utilization. Awareness program were conducted resulting in informed employees an important role in noticing & stopping energy waste.

##### **a) Energy conservation measures taken:**

- (i) Use of lights during day and night has been optimized and some independent switches have been provided for lighting so that it can be switched on whenever required.
- (ii) Optimum use of DG sets running during power outage times resulted in savings.
- (iii) Use of energy efficient lightings.

##### **b) Additional investment and proposals if any being implemented for reduction of consumption of energy:**

None

##### **c) Impact of the measures for reduction of Energy Consumption**

The implementation of the measures adopted for energy conservation has resulted in savings in energy, fuel consumption and power cost.

#### **B. TECHNOLOGY ABSORPTION**

Efforts made in technology absorption as per "Form B" of the Annexure to the Rules.

#### **FORM -- B**

##### **1. RESEARCH & DEVELOPMENT (R & D)**

The R&D unit at is primarily engaged in conducting clinical research projects which will potentially lead to the introduction of cheaper generic products to reduce the healthcare costs in India and other countries. The products under investigation are in the areas of infectious diseases (e.g., AIDS, malaria, etc), cardiology, gastroenterology, CNS and metabolic diseases. The following activities are undertaken:

- a) Develop and validate very sensitive, specific and accurate analytical methods using state-of-the-art technology (e.g., LC/MS/MS) to quantify drug concentrations in biological fluids and to determine the pharmacokinetic profiles of drugs in human subjects.
- b) Use the pharmacokinetic data and - after statistical analyses - assess the bioavailability of drugs or the bioequivalence of new formulations vis-à-vis innovator products.
- c) Assess the effects of concomitant medication and food on the bioavailability of candidate drugs.

##### **2. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

###### **a) Efforts in brief, made towards technology absorption, adaptation and innovation:**

- (i) Developed a software prototype of a Volunteer Database Management System to enable clinical research centers to authenticate the identity of the participating volunteers through use of a fingerprint scanning biometric device.

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

(ii) Executed different Clinical Research (pharmacokinetics) studies (pilot and pivotal) for the evaluation of drug products to enable pharmaceutical companies to launch cheaper generic drugs for the population at large.

b) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.

The use of this web-enabled system will help to eliminate professional volunteers who may participate in clinical trials at a frequency more than what is medically and ethically permissible.

c) In case of imported technology (imported during last 5 years reckoned from the beginning of the financial year, following importation may be furnished:

NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(a) Activities relating to exports: initiatives taken to increase exports; development of new export markets for products and services; and export plans:

Not Applicable

(b) Total foreign exchange earned and used:

	Current Year (Rs.)	Previous Year (Rs.)
Foreign Exchange Earnings	4,295,784/-	6,038,302/-
Foreign Exchange Outgo	2,675,552/-	1,274,652/-

On behalf of Board of Directors  
for Fortis Clinical Research Limited

Place : New Delhi  
Dated : July 6, 2010

Director

Director

**ANNEXURE TO DIRECTORS REPORT**

Information pursuant to Section 217(2A) of the companies Act, 1956, read with the Company (Particulars of Employees) Rule, 1975 and forming part of the Directors' Report for the year ended march 31, 2010

Sr. No.	Name	Age	Designation	Gross Remuneration	Net Remuneration	Qualification	Total Exp. (Yrs.)	Date of Commencement of Employment	Last employment held/ designation
1	Dr. Ashok Rattan	58	Chief Executive	2,156,200	1,430,820	MD (Micro Biology) MBBS		1-Jul-09	Super Religare Laboratories

- Note:** (1) Gross remuneration comprises salary, allowances, monetary value of perquisites and Company's contribution to Provident Fund but excludes contribution to Gratuity Fund on the basis of actuarial valuation as separate figures are not available.  
 (2) Net remuneration is after tax and is exclusive of Company's contribution to Provident Fund and monetary value of non cash perquisites.  
 (3) The nature of employments in all the case is contractual.  
 (4) None of the employee above is a relative of any Directors of the Company.

On behalf of the Board of Directors  
For Fortis Clinical Research Limited

Place : New Delhi  
Date : July 6, 2010

Director  
Director

## AUDITORS' REPORT

To  
The Members of Fortis Clinical Research Limited

1. We have audited the attached Balance Sheet of Fortis Clinical Research Limited, ("the Company") as at March 31, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto (collectively referred as the 'Financial Statement'). 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 the 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 misstatement. 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. As required by the Companies (Auditor's Report) Order, 2003 (the Order) (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to 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 purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Financial Statements dealt with by this report are in agreement with the books of account;
  - d. On the basis of written representations received from the directors, as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
  - e. In our opinion and to the best of our information and according to the explanations given to us, the financial statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act, and the rules framed there under and give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, in the case of:
    - i) the Balance Sheet, of the state of affairs of the Company as March 31, 2010;
    - ii) the Profit and Loss Account, of the loss for the year ended on that date; and
    - iii) the Cash Flow Statement, of the cash flows for the year ended on that date.

For Walker, Chandlok & Co  
Chartered Accountants  
Firm Reg. No. 001076N

Per B.P. Singh  
Partner

Membership No.: 70116

Place : New Delhi  
Dated : July 6, 2010

**FORTIS CLINICAL RESEARCH LIMITED**  
**ANNUAL REPORT 2009-2010**

**Annexure to the Auditors' Report of even date to the members of Fortis Clinical Research Limited, on the Financial Statements for the year ended March 31, 2010**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) In our opinion, a substantial part of fixed assets have not been disposed off during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clauses 4(ii)(b) to (d) of the Order are not applicable.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable.
- (iv) Owing to the nature of its business, the Company does not sell any goods. Accordingly, clause 4(v) of the Order with respect to sale of goods is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. During the course of our audit, no major weakness has been noticed in the aforesaid internal control system.
- (v) (a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Act have been so entered.
- (b) Owing to the unique and specialized nature of the items involved and in the absence of any comparable prices, we are unable to comment as to whether the transactions made in pursuance of such contracts or arrangements have been made at prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Act and the Companies. (Acceptance of Deposits), Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act, in respect of the Services rendered by the Company. Accordingly, the provisions of clause 4(viii) of the Order are not applicable.
- (ix) (a) The Company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, cess and other material statutory dues, as



**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

applicable with the appropriate authorities. However dues pertaining to service tax have not been regularly deposited with the appropriate authorities and there have been significant delays in a few cases. Undisputed amounts payable in respect thereof, which were outstanding at the year end for a period of more than six months from the date they became payable are as follows :

Name of the Statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
The Finance Act, 1994	Service Tax	12,500	Financial year 2009-10	September 5, 2009	May 5, 2010
The Finance Act, 1994	Service Tax	7,061	Financial Year 2007-08	April 5, 2008	May 24, 2010
The Finance Act, 1994	Service Tax	7,090	Financial Year 2008-09	May 5, 2008	April 9, 2010

- (b) There are no dues in respect of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
- (x) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- (xi) The Company has no dues payable to a financial institution or bank or debenture holders during the year. Accordingly, the provisions of clause 4(xi) of the Order are not applicable.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4 (xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable.
- (xvi) The Company did not have any term loan outstanding during the year. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable.
- (xvii) The Company did not have any outstanding borrowings during the year. Accordingly, the provisions of clause 4(xvii) of the Order are not applicable.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

For Walker, Chandok & Co  
Chartered Accountants  
Firm Reg. No. 001076N

Per B.P. Singh  
Partner

Membership No.: 70116

Place : New Delhi  
Dated : July 6, 2010

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

**BALANCE SHEET AS AT MARCH 31, 2010**

	SCHEDULE	As At 31.3.2010	As At 31.3.2009
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Capital	1	49,000,000	49,000,000
Reserves and surplus	2	121,941,472	122,716,834
		<u>170,941,472</u>	<u>171,716,834</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed assets</b>			
Gross block	3	156,374,942	150,392,125
Less: Accumulated depreciation and amortisation		72,369,595	57,683,926
Net block		<u>84,005,347</u>	<u>92,708,199</u>
Capital work in progress		-	1,094,001
Investments	4	97,516,556	-
Deferred tax assets	5	2,866,964	2,509,618
<b>Current assets, loans and advances</b>			
Inventories	6	4,657,985	5,536,806
Sundry debtors	7	13,209,494	19,763,442
Cash and bank balances	8	4,611,215	6,778,105
Loans and advances	9	52,437,339	64,071,359
		<u>74,916,033</u>	<u>96,149,712</u>
<b>Less : Current liabilities and provisions</b>			
Current Liabilities	10	81,537,346	15,588,270
Provisions	11	6,826,082	5,156,426
		<u>88,363,428</u>	<u>20,744,696</u>
<b>Net current ((liabilities)/assets)</b>		<u>(13,447,395)</u>	<u>75,405,016</u>
		<u>170,941,472</u>	<u>171,716,834</u>
<b>Significant accounting policies</b>	18		
<b>Notes to the financial statements</b>	19		

The schedules referred to above form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

On behalf of the Board of Directors of  
Fortis Clinical Research Limited

Director

Director

For Walker, Chandlok & Co.  
Chartered Accountants

Per B.P. Singh  
Partner  
Membership No. 70116

Place : New Delhi  
Date : July 6, 2010

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**

	SCHEDULE	Year Ended 31.3.2010	As At 31.3.2009
<b>INCOME</b>			
Services rendered		140,703,066	223,824,710
Less: service tax		(12,903,312)	(24,151,591)
Net turnover		<u>127,799,754</u>	<u>199,673,119</u>
Other income	12	4,850,908	5,067,759
		<u>132,650,662</u>	<u>204,740,878</u>
<b>EXPENDITURE</b>			
Materials	13	19,142,826	27,618,802
Personnel expenses	14	39,494,509	43,462,662
Operating, administrative and other expenses	15	54,433,445	65,353,101
Depreciation and amortisation	3	14,864,856	14,100,547
		<u>127,935,636</u>	<u>150,535,112</u>
<b>Profit before tax and prior period adjustment</b>		<u>4,715,026</u>	<u>54,205,766</u>
<b>Provision for taxation</b>			
Current tax		1,498,931	6,094,167
Minimum alternate tax credit entitlement - current year		-	(4,539,109)
Minimum alternate tax credit entitlement - prior current year		-	(3,491,972)
Deferred tax benefit		(357,346)	(1,207,681)
Fringe benefit tax		-	417,886
<b>Profit after tax before prior period adjustment</b>		<u>3,573,441</u>	<u>56,932,475</u>
Prior period adjustments	16	4,348,803	(1,917,653)
<b>(Less)/Profit for the year carried to Reserves and Surplus</b>		<u>(775,362)</u>	<u>58,850,128</u>
<b>(Loss)/Earnings per share</b>			
Basic and diluted (loss)/earnings per equity share	17	(0.16)	11.56
Significant accounting policies	18		
Notes to the financial statements	19		

The schedules referred to above form an integral part of the financial statements.

