

CDR HEALTHCARE LIMITED

# **CDR HEALTHCARE LIMITED**

**23<sup>rd</sup> ANNUAL REPORT**

**2009-2010**

## CDR HEALTHCARE LIMITED

### BOARD OF DIRECTORS

Sri D. Bhaskar Reddy	Director
Dr. C. Jaya Sree	Director
Sn M. Keshava Reddy	Director

### BANKERS

Indian Bank  
Canara Bank

### REGISTERED OFFICE

Room No.99, 3-6-28/1A, B & C  
Hyderabad, Hyderabad - 500 029.

### AUDITORS

M/s. P. MURALI & CO.,  
Chartered Accountants  
6-3-655/2/3, Somajiguda,  
Hyderabad - 500 082.

### SHARE TRANSFER AGENTS

Aarathi Consultants Pvt Ltd.,  
1-2-285, Domalguda,  
Hyderabad - 500 029.  
Ph. 040-27638111

### LISTING

The Bombay Stock Exchange Limited, Mumbai.

**CDR HEALTHCARE LIMITED**

**NOTICE**

**NOTICE** is hereby given that the 23rd Annual General Meeting of M/s. CDR HEALTHCARE LIMITED will be held on Thursday, 30th September, 2010 at 2.00 p.m. at Bharatiya Vidya Bhavan, Basherbagh, Hyderabad - 500 029, Andhra Pradesh to transact the following Business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2010 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors there on
2. To appoint a Director in place of Sri M.Keshava Reddy, Director who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s. P. Murali & Co., Chartered Accountants, Hyderabad as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting at remuneration as may be fixed by the Board of Directors of the Company.

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass with or without modification the following as ordinary resolution

**"RESOLVED THAT** Sri.D.Bhaskar Reddy be and is hereby appointed as director of the Company, liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification the following as ordinary resolution

**"RESOLVED THAT** Dr.C Jaya Sree be and is hereby appointed as director of the Company, liable to retire by rotation."

BY ORDER OF THE BOARD OF DIRECTORS  
for CDR HEALTHCARE LIMITED

M. KESHAVA REDDY  
DIRECTOR

PLACE: HYDERABAD  
DATE: 01.09.2010

## CDR HEALTHCARE LIMITED

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. PROXIES TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
3. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM 23<sup>RD</sup> SEPTEMBER 2010 TO 25<sup>TH</sup> SEPTEMBER 2010 (BOTH DAYS INCLUSIVE).
4. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO NOTIFY/SEND ANY CHANGE IN THEIR ADDRESS TO THE COMPANY'S SHARE TRANSFER AGENTS, OR TO THE COMPANY AT ITS REGISTERED OFFICE.
5. SHAREHOLDERS / PROXIES SHOULD BRING DULY FILLED ATTENDANCE SLIPS SENT HERewith FOR ATTENDING THE MEETING ALONG WITH THE COPIES OF ANNUAL REPORTS TO THE ANNUAL GENERAL MEETING.
6. THE RELEVANT EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS SET OUT ABOVE AS REQUIRED BY SEC. 173 (2) OF THE COMPANIES ACT, 1956 IS ANNEXED HERETO.

### ITEM NO. 4

Sri D. Bhaskar Reddy was co-opted as additional director of the company on the board of the company pursuant to section 260 of the companies act, 1956 on 01<sup>st</sup> March 2010. Sri D. Bhaskar Reddy holds office of the Director up to the date of this Annual General Meeting. The company has received notice from a member along with required deposit, proposing the candidature of Sri D. Bhaskar Reddy for the office of Director under the provisions of section 257 of the companies act, 1956.

Your Directors recommend the resolution for your approval.

None of the Directors excepts Sri D. Bhaskar Reddy are concerned or interested in the proposed resolution.

The profile of Director is given under the head 'Brief profile of the directors seeking appointment/re-appointment at the AGM.'

## CDR HEALTHCARE LIMITED

### ITEM NO. 5

Dr.C.Jaya Sree was co-opted as additional director of the company on the board of the company pursuant to section 260 of the companies act, 1956 on 01<sup>st</sup> March 2010. Dr.C.Jaya Sree holds office of the Director up to the date of this Annual General Meeting. The company has received notice from a member along with required deposit, proposing the candidature of Dr C.Jaya Sree for the office of Director under the provisions of section 257 of the companies act, 1956

Your Directors recommend the resolution for your approval

None of the Directors excepts Dr. C. Jaya Sree are concerned or interested in the proposed resolution

The profile of Director is given under the head 'Brief profile of the directors seeking appointment/re-appointment at the AGM.'