This is the Profit and Loss Account referred to in our report of even date.

On behalf of the Board of Directors of  
Fortis Clinical Research Limited

Director

Director

For Walker, Chandlok & Co.  
Chartered Accountants

Per B.P. Singh  
Partner  
Membership No. 70116

Place : New Delhi  
Date : July 6, 2010

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2010**

	As At 31.3.2010	As At 31.3.2009
<b>SCHEDULE - 1</b>		
<b>Capital</b>		
<b>Authorised</b>		
5,000,000 (Previous year 5,000,000) equity shares of Rs.10 each:	50,000,000	50,000,000
<b>Issued, subscribed and paid up</b>		
4,900,000 (Previous year 4,900,000) equity shares of Rs. 10 each fully paid up	49,000,000	49,000,000
	<u>49,000,000</u>	<u>49,000,000</u>

**SCHEDULE - 2**

**Reserves and surplus**

**Profit and loss account:**

Opening Balance	122,716,834	63,866,706
Add: (Loss)/Profit for the year	(775,362)	58,850,128
Balance carried forward to balance sheet	<u>121,941,472</u>	<u>122,716,834</u>

**SCHEDULE - 3**

**FIXED ASSETS**

Amount in Rupees

Description of Assets	Gross Block			Accumulated depreciation and amortisation				Net Block		
	April 1, 2009	Additions	Disposal/ Adjustments	March 31, 2010	As at April 1, 2009	Depreciation/ amortisation for the year	Disposal/ Adjustments	March 31, 2010	March 31, 2009	
<b>Tangible assets</b>										
Leasehold improvements	16,200,257	1,385,170	-	17,585,427	11,715,969	1,599,936	-	13,315,925	4,269,502	4,484,268
Lab equipment and instruments	123,337,881	2,015,570	68,518	125,284,933	40,720,966	11,592,931	22,768	52,291,129	72,993,804	82,616,695
Computers and peripherals	2,661,496	1,146,822	779,100	3,029,318	1,629,467	640,638	-	2,270,105	759,213	1,032,029
Office equipment	4,398,182	600,697	(779,100)	5,775,979	1,753,091	496,585	-	2,249,676	3,526,303	2,643,091
Furniture and fixtures	966,151	4,600	-	990,751	659,819	59,830	-	719,649	271,102	328,332
Vehicles	380,000	1,278,376	380,000	1,278,376	148,520	200,115	158,399	192,236	1,086,140	231,480
Sub-total Tangible	147,961,967	6,431,335	448,518	153,944,784	56,627,872	14,590,005	179,187	71,038,720	82,906,064	91,334,095
<b>Intangible assets</b>										
Software	2,430,158	-	-	2,430,158	1,056,054	274,821	-	1,330,875	1,099,283	1,374,104
Sub-total Intangible	2,430,158	-	-	2,430,158	1,056,054	274,821	-	1,330,875	1,099,283	1,374,104
<b>Total</b>										
Current Year	150,392,125	6,431,335	448,518	158,374,942	57,683,926	14,864,856	179,187	72,369,595	£ 1,005,347	92,708,199
Previous year	133,730,024	20,135,556	3,473,455	150,392,125	44,118,242	14,100,547	534,863	57,683,926	92,708,199	89,611,782

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

	As At 31.3.2010	As At 31.3.2009
<b>SCHEDULE - 4</b>		
<b>Investments</b>		
Non-trade (Unquoted), current investments at the lower of cost and fair market value		
- Reliance Medium Term Fund-Retail Plan Growth Option 4,722,699.41 units (Previous year- Nil) of Rs. 19.05 each	90,010,400	-
- UTI Treasury Advantage Fund-Growth Plan 6,076.01 units (Previous year- Nil) of Rs. 1,235.37 each	7,506,156	-
	<u>97,516,556</u>	<u>-</u>
The following investments were purchased and sold during the year		
- Reliance Liquidity fund-Growth Option 13,122,931.56 units	179,000,000	-
- Reliance Medium Term Fund-Retail Plan-Growth Option 4,814,737.60 units	91,310,054	-
- UTI Treasury Advantage Fund-Growth Plan 21,654.7 units	45,498,491	-
- UTI Liquid Cash Plan Regular- Growth Option 29,362.93 units	43,500,000	-
<b>SCHEDULE - 5</b>		
<b>Deferred tax assets</b>		
Difference in depreciation in block of fixed assets as per tax books and financial books	971,592	756,949
Provision for employee benefits	1,895,372	1,752,669
	<u>2,866,964</u>	<u>2,509,618</u>
<b>SCHEDULE - 6</b>		
<b>Inventories</b>		
Consumables	4,049,384	3,464,879
Work-in-progress- incomplete services costs	608,601	2,072,127
	<u>4,657,985</u>	<u>5,536,806</u>
<b>SCHEDULE - 7</b>		
<b>Sundry debtors (Unsecured, considered good)</b>		
Debts outstanding for a period less than six months	13,209,494	19,763,442
	<u>13,209,494</u>	<u>19,763,442</u>
<b>SCHEDULE - 8</b>		
<b>Cash and bank balances</b>		
Cash in hand	201,081	87,427
Remittance in Hand	-	4,441,431
Balances with scheduled banks in :		
- current accounts	1,528,775	2,249,247
- deposits accounts	2,881,359	-
	<u>4,611,215</u>	<u>6,778,105</u>
<b>SCHEDULE - 9</b>		
<b>Loans and advances</b> (Unsecured, considered good)		
Advances recoverable in cash or in kind or value to be received	2,534,749	3,589,629
Income taxes paid, net of provisions *	41,709,413	31,287,193
Minimum alternate tax credit entitlement	3,040,178	4,539,109
Loan to Modland Wears Pvt. Ltd.	-	19,500,000
Security deposits	5,152,999	5,155,428
	<u>52,437,339</u>	<u>64,071,359</u>
* Includes minimum alternate tax credit availed Rs. 1,648,824 (Previous year Nil)		

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

	As At 31.3.2010	As At 31.3.2009
<b>SCHEDULE - 10</b>		
<b>Current Liabilities</b>		
Sundry creditors for goods, services and expenses		
– dues to Micro, Small and Medium Enterprises *	–	–
– Others	5,927,725	7,094,018
Sundry creditors for capital goods		
– dues to Micro, Small and Medium Enterprises *	–	–
– Others	1,703,589	5,026,970
Other liabilities	2,588,241	1,688,577
Business advance from Ranbaxy Laboratories Limited	70,000,000	–
Accrued expenses	1,317,791	1,778,705
	<u>81,537,346</u>	<u>15,588,270</u>
* Based on information available with management, which has been relied upon by the auditors		
<b>SCHEDULE - 11</b>		
<b>Provisions</b>		
<b>Employee benefits :</b>		
– Gratuity	2,351,175	2,272,349
– Compensated absences	3,225,089	2,884,077
Bonus	1,249,818	–
	<u>6,826,082</u>	<u>5,156,426</u>
<b>SCHEDULE - 12</b>		
<b>Other income</b>		
<b>Interest</b>		
– on fixed deposit *		
– on loan *	89,690	9,356
– on income tax refund	1,589,679	2,762,150
Profit on redemption of investments in mutual funds (non-trade unquoted)	–	170,090
Exchange gain, net	3,072,049	–
Liabilities no longer required written back	4,775	–
Miscellaneous income	80,092	2,126,163
	14,632	–
	<u>4,850,908</u>	<u>5,067,759</u>
* Tax deducted at source	282,390	625,905
<b>SCHEDULE - 13</b>		
<b>Materials :</b>		
<b>Consumables</b>		
Opening stock	3,464,679	2,124,838
Add: Purchases	18,264,005	27,379,769
	<u>21,728,684</u>	<u>29,504,607</u>
Less: Closing stock	4,049,384	3,464,679
	<u>17,679,300</u>	<u>26,039,928</u>
<b>Work-in-progress- Incomplete services costs:</b>		
Add: Opening Stock	2,072,127	3,651,001
Less: Closing Stock	608,601	2,072,127
	<u>1,463,526</u>	<u>1,578,874</u>
Materials consumed during the year	<u>19,142,826</u>	<u>27,618,802</u>

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

	As At 31.3.2010	As At 31.3.2009
<b>SCHEDULE - 14</b>		
<b>Personnel expenses</b>		
Salaries, wages and bonus	36,602,789	39,574,492
Contributions to provident and other funds	1,523,587	2,185,986
Staff welfare	1,368,133	1,702,184
	<u>39,494,509</u>	<u>43,462,662</u>
<b>SCHEDULE - 15</b>		
<b>Operating, Administrative and other expenses</b>		
Laboratory tests	5,704,709	16,250,491
Compensation to volunteers	7,813,488	11,599,992
Diet for volunteers	1,534,858	1,901,240
Rent and hire	7,211,820	5,919,714
Electricity and water	6,336,265	6,493,145
Insurance	252,345	227,134
Printing and stationery	1,771,894	1,918,004
Traveling and conveyance	1,007,244	1,134,087
Legal and professional charges (includes auditors' remuneration, refer note 9 of Schedule 19)	5,129,414	3,069,215
Rates and taxes	150,132	43,825
Repair and maintenance		
– Equipment	5,657,800	5,912,423
– Others	2,073,388	2,142,265
Communication expenses	714,469	612,616
Meeting expenses	566,829	857,119
Office maintenance	1,904,868	1,409,512
Security	613,944	464,363
Exchange loss, net	-	492,715
Business promotion	1,946,275	83,001
Loss on asset disposal, net	144,330	2,048,507
Service tax	451,867	-
Interest on service tax	394,321	2,264
Training and recruitment	768,568	416,416
Miscellaneous	2,284,617	2,355,053
	<u>54,433,445</u>	<u>65,353,101</u>
<b>SCHEDULE - 16</b>		
<b>Prior Period Adjustments</b>		
Deferred rent reversal	-	(1,917,653)
Service tax expenses	2,946,930	-
Interest on service tax	487,481	-
Bonus	320,350	-
Compensated absences	594,042	-
	<u>4,348,803</u>	<u>(1,917,653)</u>
<b>SCHEDULE - 17</b>		
(Loss)/Earnings per share	4,900,000	4,900,000
Number of equity shares outstanding during the year	(775,362)	57,642,447
(Loss)/Profit after tax available for equity shareholders	10	10
Nominal Value of equity shares	(0.16)	11.76
Basic and diluted (loss)/earnings per equity share	<u>(0.16)</u>	<u>11.76</u>

**FORTIS CLINICAL RESEARCH LIMITED**  
**ANNUAL REPORT 2009-2010**

**SCHEDULE - 18**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF ACCOUNTING**

The financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting standards) Rule 2006 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 (the 'Act'). The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

**2. USE OF ESTIMATES**

The preparation of financial statements in conformity with the principles generally accepted in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Any revision to accounting estimates is recognised in the current and future periods.