### 7. ADDITIONAL INFORMATION (as per Clause 49 of the listing agreement):

**As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below:**

#### BRIEF PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM.

Name of the Director	Sri D.Bhaaskar Reddy
Date of Appointment	01.03.2010
Date of Birth/Age	49 years
Qualification	PGDBM
Expertise in Specific functional areas	Experience in Hospital Management
List of Companies in which Directorships held as on 31.03.2010	4
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2010	NIL

**CDR HEALTHCARE LIMITED**

<b>Name of the Director</b>	<b>Dr.C.Jaya Sree</b>
<b>Date of Appointment</b>	01.03.2010
<b>Date of Birth/Age</b>	55 years
<b>Qualification</b>	M.D, DGO,
<b>Expertise in Specific functional areas Management</b>	Experience in Hospital
<b>List of Companies in which Directorships held as on 31.03.2010</b>	NIL
<b>Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2010</b>	NIL
<b>Name of the Director</b>	<b>M.Kashava Reddy</b>
<b>Date of Appointment</b>	13.09.2004
<b>Date of Birth/Age</b>	81 years
<b>Qualification</b>	B.Sc., B.Ed
<b>Expertise in Specific functional areas</b>	<b>Experience in Hospital Management</b>
<b>List of Companies in which Directorships held as on 31.03.2010</b>	2
<b>Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2010</b>	NIL

## CDR HEALTHCARE LIMITED

### DIRECTORS' REPORT

To  
The Members of  
M/s CDR Healthcare Limited.

Your Directors have pleasure in presenting the **23rd Annual Report of the Company** together with Audited Accounts for the year ended 31-03-2010.

#### FINANCIAL RESULTS

	(Rs. In lakhs)	
	YEAR ENDED 31-03-2010	YEAR ENDED 31-03-2009
Total Income	38.11	461.53
Profit before Tax	1.13	0.79
Balance brought forward	(33.54)	4.96
Balance carried forward	(51.66)	(33.54)

#### OPERATIONS

During the year, the turnover of the company is Rs 38.11 Lakhs. During the year the company posted net profit of Rs 1.13 Lakhs

#### MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

Pursuant to Clause 49 of the Listing Agreement, a Management Analysis Report is given below.

##### A. INDUSTRY BACKGROUND

The Healthcare industry is still dominated by private sector. The Government emphasis continues to be on the primary healthcare, allowing the corporate sector to provide latest super specialty healthcare services

##### B. INDUSTRY OUTLOOK

In spite of the general recession in the market, the future for Health Care in India looks very promising. Added to the increased health awareness and health consumption by the individual and third party payers, the State Govt.'s Aarogyaasree has been a great contributor for the increased occupancy of the existing hospitals. Presently bed occupancy of the most of the hospitals are exceptionally high and demand for the new facilities will be very high. As on date there is more demand than the supply

## CDR HEALTHCARE LIMITED

### C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate internal control systems that define roles and responsibilities of people across various levels of the organization. These systems facilitate effective checks and controls as well as tight monitoring on a continuous basis.

### D. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The company plans to out-source routine jobs to other experienced organizations and is in the process of recruiting some of the professionals it has trained in the past.

### ADDITIONAL INFORMATION AS REQUIRED U/S 217(1)(e) OF THE COMPANIES ACT, 1956

- (a) **Conservation of Energy** : Reporting under Energy conservation is not applicable to your Company. However the Company is monitoring the consumption of energy and is identifying measures for conservation of energy.
- (b) (i) **Research and Development (R & D)** : No research and Development has been carried out during the reporting period.
- (ii) **Technology Absorption, adaptation and innovation**:- No technology either indigenous or Foreign is involved.
- (c) **Foreign exchange earning and outgo**: -NIL.

### PARTICULARS OF EMPLOYEES

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the Directors are to report that no employee was in receipt of remuneration of Rs.24,00,000/- or more per annum or Rs.2,00,000/- or more per month where employed for a part of the year.

### DIRECTORS

Sri M. Keshava Reddy, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Sri D. Bhaskar Reddy and Dr. C. Jaya Sree has joined the Board of your company as additional Directors on 1st March 2010.

During the year two of the Directors of your company resigned from the Board Sri Dev Reddy Bhaskar Reddy and Sri M. Somi Reddy resigned w.e.f. 30th April 2010.