**3. FIXED ASSETS AND INTANGIBLES**

Fixed assets are stated at cost less accumulated depreciation. Intangible assets comprise software which is not an integral part of the related hardware and is stated cost less accumulated amortisation. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use.

**4. DEPRECIATION/AMORTISATION**

Depreciation on fixed assets is provided on written down value method and in the manner prescribed in Schedule XIV of the Act, at rates which are either greater than or equal to the corresponding rates in Schedule XIV of the Act, based on technical estimates of useful life. Leasehold improvements are amortised over the lease period or the estimated useful life, whichever is shorter.

Description	Rate
Leasehold improvements	28.33%
Lab equipment and instruments	13.91%
Computers and peripherals	40%
Office equipments	13.91%
Furniture and fixtures	18.10%
Vehicles	25.89%
Software	20%

Depreciation on fixed assets acquired/ disposed off during the year is recorded on a pro-rata basis with reference to the month of acquisition/ disposal. Individual assets costing less than Rs. 5,000 are fully depreciated in the year of purchase, the cumulative amount of such assets fully depreciated being immaterial.

**5. REVENUE RECOGNITION**

Revenue from services rendered is recognized on a completed contract method, on completion of respective clinical trials and bio-equivalence studies in accordance with the terms of the contract.

Interest income is recognised on time proportion basis at the applicable rates.

**6. INVESTMENTS**

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Profit/ loss on sale of investments is computed with reference to cost based on first in first out basis.



## 7. INVENTORIES

Inventories are valued as follows:

### Consumables

Consumables are valued at lower of cost and net realizable value. Cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition and is determined on a 'First in First Out' basis.

### Work-in-progress

Clinical trials and bio-equivalence studies in progress at the year end are carried at cost directly attributable to the studies allocated, on reasonable basis.

## 8. FOREIGN EXCHANGE TRANSACTIONS

Transactions in foreign currency are recorded at the rates prevailing on the date of the transaction. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Exchange differences arising on the settlement/ restatement of monetary items at the rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognised as income or expense in the year in which they arise.

## 9. EMPLOYEE BENEFITS

Wages, salaries, bonuses, paid annual leave and sick leave are accrued in the year in which the associated services are rendered by employees of the Company.

The Company has two post employment benefit plans in operation viz. Gratuity and Provident Fund.

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions into funds established under Employees Provident Fund and Miscellaneous Provision Act, 1952. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature.

The Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on separation from the Company, usually dependent on one or more factors such as age, years of service and remuneration. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation ('DBO') at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method.

The Company also provides benefit of compensated absences under which un-availed leaves are allowed to be accumulated to be availed in future. The scheme is considered as a long term benefit. The compensated absences comprises of vesting as well as non vesting benefit and the liability is determined in accordance with the rules of the Company and is based on actuarial valuations made using projected unit method at the balance sheet date.

## 10. TAXATION

Provision for tax includes current tax, and deferred tax. Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities is recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax arising from brought forward losses and depreciation are recognized only when there is virtual certainty supported by convincing evidence that such assets will be realized.

Deferred tax Assets and liability arising during the tax holiday period is not recognized to the extent it reverses out within the tax holiday period.

**FORTIS CLINICAL RESEARCH LIMITED**  
**ANNUAL REPORT 2009-2010**

Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT-credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to utilise that credit during the specified period.

**11. LEASES:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

**12. IMPAIRMENT OF ASSETS:**

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to profit and loss account.

**13. EARNINGS PER SHARE:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**14. PROVISIONS AND CONTINGENCIES**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. Disclosure is also made in respect of a present obligation that probably requires an outflow of resources, where it is not possible to make a reliable estimate of the related outflow. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

**SCHEDULE - 19**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. COMPANY OVERVIEW AND SHAREHOLDING**

Fortis Clinical Research Limited (the 'Company') was originally incorporated as Oscar Research Limited on March 29, 2005 and was renamed on January 12, 2006. The Company conducts clinical trials and bio-equivalence studies on behalf of its customers at its Research Centre located in Faridabad, India.

The entire paid up Capital of the Company, 4,900,000 (previous year 4,900,000) fully paid equity shares of Rs. 10 each are held by Shimal Research Laboratories Limited, the Holding Company and its nominees. Shimal Research Laboratories Limited is a subsidiary of Oscar Investments Limited, the ultimate holding company.

**2. TAX HOLIDAY**

Under the Indian Income-tax Act, 1961, a substantial portion of the Company's profit qualifies for deduction from taxable income, being profits attributable to Research & Development. The Company is approved as R&D company under Section 80-IB (8A) of the Income Tax Act, 1961 by the Department of Scientific and Industrial Research, being the prescribed authority. This deduction was initially granted to the Company for three assessment years i.e. 2007-08, 2008-09 and 2009-2010. On December 17, 2008 the Company has again submitted the application for the renewal

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

of the recognition under Section 80-IB (8A) of the Income Tax Act, 1961. Based upon the renewal application the company was further approved as R&D company under Section 80-IB (8A) of the Income Tax, 1961 by the Department of Scientific and Industrial Research for three assessment years i.e. 2010-11, 2011-12 and 2012-13.

**3. SEGMENT REPORTING**

In accordance with Accounting Standard 17 - Segment Reporting notified under Section 211(3C) of the Act, the Company has determined its business segment as bio-equivalence research. Since 100% of the Company's business is from bio-equivalence research, there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial statement as of and for the year ended March 31, 2010 and March 31, 2009.

**4. RELATED PARTY TRANSACTIONS**

Related Party Disclosures, as required by Accounting Standard 18 - Related Party Disclosures, notified under the Companies Act, 1956 are given below:

**i. Enterprises where control exists**

Holding Company : Shimal Research Laboratories Limited  
Ultimate Holding Company : Oscar Investments Limited

**ii. Key management personnel (KMP)**

Mr. Shivinder Mohan Singh : Director  
Mr. Malvinder Mohan Singh : Director  
Mr. Harpal Singh : Director  
Mr. Satish Bhatia : Chief Executive (till March 31, 2009)

**iii. Other parties with whom transactions have taken place during the previous year**

Entity exercising significant influence : Ranbaxy Laboratories Limited  
Entity under control of KMP : Ranbaxy Farmaceutica Ltda  
(till October 20, 2008)

**iv. The following transactions were carried out with related parties in the ordinary course of business.**

Particulars	March 31, 2010 Rs.	March 31, 2009 Rs.
<b>Entities exercising significant influence or controlled by KMP with whom transactions have taken place during the year :</b>		
• Ranbaxy Laboratories Limited		
Services billed during the year (including Service Tax)	87,028,271	186,918,103
Services received	2,187,966	17,203,837
Sales of assets	-	-
Balance receivable at the year end	645,916	21,528,093
Business advance received and outstanding at year end	70,000,000	-
• Ranbaxy Holding Company Limited		
Loan taken	-	47,700,000
Repayment of loan	-	118,200,000
Interest paid	-	9,225,324
• Ranbaxy Farmaceutica Ltda		
Reimbursement of Expenses	1,026,079	1,080,478
<b>Key management personnel</b>		
Salary and bonus	-	8,301,710
Contribution to provident and other funds	-	192,000

**FORTIS CLINICAL RESEARCH LIMITED**  
**ANNUAL REPORT 2009-2010**

**5. EMPLOYEE BENEFITS**

Actuarial valuation has been done with the following assumptions for the following defined benefit schemes :

- (a) Gratuity  
(b) Compensated absences

Particulars	Compensated Absences	Gratuity
Discount rate	7 percent per annum 8 percent per annum	7 percent per annum 8 percent per annum
Future salary increases rate	10 percent per annum 12.5 percent per annum	10 percent per annum 12.5 percent per annum
Expected average remaining working lives of employees (years)	27.95 28.60	27.95 28.60

Previous year comparatives in 'italics'

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Change in the present value of the defined benefit obligation are as follows :

**For the year ended March 31, 2010:**

Particulars	Compensated Absences (Unfunded) Rs.	Gratuity (Unfunded) Rs.
Present value of obligation as at April 1, 2009	2,884,077	2,272,349
Cost recognised for prior years	594,042	-
Interest cost	243,468	159,064
Current service cost	1,249,201	768,331
Benefits paid	(545,250)	-
Actuarial (gain)/loss on obligation	(1,200,449)	(848,569)
<b>Present value of obligation as at March 31, 2010</b>	<b>3,225,089</b>	<b>2,351,175</b>

**For the year ended March 31, 2009:**

Particulars	Compensated Absences (Unfunded) Rs.	Gratuity (Unfunded) Rs.
Present value of obligation as at April 1, 2008	2,722,371	1,556,889
Interest cost	217,790	124,551
Current service cost	1,304,876	918,661
Benefits paid	(903,675)	-
Actuarial (gain)/loss on obligation	(457,285)	(327,752)
<b>Present value of obligation as at March 31, 2009</b>	<b>2,884,077</b>	<b>2,272,349</b>

Net employee benefit expense (recognised in Personnel Expenses):

**For the year ended March 31, 2010:**

Particulars	Compensated Absences Rs.	Gratuity Rs.
Current service cost	1,249,201	768,331
Cost recognised for prior years	594,042	-
Interest cost	243,468	159,064
Net actuarial (gain)/loss recognised in the period	(1,200,449)	(848,569)
<b>Total expenses recognised in the Profit and loss account</b>	<b>886,262</b>	<b>78,826</b>

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

For the year ended March 31, 2009:

Particulars	Compensated Absences Rs.	Gratuity Rs.
Current service cost	2,223,537	918,661
Interest cost	342,341	124,551
Net actuarial (gain)/loss recognised in the period	(785,037)	(327,752)
<b>Total expenses recognised in the Profit and loss account</b>	<b>1,780,841</b>	<b>715,460</b>

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952. Contribution made by the Company during the year is Rs. 1,338,182 (For the year ended March 31, 2009: Rs. 1,296,572).

**6. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES**

The Company identifies micro and small enterprises based upon the information available and confirmations sent to all the suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006). Based on the information available with the Company and the confirmations received, there are no dues outstanding to these micro and small enterprises as at March 31, 2010. Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.

**7. EXPENDITURE IN FOREIGN CURRENCY**

Particulars	March 31, 2010 Rs.	March 31, 2009 Rs.
Travel	16,267	17,400
Professional fee	1,026,079	1,080,478
Conference fee	1,558,770	-
Training fee	-	119,774
Software support fee	74,436	57,000
	<b>2,675,522</b>	<b>1,274,652</b>

**8. CIF VALUE OF IMPORTS**

Particulars	March 31, 2010 Rs.	March 31, 2009 Rs.
Capital goods	-	14,643,477
Others	6,817,165	1,496,114
<b>Total</b>	<b>6,817,165</b>	<b>16,139,591</b>

**9. AUDITORS' REMUNERATION**

Particulars	March 31, 2010 Rs.	March 31, 2009 Rs.
Statutory audit	400,000	400,000
Tax audit	100,000	100,000
Other matters	200,000	200,000
Services tax	73,496	54,590
Out-of-pocket expenses	13,553	31,500
<b>Total</b>	<b>787,049</b>	<b>786,090</b>

**FORTIS CLINICAL RESEARCH LIMITED**  
**ANNUAL REPORT 2009-2010**

**10. CONSUMPTION OF SPARES AND CONSUMABLES**

	Unit	Quantity		Value (Rs.)	
		March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
Cartridges	955 boxes	Not Available		6,161,485	13,658,863
Others				11,517,815	12,381,065
<b>Total</b>				<b>17,679,300</b>	<b>26,039,928</b>

**11. IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED**

	Percentage of total consumption		Value (Rs.)	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
Imported	16	5	2,914,791	1,246,340
Indigenously obtained	84	95	14,764,509	24,793,588
<b>Total</b>	<b>100</b>	<b>100</b>	<b>17,679,300</b>	<b>26,039,928</b>

**12. FOREIGN CURRENCY EXPOSURE**

The details of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as mentioned below :

Particulars	March 31, 2010		March 31, 2009	
	USD	Rs.*	USD	Rs.
Sundry creditors	24,198	1,092,298	--	--

\* Conversion rate applied is 1 USD = Rs. 45.14

**13. REALISIBILITY OF CURRENT ASSETS/ADEQUACY OF PROVISIONS**

In the opinion of the Board, current assets, loans and advances are realizable at a value, which is at least equal to the amount at which these are stated, in the ordinary course of business and provision for all known and determined liabilities are adequate and not in excess of the amount stated.

**14. RECLASSIFICATIONS**

Previous year's amounts have been regrouped/ reclassified, wherever considered necessary to make them comparable with those of the current year.

On behalf of the Board of Directors  
of Fortis Clinical Research Limited

Director

Director

Place : New Delhi  
Date : July 6, 2010

**FORTIS CLINICAL RESEARCH LIMITED**  
ANNUAL REPORT 2009-2010

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010**

	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax but after prior period items	366,223	54,205,766
<b>Adjustments for:</b>		
Depreciation and amortisation	14,864,856	14,100,547
Interest income	(1,679,360)	(2,941,596)
Liabilities written back	(80,092)	(2,126,163)
Profit on sale of investments	(3,072,049)	-
Unrealised foreign exchange loss	9,996	-
Loss on sale of fixed assets	144,330	2,048,507
<b>Operating profit before working capital changes</b>	<b>10,553,904</b>	<b>65,287,061</b>
<b>Adjustments for:</b>		
Inventories	878,821	239,033
Sundry debtors	6,553,948	(15,319,800)
Other receivables	2,556,240	26,272,041
Payables	67,888,828	(48,492,219)
<b>Cash generated from operating activities</b>	<b>88,231,741</b>	<b>27,986,116</b>
Taxes paid	(11,921,151)	(23,792,251)
<b>Net cash generated from operating activities</b>	<b>76,310,590</b>	<b>4,193,865</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(5,337,334)	(21,229,557)
Proceeds from sale of fixed assets	125,001	231,250
Interest received	1,679,360	2,846,852
Purchase of investments	(456,825,101)	-
Proceeds from Sale of Investments	362,380,594	-
Repayments from Modland	19,500,000	19,000,000
Movement in fixed deposits	(2,881,359)	100,000
<b>Net cash (used in)/generated from investing activities</b>	<b>(81,358,839)</b>	<b>748,345</b>
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(5,048,249)</b>	<b>4,942,210</b>
Cash and cash equivalents at beginning	6,778,105	1,835,895
Cash and cash equivalents at close	1,729,856	6,778,105
<b>Notes: Cash and cash equivalents include :</b>		
Cash in hand	201,081	87,427
Remittance in Hand	-	4,441,431
With banks in current account	1,528,775	2,249,247
	1,729,856	6,778,105
Fixed deposits not-considered as a cash equivalent	2,881,359	-
	4,611,215	6,778,105

This is the Cash Flow Statement referred to in our report of even date.

On behalf of the Board of Directors of  
Fortis Clinical Research Limited

For Walker, Chandlok & Co.  
Chartered Accountants

Director

Director

Per B.P. Singh  
Partner  
Membership No. 70116

Place : New Delhi  
Date : July 6, 2010

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. REGISTRATION DETAILS**

Registration No.  State Code   
 Balance Sheet Date

**II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)**

Public Issue  Right Issue   
 Bonus Issue  Private Placement

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)**

Total Liabilities  Total Assets

**SOURCES OF FUNDS**

Paid-up Capital  Reserve & Surplus   
 Secured Loans  Unsecured Loans

**APPLICATION OF FUNDS**

Net Fixed Assets  Investments   
 Net Current Assets \*  Misc. Expenditure   
 Accumulated Losses

**IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)**

Turnover  Total Expenditure   
 + - Profit/(Loss) before tax   + - Profit/(Loss) after tax    
 + - Earning per Share in Rs.   Dividend Rate %

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)**

Item Code No.   
 Product Description

For and on behalf of the Board

Place : New Delhi  
 Date : July 6, 2010

Director

Director



**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**AUDITORS' REPORT**

Auditors' Report to the Board of Directors of Oscar Investments Limited on the Consolidated Financial Statements of Oscar Investments Limited and its Subsidiary.

We have audited the attached Consolidated Balance Sheet of **OSCAR INVESTMENTS LIMITED** ("the Company") and its Subsidiary ("the Group") as at 31st March, 2010 and the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated 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.

1. We conducted our audit in accordance with generally accepted auditing standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
  2. We have audited the financial statements of Shimal Research Laboratories Limited, a subsidiary, whose financial statements reflect total assets (Net) of Rs.14,511.25 lacs as at 31st March, 2010 and total revenues of Rs. 1,817.18 lacs for the year ended on that date.
  3. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirement of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Oscar Investments Limited and its subsidiary included in the consolidated financial statements.
  4. On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Oscar Investments Limited and its subsidiary, we are of the opinion that the consolidated financial statements read together with significant accounting policies and notes give a true and fair view in conformity with the accounting principles, generally accepted in India :
    - a) in the case of the Consolidated Balance Sheet of the consolidated state of the affairs of the Group as at 31st March, 2010,
    - b) in the case of the Consolidated Profit and Loss Account of the consolidated results of operations of the Group for the year ended on that date,
- and
- c) in the case of Consolidated Cash Flow Statement of the consolidated cash flows of the Group for the year ended on that date.

For **R.V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No. 109765W

**(R.V. SHAH)**  
Proprietor

Membership No.: 016097

Place : Mumbai  
Dated : 26th August, 2010

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010**

	SCHEDULE	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	A	172,806,200	172,806,200
Reserves and Surplus	B	13,902,169,991	13,420,253,289
		14,074,976,191	13,593,059,489
Minority Interest		455,505,873	443,269,314
<b>LOAN FUNDS</b>			
Secured Loans	C	4,000,000,000	-
Unsecured Loans	D	600,000,000	600,000,000
		19,130,482,064	14,636,328,803
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	E	173,871,855	163,318,636
Less: Depreciation		81,334,539	64,705,122
Net Block		92,537,316	98,613,514
<b>CAPITAL WORK IN PROGRESS</b>		-	1,094,001
<b>INVESTMENTS</b>	F	9,746,412,392	6,200,795,314
<b>DEFERRED TAX ASSETS/(LIABILITY) (Net)</b> (Note 4 (iii) of Schedule P)		3,670,190	3,217,575
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Stock in Trade - Shares & Securities		12,412	12,215
Inventories	G	4,657,985	5,536,806
Sundry Debtors	H	13,730,328	20,474,552
Cash and Bank Balances	I	3,560,646,102	3,197,249,876
Loans and Advances	J	7,370,625,231	6,510,462,892
		10,949,672,058	9,733,736,341
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
Liabilities	K	313,506,790	214,338,183
Provisions	L	1,348,303,102	1,186,801,359
		1,661,809,892	1,401,139,542
<b>NET CURRENT ASSETS</b>		9,287,862,166	8,332,596,799
<b>MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted)			
Preliminary Expenses		-	11,600
		19,130,482,064	14,636,328,803
<b>NOTES TO THE ACCOUNTS</b>			
P			

As per our attached report of even date  
For R. V. SHAH & CO.  
Chartered Accountants  
ICA Registration No. 109765W

For and on behalf of the Board of Directors

(R.V. SHAH)  
Proprietor  
Membership No. 016097

Managing Director

Director

Company Secretary

Place : Mumbai  
Date : 26th August, 2010

Place : New Delhi  
Date : 25th August, 2010

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR**  
**ENDED 31ST MARCH, 2010**

SCHEDULE	YEAR ENDED 31.03.2010 Rs.	YEAR ENDED 31.03.2009 Rs.
<b>INCOME</b>		
Dividend	155,307,771	330,735,173
Services Rendered	140,703,066	223,824,710
Less : Service Tax	<u>12,903,312</u>	<u>(24,151,591)</u>
Interest	-	423,121,079
Commission & Brokerage	-	836,311
Profit on Sale of Investments (Net)	2,679,573	10,199,724,206
Income/(Loss) from Capital Market Operation	M 11,574,565	(115)
Premium Received on Redemption of Preference Shares/NCD	102,046,130	12,052,500
Surplus from Trading in Units of Mutual Fund	-	(123,331,588)
Amount Written back (Net)	-	2,104,981
Interest/Income from Trading in Units of Mutual Funds	N 421,520,887	-
Difference in Exchange	47,571,147	(115,315,724)
Misc. Income	14,632	-
Share of Profit/(Loss) in Partnership Firms (Net)	<u>(45,328)</u>	<u>315,087,496</u>
<b>TOTAL</b>	<u><u>868,469,131</u></u>	<u><u>11,244,687,438</u></u>
<b>EXPENDITURE</b>		
Materials Consumed	O 19,142,826	27,618,802
<b>PERSONNEL :</b>		
Salaries and Allowances	40,823,475	43,167,299
Staff Welfare Expenses	<u>1,417,155</u>	<u>1,756,531</u>
<b>ADMINISTRATION :</b>		
Laboratory Tests	5,704,709	16,250,491
Compensation to Volunteers	7,813,488	11,599,992
Diet for volunteers	1,534,858	1,901,240
Rent and Hire Charges	7,211,820	5,919,714
Electricity & Water Expenses	6,555,600	6,493,145
Insurance	252,345	227,134
Housekeeping Expenses	1,904,868	1,409,512
Repairs & Maintenance	-	-
- Plant & Machinery	5,657,800	5,912,423
- Others	3,731,952	2,379,357
Rates & Taxes	150,132	43,825
Legal and Professional	5,890,683	4,954,575
Service Charges (Net)	6,766,411	4,442,173
Travelling and Conveyance	5,785,635	2,045,582
Business Promotion	3,855,386	83,001
Printing and Stationery	1,921,367	2,103,362
Custodial & Depository charges	83,236	68,138
Postage and Telephones	2,125,322	971,016
Administrative & Service charges	2,795,529	479,963
Advertisement	50,835	35,789
Donation	-	80,000,000
Miscellaneous Expenses	<u>3,474,189</u>	<u>3,801,779</u>
<b>Auditors' Remuneration :</b>		
- Audit Fees	455,000	442,000
- Tax Audit	120,000	113,000
- Taxation	4,500	4,500
- Certification Work	10,750	7,100
- Others	<u>332,745</u>	<u>330,519</u>
<b>FINANCE :</b>		
Interest :	-	184,445,647
- Others	70,000	-
Brokerage	-	10,000,000
Loan Prepayment Charges	-	677
Securities Transaction Tax	2,570	10,080,000
Syndication Fee	-	4,284
Bank Charges	<u>5,689</u>	<u>78,259</u>
Loss on Sale of Assets	144,330	2,048,507
Depreciation	16,808,604	16,066,033
Amount Written off (Net)	109,396	-
Preliminary Expenses Written off	11,600	5,800
<b>TOTAL</b>	<u><u>152,724,805</u></u>	<u><u>447,212,910</u></u>

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

SCHEDULE	YEAR ENDED 31.03.2010 Rs.	YEAR ENDED 31.03.2009 Rs.
<b>PROFIT BEFORE TAX</b>	<b>715,744,326</b>	<b>10,797,474,528</b>
Provision for Tax		
– Current	166,220,931	1,179,749,167
– MAT Credit entitlement (current year)	–	(4,539,109)
– MAT Credit entitlement (prior year)	–	(3,491,972)
– Deferred	(452,615)	(1,050,632)
– Fringe Benefit Tax	–	417,886
<b>PROFIT AFTER TAX</b>	<b>549,976,010</b>	<b>9,626,389,188</b>
<b>MINORITY INTEREST</b>	<b>(12,236,558)</b>	<b>(32,909,090)</b>
<b>PROFITS AFTER TAX AND MINORITY INTEREST</b>	<b>537,739,452</b>	<b>9,593,480,098</b>
Profit brought forward - Earlier years	10,113,307,930	2,423,266,988
Excess Provision for Tax Written Back	133,212	3,191
Taxes for Earlier year	(69,119)	–
Prior period adjustments	(4,348,803)	1,917,653
Proportionate share in result of operation of associates	(51,538,040)	–
<b>AVAILABLE FOR APPROPRIATION</b>	<b>10,595,224,632</b>	<b>12,018,667,930</b>
<b>APPROPRIATIONS</b>		
Statutory Reserve	101,590,000	1,905,360,000
Balance Carried to Balance Sheet	10,493,634,632	10,113,307,930
	<b>10,595,224,632</b>	<b>12,018,667,930</b>
Basic and Diluted earnings per share of Rs.10/- each (Note 4 (iv) of Schedule P)	31.12	555.16
<b>NOTES TO THE ACCOUNTS</b>	P	
As per our attached report of even date For R. V. SHAH & CO. Chartered Accountants ICAI Registration No. 109765W	P	For and on behalf of the Board of Directors
(R.V. SHAH) Proprietor Membership No. 016097	Managing Director	Director
		Company Secretary
Place : Mumbai Date : 26th August, 2010		Place : New Delhi Date : 25th August, 2010

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.			
<b>SCHEDULE 'A'</b>					
<b>SHARE CAPITAL</b>					
<b>Authorised</b>					
349,50,000 Equity Shares of Rs. 10/- each	349,500,000	349,500,000			
25,000 12% Non-Cumulative Redeemable Preference Shares of Rs.10/- each	250,000	250,000			
2,500 12% Non-Cumulative Redeemable Preference Shares of Rs.100/- each	250,000	250,000			
	<u>350,000,000</u>	<u>350,000,000</u>			
<b>Issued and Subscribed</b>					
1,72,80,620 Equity Shares of Rs.10/- each Fully Paid Up.	172,806,200	172,806,200			
	<u>172,806,200</u>	<u>172,806,200</u>			
<b>SCHEDULE 'B'</b>					
<b>RESERVES AND SURPLUS</b>	As At 31.03.2009 Rs.	Deductions Rs.	Additions Rs.	As At 31.03.2010 Rs.	As At 31.03.2009 Rs.
Capital Reserve	104,000	-	-	104,000	104,000
Capital Redemption Reserve	980,900	-	-	980,900	980,900
Amalgamation Reserve	63,073,589	-	-	63,073,589	63,073,589
Share Premium	695,193,240	-	-	695,193,240	695,193,240
Statutory Reserve	2,460,537,000	-	101,590,000	2,562,127,000	2,460,537,000
General Reserve	61,256,630	-	-	61,256,630	61,256,630
Special Reserve	25,800,000	-	-	25,800,000	25,800,000
Surplus in Profit and Loss A/c	10,113,307,930	10,113,307,930	10,493,634,632	10,493,634,632	10,113,307,930
	<u>13,420,253,289</u>	<u>10,113,307,930</u>	<u>10,595,224,632</u>	<u>13,902,169,991</u>	<u>13,420,253,289</u>
<b>SCHEDULE 'C'</b>					
<b>SECURED LOANS - Short Term</b>					
Floating Rate Secured Redeemable Non-Convertible Debentures (Note 4(ii) Schedule P) (Secured by First charge on pari passu basis by way of English Mortgage on the Immovable Property of the Company)			4,000,000,000		-
			<u>4,000,000,000</u>		<u>-</u>
<b>SCHEDULE 'D'</b>					
<b>UNSECURED LOANS</b>					
- Interporate Deposits			600,000,000		600,000,000
			<u>600,000,000</u>		<u>600,000,000</u>

**OSCAR INVESTMENTS LIMITED**  
ANNUAL REPORT 2009-2010

**SCHEDULE 'E'**  
**FIXED ASSETS**

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BLOCK	
	Cost As At 31.03.2009	Additions	Deductions/ Adjustments	Cost As At 31.03.2010	Up To 31.03.2009	Additions	Deductions/ Adjustments	Up To 31.03.2010	As At 31.03.2010	As At 31.03.2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	214,689	--	--	214,689	--	--	--	--	214,689	214,689
Leasehold Improvements	16,200,257	1,385,170	--	17,585,427	11,715,989	1,589,936	--	13,315,925	4,269,502	4,484,268
Lab Equipment and Instruments	123,337,881	2,015,570	68,518	125,284,933	40,720,966	11,582,931	22,788	52,291,129	72,983,804	82,616,896
Computer and Peripherals	3,093,383	1,574,966	779,100	3,889,272	2,010,833	783,010	--	2,793,843	1,095,429	1,062,553
Office Equipments	4,479,489	1,097,120	(779,100)	6,355,689	1,816,438	532,335	--	2,348,743	4,008,948	2,663,061
Vehicles	11,666,498	2,306,062	380,000	13,592,560	6,023,198	1,718,565	156,399	7,585,364	6,007,188	5,643,300
Furniture and Fixtures	1,870,296	2,622,839	--	4,493,137	1,343,617	306,899	--	1,649,518	2,843,621	528,681
Air Conditioner	28,000	--	--	28,000	18,037	1,107	--	19,144	6,856	7,963
Intangible Assets - Softwares	2,430,158	--	--	2,430,158	1,056,054	274,821	--	1,330,875	1,099,283	1,374,104
<b>Total</b>	<b>163,318,636</b>	<b>11,001,737</b>	<b>448,518</b>	<b>173,871,855</b>	<b>64,705,122</b>	<b>16,808,604</b>	<b>179,187</b>	<b>81,334,539</b>	<b>92,537,318</b>	<b>98,613,514</b>
Previous Year	146,628,895	20,165,198	3,473,455	163,318,636	49,173,952	16,068,033	534,863	64,705,122	98,613,514	

**SCHEDULE 'F'**  
**INVESTMENTS**

Particulars	Nos./ Units	Face Value (Per Share/ Deb. etc.) Rs.	At Book Value/ Cost Rs.	Nos./ Units	Face Value (Per Share/ Deb. etc.) Rs.	At Book Value/ Cost Rs.
-------------	-------------	---------------------------------------	-------------------------	-------------	---------------------------------------	-------------------------

**(I) Investments (Other than Trade) At Cost**

**A. Quoted Shares and Debentures**

**1. Equity Shares**

Curewel India Ltd.	100	10	1,771	100	10	1,771
Religare Technova Ltd.	474,900	10	3,403,450	474,900	10	3,403,450
Perfect Pac Ltd.	20	10	495	20	10	495
Fortis Malar Hospitals Ltd.	2,451,333	10	72,831,437	2,523,750	10	75,144,727

**2. Debentures**

Mangalore Refinery and Petrochemicals Ltd. - 16% Partly Convertible	50	19	950	50	19	950
---	----	----	-----	----	----	-----

**B. Unquoted Shares**

**1. Equity Shares**

Zim Portfolio Private Ltd.	185,000	10	1,850,000	185,000	10	1,850,000
Noble Financial Services Pvt. Ltd.	135,000	10	1,350,000	135,000	10	1,350,000
Super Religare Laboratories Ltd.	6,674,659	10	73,421,249	6,674,659	10	73,421,249
Loss : Proportional share in the loss for the current year			51,538,040	21,893,209		

**2. Preference Shares**

Fortis Healthcare Ltd. - 0% Redeemable Preference Shares	--	--	--	4,800,000	9	432,000,000
Zim Portfolio Private Ltd. - 11% Non Cumulative Redeemable	90,000	10	900,000	90,000	10	900,000
Noble Financial Services Pvt.Ltd. - 10% Non Cumulative Redeemable	65,000	10	650,000	65,000	10	650,000
Fortis Healthcare Holdings Ltd. - 10% Non Cumulative Redeemable	14,050,000	10	1,922,500,000	12,250,000	10	122,500,000
Malav Holdings Pvt.Ltd. - 10% Non Cumulative Redeemable	3,650,000	10	36,500,000	3,650,000	10	36,500,000
Shiv Holdings Pvt.Ltd. - 12% Non Cumulative Redeemable	2,950,000	10	29,500,000	2,950,000	10	29,500,000
Best Healthcare Pvt.Ltd. - 10% Non Cumulative Redeemable	13,500	100	14,850,000	13,500	100	14,850,000
Greenline Bulchwell Pvt.Ltd. - 10% Non Cumulative Redeemable	122,000	100	134,200,000	122,000	100	134,200,000
Best Medicines Pvt.Ltd. - 10% Non Cumulative Redeemable	35,000	100	38,500,000	35,000	100	38,500,000
Best Cure Pvt. Ltd. - 10% Non Cumulative Redeemable	42,500	100	48,750,000	42,500	100	48,750,000

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

Particulars	Nos/ Units	Face Value (Per Share/ Deb. etc.) Rs.	At Book Value/ Cost Rs.	Nos/ Units	Face Value (Per Share/ Deb. etc.) Rs.	At Book Value/ Cost Rs.
<b>3. Optionally Convertible Debentures</b>						
- 5% Green Grass Estates Pvt. Ltd.	1,500,000	1,000	1,500,000,000	-	-	-
- 5% Vitoba Cosmetics Pvt. Ltd.	1,500,000	1,000	1,500,000,000	-	-	-
<b>(II) Investments in Mutual Fund - Current (Quoted)</b>						
- Religare Gold Exchange Traded Fund - Growth	5,952 (Units)	1,660	10,000,000	-	-	-
<b>(III) Investments in Mutual Fund - Current (Unquoted)</b>						
- Religare Qtrly Interval Fund	-	-	-	24,992,752.102 (Units)	-	250,000,000
- Religare PSU Equity Fund - Dividend Plan	25,000,000 (Units)	-	250,000,000	-	-	-
- Religare Liquid Fund - Super Institutional Growth	279,794,882.344 (Units)	-	3,533,800,000	-	-	-
- Religare Medium Term Fund - Retail Plant Growth Option	4,722,699.410 (Units)	-	90,010,400	-	-	-
- UTI Treasury Advantage Fund - Growth Plan	6,076.010 (Units)	-	7,506,156	-	-	-
<b>(IV) Investments in Debt Instruments</b>						
<b>Unquoted - Non Trade - Current</b>						
<b>Certificates of Deposit</b>						
- Canara Bank	-	-	-	5,000,000	100	478,385,000
- Yes Bank Ltd.	-	-	-	6,000,000	100	595,868,400
- ICICI Bank Ltd.	-	-	-	2,500,000	100	244,984,250
- State Bank of Bikaner & Jaipur	-	-	-	2,500,000	100	245,740,250
- Union Bank of India	-	-	-	2,565,000	100	251,108,113
- State Bank of Hyderabad	-	-	-	2,500,000	100	244,390,500
- State Bank of Indore	-	-	-	2,500,000	100	245,517,500
- State Bank of Patiala	-	-	-	4,850,000	100	471,270,880
<b>Commercial Paper</b>						
- Reliance Capital Ltd.	-	-	-	1,800,000	100	179,721,360
<b>Non Convertible Debentures</b>						
- 8.45% Indian Railway Finance Corporation	-	-	-	500,000	100	49,122,907
- 10.48% Grasim Industries Ltd.	-	-	-	500,000	100	53,890,247
- 11.25% Power Finance Corporation	-	-	-	1,500,000	100	174,414,144
- 10.90% Rural Electrification Corporation	-	-	-	500,000	100	56,649,384
- 8.65% Rural Electrification Corporation	-	-	-	500,000	100	49,146,099
- 11.5% Shriram Transport Finance Company Ltd.	-	-	-	1,500,000	100	182,744,583
<b>Other Securities</b>						
- Collateralised Debt Trust Series 24 (Option - I) Series A1	-	-	-	35	-	347,876,009
- Credit Asset Trust Series XLIX Class A1	-	-	-	27	-	295,353,762
- Corporate Loan Securitisation Series XXXIII Trust 2006 Option-II- Series B	-	-	-	25	-	270,502,076
<b>(V) Religare Securities Ltd.- Active Investment Portfolio A/c</b>						
	-	-	529,320,523	-	-	502,483,208
<b>(VI) Investment in Capital of Partnership Firms</b>						
Oscar Traders	-	-	102,000	-	-	102,000
Oscar Syndicate	-	-	1,000	-	-	1,000
Delta Associates	-	-	1,000	-	-	1,000
	-	-	<u>9,746,412,392</u>	-	-	<u>6,200,795,314</u>
<b>NOTES :</b>						
1. Aggregate of Quoted Investments	-	-	-	-	-	-
- Book Value	-	-	86,238,103	-	-	78,551,393
- Market Value	-	-	138,468,846	-	-	66,387,585
2. Aggregate Book Value of Unquoted Investments	-	-	9,660,174,289	-	-	6,122,243,921
3. All investments are Long Term unless otherwise Stated and have been valued at Cost.	-	-	-	-	-	-
4. All the above mentioned Shares / Debentures/Units are fully paid up unless otherwise stated.	-	-	-	-	-	-

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE 'G'</b>		
<b>INVENTORIES</b>		
Consumables	4,049,384	3,464,679
Work-in-progress-incomplete services costs	608,601	2,072,127
	<u>4,657,985</u>	<u>5,536,806</u>
<b>SCHEDULE 'H'</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured - Considered good)		
Debts outstanding for less than Six Months	13,730,328	20,474,552
	<u>13,730,328</u>	<u>20,474,552</u>
<b>SCHEDULE 'I'</b>		
<b>CASH AND BANK BALANCES</b>		
Cash in Hand	295,171	95,527
Cheques in Hand	-	1,504,441,431
With Scheduled Banks in :		
- Current Accounts	3,556,185,095	1,691,354,021
- Deposit Accounts	2,881,359	-
- Dividend Accounts	1,284,477	1,358,897
	<u>3,560,646,102</u>	<u>3,197,249,876</u>
<b>SCHEDULE 'J'</b>		
<b>LOANS AND ADVANCES</b>		
(Unsecured - Considered good)		
Loans - Corporate	5,606,188,980	4,916,360,000
- others	78,023,810	40,299,181
Interest Accrued but not due	211,229,523	233,291,359
Advances Recoverable in Cash or in Kind or for Value to be received	33,347,219	56,037,654
Mat Credit Entitlement	3,040,178	4,539,109
Advance Payment of Taxes and Tax Deducted at Source	1,423,455,622	1,244,740,061
Security Deposits	15,340,099	15,195,528
	<u>7,370,625,231</u>	<u>6,510,462,892</u>
<b>SCHEDULE 'K'</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors		
- for goods, services and expenses	6,206,625	14,281,337
- for capital goods	1,703,589	5,026,970
Investor Education and Protection Fund		
- Unclaimed Dividend	1,284,477	1,358,897
(Appropriate amounts shall be transferred to "Investor Education and Protection fund" as and when due)		
Difference in Exchange Payable (HSBC)	67,256,637	114,823,009
Other Liabilities	3,906,032	-
Business Advance	70,000,000	-
Tax Deducted at Source	5,939,269	14,616,655
Statutory Liabilities	-	1,688,577
Interest Accrued but not due	157,210,161	62,542,738
	<u>313,506,790</u>	<u>214,338,183</u>



**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE 'L'</b>		
<b>PROVISIONS</b>		
Tax	1,341,353,931	1,181,563,000
Gratuity	2,413,851	2,314,209
Leave Encashment	3,285,502	2,924,150
Bonus	1,249,818	-
	<u>1,348,303,102</u>	<u>1,186,801,359</u>
<b>SCHEDULE 'M'</b>		
<b>INCOME/(LOSS) FROM CAPITAL MARKET OPERATIONS</b>		
Sales of Equity Shares	65,357,592	-
Income from Capital Market Operations	5,894,752	-
Stock of 229 Equity Shares	12,412	12,215
	<u>71,264,756</u>	<u>12,215</u>
Less : Purchases/Additions of Equity Shares	59,677,976	-
Less : Op. Stock of 229 Equity Shares	12,215	12,330
	<u>11,574,565</u>	<u>(115)</u>
<b>SCHEDULE 'N'</b>		
<b>INTEREST/INCOME FROM TRADING IN UNITS OF MUTUAL FUNDS</b>		
Interest Income	545,153,133	-
Income from trading in units of Mutual Funds	97,963,385	-
	<u>643,116,518</u>	<u>-</u>
Less : Expenses		
Interest paid for above	197,126,623	-
Debenture Issue Expenses etc.	24,469,008	-
	<u>221,595,631</u>	<u>-</u>
	<u>421,520,887</u>	<u>-</u>
<b>SCHEDULE 'O'</b>		
<b>MATERIAL CONSUMABLES</b>		
Opening Stock	3,464,679	2,124,838
Add : Purchase	18,264,005	27,379,769
	<u>21,728,684</u>	<u>29,504,607</u>
Less : Closing Stock	4,049,384	3,464,679
Work-in-progress-incomplete service costs		
Add : Opening stock	2,072,127	3,651,001
Less : Closing stock	608,601	(2,072,127)
Material consumed during the year	<u>19,142,826</u>	<u>27,618,802</u>

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**SCHEDULE 'P'**

**NOTES TO THE CONSOLIDATED ACCOUNTS**

**1. Basis of preparation**

1.1 Oscar Investments Limited has prepared consolidated financial statement by consolidating its accounts with those of its subsidiary in accordance with Accounting Standard 21 (Consolidated Financial Statements) of Institute of Chartered Accountants of India.

**1.2 Principles of Consolidation :**

- (i) The consolidated financial statements comprise the financial statements of Oscar Investments Limited (the Company) and its subsidiaries. The financial statements of each of these companies are prepared according to uniform accounting principles. The financial statements of the company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter company transactions.
- (ii) The Financial Statements of the Subsidiaries in the Consolidation are drawn upto the same reporting date as that of the Company.
- (iii) Minorities' Interest in Net Assets of the Consolidated Subsidiaries consists of:
  - a) The amount of Equity attributable to Minorities at the date on which the investment in the Subsidiary is made, and
  - b) The Minorities' share of movements in Equity since the date the Parent Subsidiary relationship came into existence.
- (iv) Minorities' share of Net Profit for the year of the Consolidated Subsidiaries are identified and adjusted against the Profit After Tax of the Group.

1.3 Subsidiaries included in consolidation :- Shimal Research Laboratories Ltd.\*  
\*Includes 100% stake in Fortis Clinical Research Ltd.

1.4 Proportion of ownership interest in subsidiaries :- 67.58% (previous year 67.58%)

**2. Significant Accounting Policies :**

**2.1 Basis of preparation of financial statements**

The financial statements are drawn up in accordance with the historical cost convention on accrual basis and comply with the accounting standards referred to in Sec. 211(3C) of the Companies Act, 1956.

**2.2 Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

**2.3 Fixed Assets and Depreciation**

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged on Written Down Value method at the rates specified in accordance with the provisions of schedule XIV of the Companies Act, 1956. Intangible assets comprise software which is not an integral part of the related hardware and is stated cost less accumulated amortisation. Leasehold improvements are amortised over the lease period or the estimated useful life, whichever is shorter.

Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. Individual assets / group of similar assets costing less than Rs. 5,000 has been depreciated in full in the year of purchase.

**2.4 Investments**

Investments are classified into current and long-term investments. Current investments are stated at lower of cost or market value. Long-term investments are carried at cost less provisions, if any, for permanent diminution in the value of such investment.

**2.5 Stock in Trade**

Trading stocks of shares and securities are valued at cost or market value whichever is lower.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**2.6 Inventories**

Inventories are valued as follows :

*Consumables*

Consumables are valued at lower of cost and net realizable value. Cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition and is determined on a 'First in First Out' basis.

*Work-in-progress*

Clinical trials and bio-equivalence studies in progress at the year end are carried at cost directly attributable to the studies allocated, on a reasonable basis.

**2.7 Revenue Recognition**

Dividend income is accounted for when the right to receive the payment is established. Interest and other dues are accounted on accrual basis. Revenue from Sale of Shares & Securities are recognised on the date of Sale of such Shares & Securities.

Revenue from services rendered is recognised on a completed contract method; on completion of respective clinical trials and bio-equivalence studies in accordance with the terms of the contract.

**2.8 Debenture Issue Expenses**

Debenture Issue Expenses incurred on issue of debentures is amortised over the tenure of the debentures.

**2.9 Employee Benefits**

The Company provides Gratuity and Leave Encashment on the basis of actuarial valuation. A Subsidiary of the Company has two post employment benefit plans in operation viz. Gratuity and Provident Fund as well as provides benefit of compensated absences.

**2.10 Taxes on Income**

Provision for current tax is computed in accordance with relevant tax provisions. Deferred tax is recognized for all timing differences between accounting income & taxable income and is quantified using enacted / substantially enacted tax rates as at the balance sheet date. Deferred tax assets are recognized subject to the management judgement that the realisation is virtually / reasonably certain. Deferred tax assets and liability arising during the tax holiday period is not recognized to the extent it reverses out within the tax holiday period.

**2.11 Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a Straight -line basis over the lease term.

**2.12 Impairment of Assets**

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets . If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to profit and loss account.

**2.13 Borrowing Cost**

Borrowing Costs are accounted for as expense in the period in which they are incurred and they, are related to.

**2.14 Foreign Currency and Derivative Transactions**

- Foreign Currency Transactions are accounted at the Exchange rates prevailing on the date of the transaction. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Exchange difference arising on the settlement/restatement of monetary items at the rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognised as income or expense in the year in which they arise.
- Cross Currency interest rate swap is used as hedging instrument. The notional principal of such instrument is recorded as off Balance Sheet Item. Interest received and paid as well as accruals on Cross Currency Interest Rate Swap is converted into Indian Rupees

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

and routed through the interest account. Exchange Gain/Loss on the cross currency interest swap is recognised at the year end exchange rate prevailing except in the circumstances where year end rates do not reflect the amount in reporting currency that is likely to be realised from or required to be disbursed or where the year end rate is unrealistic, in which circumstances, Exchange Gain/Loss is recognised at the amount which is likely to be realised from or required to be disbursed at the time of finalisation of accounts.

**3. Investments in associate**

The Company has applied Accounting Standard 23, Accounting for investments in Associates in Consolidated Financial Statements issued by the ICAI in the current financial year. In accordance with the disclosure requirements of this accounting standard, the prescribed information and detail relating to associate company is given below :

Associate Company - The Company regards those investee entities as associates which are not considered as subsidiaries, but in which it holds directly or indirectly 20% or more voting power.

Super Religare Laboratories Ltd. is a company which is providing Pathological diagnosis & has laboratories/collection centers throughout India. As of March 31, 2010, the Company holds 68,74,659 Equity Shares of Super Religare Laboratories Ltd., which translates into an ownership interest and voting power equal to 37.50% in the Company.

**4. Notes to Consolidated Financial Statements**

(i) Share Capital includes 42,45,808 Equity Shares of Rs. 10/- each allotted on 30.11.2001 as fully paid-up pursuant to a Scheme of Amalgamation without payment being received in cash.

(ii) Particulars of privately placed Secured Redeemable Non - Convertible Debentures :  
 - 4000000 Nos Floating Rate Secured Redeemable Non - Convertible Debentures of Rs. 100/- each - Rated A1+ by ICRA - of the aggregate nominal value of Rs. 400 Crores carrying interest @ MIBOR + 600 basis points with a floor of 6.20% and a cap of 6.25% p.a. on private placement basis on 20.10.2009. The same are redeemable at par at the end of 358 days from the date of allotment.

(iii) The net deferred tax Assets of Rs.38,70,190/- as at 31st March,2010 has arisen on account of the following :

	2009-2010 Rs.	2008-2009 Rs.
Deferred Tax Asset/(Liability)		
- Depreciation	1,732,980	1,441,000
- Preliminary Expenses	-	(3,943)
- Employees Benefits	1,937,210	1,780,518
	3,670,190	3,217,575

(iv) Basic and Diluted Earning Per Share :

For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered :

Particulars	For the Year ended 31st March, 2010 (Rs.)	For the Year ended 31st March, 2009 (Rs.)
a) Net Profit after Tax and Minority Interest	537,739,452	9,593,480,098
Less : Preference dividend and tax thereon	-	-
Net Profit available for equity shareholders	537,739,452	9,593,480,098
b) Weighted average number of equity shares (Nos.)	17,280,620	17,280,620
c) Basic and Diluted Earning Per Share (Rs.)	31.12	555.18

(v) The Company has entered into Forward exchange contract for hedging purposes against an underlying liability. The exchange difference on the underlying liability and the forward exchange contract has been recognised in Profit and Loss Account in accordance with AS 11.

(vi) The Company has an investment of nominal value of Rs.331.14 lacs(67.58%) in the Equity Shares of Fortis Clinical Research Ltd. from its subsidiary, Shimal Research Laboratories Ltd. Fortis Clinical Research Ltd. is engaged in the business of conducting bio-equivalence research in India.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

(vii) Segment Reporting

Segment information disclosures as required under accounting standard on "Segment Reporting" issued by Institute of Chartered Accountants of India.

a) Primary Segment Information – Business Segment

	Investments & Finance	Bio-equivalence Research	Unallocable	Eliminations	(Rs. in Lacs) Total
<b>REVENUE</b>					
External Revenue	9,582.45	1,326.50	-	-	10,908.95
<b>EXPENDITURE</b>					
Materials Consumed	-	191.42	-	-	191.42
Personal Expenses	27.46	394.95	-	-	422.41
Administrative Expenses	204.10	544.34	-	-	748.44
Financial Charges	2,219.22	-	-	-	2,219.22
Depreciation	19.44	148.64	-	-	168.08
<b>OTHER INFORMATIONS</b>					
Profit before Tax	7,112.23	47.15	-	-	7,159.38
Taxes/Adjustments	-	54.90	-	-	54.90
Profit/(Loss) after Tax	7,112.23	(7.75)	-	-	7,104.48
Segment Assets	205,824.17	2,564.38	-	-	208,388.54
Segment Liabilities	60,177.96	883.63	-	-	61,061.59
<b>b) Secondary Segment information-Geographical Revenue by Geographical Market</b>					
India	9,582.45	1,326.50	-	-	10,908.95
Outside India	-	-	-	-	-

**5. Related Party Disclosures :**

a. List of Related Parties where control exists or with whom transactions have taken place during the year are given hereunder :

- i. Company holding substantial interest in voting power : RHC Holding Pvt. Ltd.
- ii. Subsidiary Companies : Shimal Research Laboratories Ltd.  
Fortis Clinical Research Ltd.
- iii. Partnership firm in which Company is a major partner : Oscar Traders
- iv. Companies in which substantial interest in voting power is held : Super Religare Laboratories Limited
- v. Key management personnel : Mrs. Japna Malvinder Singh  
– Managing Director  
Mr. Malvinder Mohan Singh  
– Director
- vi. Entities over which (i) and (v) above (directly or indirectly) are able to exercise significant influence and with whom transactions have taken place during the year : Fortis Healthcare Holdings Ltd.  
Fortis Healthcare Ltd.  
Fortis Hospotel Ltd.  
Religare Aviation Ltd.  
Religare Capital Market Ltd.  
Religare Enterprises Ltd.  
Religare Technova Business Intellect Ltd.  
Religare Technova Ltd.  
Religare Securities Ltd.  
International Hospital Ltd.  
Malav Holdings Pvt. Ltd.  
Shivi Holdings Pvt. Ltd.

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

b. The following transactions were carried out with Related Parties in the Ordinary Course of Business.

Transactions	Partnership Firm	Company in which substantial interest in voting power is held	Key management personnel	Company holding substantial interest in voting power	(Rs. in Lacs) Entities over which (i) and (v) are able to exercise significant influence
<b>Unsecured Loans</b>					
a) Taken during the year	-	-	-	12,817.00	-
b) Repaid during the year	-	-	-	13,264.34	-
c) Balance as at 31st March, 2010	-	-	-	6,000.00	-
<b>Investments</b>					
a) Made during the year	-	-	-	-	47,021.47
b) Sold during the year	-	-	-	-	33,341.47
c) Balance as at 31st March, 2010	1.04	734.21	-	-	19,919.03
Sundry Debtors/ (Creditors) as at 31st March, 2010	-	-	-	-	5.21
<b>Loans</b>					
a) Given During the year	-	-	-	15,628.50	91,945.80
b) Returned during the year	-	-	-	15,628.50	83,400.00
c) Balance as at 31st March, 2010	-	-	-	-	18,645.80
d) Interest receivable as at 31st March, 2010	-	-	-	-	266.53
<b>Advance Recoverable in cash or in kind</b>					
a) Given During the year	-	-	-	-	-
b) Returned during the year	-	-	-	-	-
c) Balance as at 31st March, 2010	-	-	-	-	-
<b>Current Liabilities</b>					
a) Other Liabilities as at 31st March, 2010	0.45	-	-	-	-
b) Interest Accrued but not due as at 31st March, 2010	-	-	-	455.66	-
<b>Income</b>					
a) Share of Profit	(0.45)	-	-	-	-
b) Interest	-	-	-	-	1,497.10
c) Services charges	-	-	-	29.35	-
d) Premium Received	-	-	-	-	1,020.46
e) Dividend	-	6.67	-	-	-
<b>Expenditure</b>					
a) Interest	-	-	-	506.29	-
b) Depository Charges	-	-	-	-	0.04
c) Managing Directors' Remuneration	-	-	1.92	-	-
<b>6. Actuarial valuation has been done with the following assumptions for the following defined benefit schemes :</b>					
a. Gratuity					
b. Leave Encashment					
<b>Particulars</b>	<b>Leave Encashment</b>		<b>Gratuity</b>		
Discount Rate	7.5 percent per annum		7.5 percent per annum		
Future salary increase rate	5 percent per annum		5 percent per annum		
Expected average remaining working lives of employees (years)	26.43		26.43		

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Changes in the present value of the defined benefit obligation are as follows :

For the year ended March 31, 2010:

Particulars	Leave Encashment (Unfunded) Rs.	Gratuity (Unfunded) Rs.
Value of obligation as at April 1, 2009	2,924,150	2,314,209
Cost recognised for prior years	594,042	-
Interest Cost	243,468	159,064
Current service cost	1,249,201	768,331
Benefits paid	-545,250	-
Actuarial (gain)/loss on obligation	-1,180,109	-827,753
<b>Present value of obligation as at March 31, 2010</b>	<b>3,285,502</b>	<b>2,413,851</b>

7. The details in respect of Partnership firms where the company is a partner are as under:

Name of Partnership Firms	Name of the Partners	Share of Profit/ Loss as on 31.03.2010	Share of Profit/ Loss as on 31.03.2009
a. M/s Oscar Traders	i. M/s. Oscar Investments Ltd.	85%	85%
	ii. Mr. Malvinder Mohan Singh	7.50%	7.50%
	iii. Mr. Shivinder Mohan Singh	7.50%	7.50%
		<u>100%</u>	<u>100%</u>
(Partners' Capital-Rs. 1,14,000/-, Previous Year-Rs. 1,14,000/-)			
b. M/s Oscar Syndicate	i. M/s. Oscar Investments Ltd.	10%	10%
	ii. M/s. RHC Holdings Pvt. Ltd.	90%	90%
		<u>100%</u>	<u>100%</u>
(Partners' Capital-Rs. 11,000/-, Previous Year-Rs. 11,000/-)			
c. M/s Delta Associates	i. M/s. Oscar Investments Ltd.	10%	10%
	ii. M/s. Fern Healthcare Pvt. Ltd. (Formerly Ranbaxy Healthcare Pvt. Ltd.)	90%	90%
		<u>100%</u>	<u>100%</u>
(Partners' Capital-Rs. 11,000/-, Previous Year-Rs. 11,000/-)			

**8. Previous Year's Figures**

Previous year figures have been regrouped/recast to make the same comparable with those of the current year. Previous year's figures are strictly not comparable with those of the Current Year.

Signatories to Schedule A to P  
As per our attached report of even date  
For **R. V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No. 109765W

For and on behalf of the Board of Directors

(**R.V. SHAH**)  
Proprietor  
Membership No. 016097

Managing Director

Director

Company Secretary

Place : Mumbai  
Date : 26th August, 2010

Place : New Delhi.  
Date : 25th August, 2010

**OSCAR INVESTMENTS LIMITED**  
**ANNUAL REPORT 2009-2010**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2010**

	Year Ended March 31, 2010	(Amt.in rupees) Year Ended March 31, 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
a) Net Profit before Tax & Minority Interest and share of	715,744,326	10,797,474,528
Loss in Associates		
Adjustments for:		
- Depreciation	16,808,604	16,066,033
- Interest Income	-	(423,121,079)
- Dividend Income	(155,307,771)	(330,735,173)
- Interest Expense	-	184,445,647
- (Profit)/Loss on Sale of investment	636,256	(10,253,638,533)
- (Profit)/Loss from Capital Market Operation	(197)	115
- (Profit)/Loss on Sale of Fixed Assets	144,330	2,048,507
- Unrealised Foreign Exchange Loss	9,998	-
- Commision Received	-	(836,311)
- Preliminary Expenses Written Off	11,600	5,800
- Prior Period Adjustment	(4,348,802)	-
- Amount Written Back	-	(2,104,981)
- Amount Written Off	109,396	-
<b>b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>	<b>573,807,738</b>	<b>(10,395,447)</b>
- (Increase)/Decrease in Loans and advances	(683,812,742)	(2,953,504,191)
- (Increase)/Decrease in Other Current Assets	(157,086,215)	(1,192,633,680)
- Increase/(Decrease) in Liabilities	100,949,515	129,149,350
<b>c) CASH GENERATED FROM OPERATIONS</b>	<b>(166,141,704)</b>	<b>(4,027,383,968)</b>
- Interest Paid	-	(231,263,010)
- Direct Taxes Paid	(18,195,732)	(24,495,080)
- Interest Received	-	544,761,207
<b>NET CASH FROM OPERATING ACTIVITIES-( A )</b>	<b>(184,337,436)</b>	<b>(3,738,380,851)</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
- Purchase of Investments	(7,293,113,372)	(5,429,811,638)
- Sale of Investment	3,695,321,998	13,016,813,955
- Purchased of Fixed Assets	(9,907,736)	(21,259,197)
- Sale of Fixed Assets	125,001	231,250
- Commission Received	-	836,311
- Dividend Received	155,307,771	330,735,173
<b>NET CASH FROM INVESTING ACTIVITIES- ( B )</b>	<b>(3,452,266,338)</b>	<b>7,897,545,854</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Proceed from Long Term Borrowing	4,000,000,000	-
- Repayment of Borrowing	-	(2,004,000,000)
- Unpaid Calls Recd	-	4,500
<b>NET CASH FROM FINANCING ACTIVITIES- ( C )</b>	<b>4,000,000,000</b>	<b>(2,003,995,500)</b>
<b>D. NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>363,396,226</b>	<b>2,155,169,503</b>
Cash & Cash Equivalent at the beginning of the Year	3,197,249,876	1,042,080,373
Cash & Cash Equivalent at the end of the Year	3,560,646,102	3,197,249,876

This is the Cash Flow Statement referred to in our report of even date

For **R. V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No.109765W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**(R.V. SHAH)**  
Proprietor  
Membership No. 016097

Managing Director

Director

Company Secretary

Place : Mumbai  
Date : 26th August, 2010

Place : New Delhi  
Date : 25th August, 2010