## CDR HEALTHCARE LIMITED

### DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956 which was introduced by the Companies (Amendment) Act, 2000, your Directors confirm that:

- i) In the preparation of the Annual Accounts, for the year ended 31<sup>st</sup> March, 2010, the applicable accounting standards have been followed and there are no material departures;
- ii) we have 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 as on 31<sup>st</sup> March, 2010 and of the Loss of the company for the financial year ended 31<sup>st</sup> March, 2010
- iii) we have 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; and
- iv) we have prepared the annual accounts for the financial year ended 31<sup>st</sup> March 2010 on a going concern basis.

### AUDITORS:

M/s. P. MURALI & Co. Chartered Accountants, retiring auditors of the Company being eligible offer themselves for reappointment as auditors of the Company. M/s. P.MURALI & Co., Chartered Accountants have furnished a certificate of their eligibility u/s 224 (1B) of the Companies Act, 1956. The members are requested to reappoint the auditors and authorize the Board of Directors of the Company to fix their remuneration.

### STATEMENT PURSUANT TO LISTING AGREEMENT

Presently the company's Equity shares are listed at Bombay Stock Exchange Limited (BSE) Mumbai.

### CORPORATE GOVERNANCE

A detailed report on Corporate Governance forming part of the Directors' Report is enclosed.

### PERSONNEL

The relations between the management and the staff were very cordial throughout the year under review. Your Directors take this opportunity to record their appreciation for the co-operation and loyal services rendered by the employees.

**CDR HEALTHCARE LIMITED**

**DEPOSITS**

The company has not accepted any deposits during the year.

**ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation for the support extended by Government Authorities, Company Bankers, Customers and Shareholders of the Company.

Your directors also wish to place on record their appreciation for the sincere services rendered by the employees of your Company during the year. Their dedication, teamwork and efficiency have been commendable.

BY ORDER OF THE BOARD OF DIRECTORS  
for CDR HEALTHCARE LIMITED

**M. KESHAVA REDDY**  
DIRECTOR

**D. BHASKAR REDDY**  
DIRECTOR

PLACE : HYDERABAD  
DATE : 01-09-2010

## CDR HEALTHCARE LIMITED

### ANNEXURE - "A" TO DIRECTORS REPORT-CORPORATE GOVERNANCE (Pursuant to Clause 49 of the Listing Agreement)

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Basic philosophy of corporate governance of the company is to achieve business excellence and enhance shareholder value keeping in view the interests of all stake-holders. The company stands by transparency in all its dealings and strict regulatory compliance. The company believes that strong corporate governance is indispensable for healthy business growth and to be resilient in a vibrant capital market and is an important instrument of investor protection.

**2. BOARD OF DIRECTORS**

**a) Composition**

The Board of Directors comprises of 3 Non Executive Directors. To be in line with the company's philosophy on Corporate Governance, all statutory subjects are placed before the Board to discharge its responsibilities as trustees of the Share Holders.

**b) Attendance of each Director at the Board Meetings and the last AGM**

6 Board Meetings were held during the year from April 1st, 2009 to 31<sup>st</sup> March, 2010. The dates on which the meetings were held i.e. 30-04-2009, 30-07-2009, 01-09-2009, 31-10-2009, 30-01-2010 and 01-03-2010. The Last Annual General Meeting of the Company was held on 30-08-2009. The attendance of each Director is as under:

Name of the Director	Category	No of Other Director Ships	No of Committees In which Member	No of Board Meetings attended	Whether attended last AGM
Sri D Bhaskar Reddy*	Independent Non-Executive	—	—	5	Yes
Sri M. Somu Reddy*	Independent Non-Executive	—	—	5	Yes
Sri M. Keshava Reddy	Independent Non-Executive	2	2	5	Yes
Sri D. Bhaskar Reddy**	Independent Non-Executive	4	2	1	No
Dr. C. Jaya Sree**	Independent Non-Executive	—	2	1	No

\*Directors were resigned from the Board with effect from 30th April 2010

\*\* Appointed as Directors by the Board of Directors with effect from 01-03-2010

## CDR HEALTHCARE LIMITED

### 3. AUDIT COMMITTEE:

During the year under review Four (4) Meetings were held for approval of Un-audited Financial Results.

The constitution of the committee and the attendance of each member of the Committee is given below:

Name of the Director	Designation	Whistle-blower Independent	Profession	Committee meetings attended
U. Bhaskar Reddy*	Chairman	Independent	Business	4
U. M. Srin Reddy*	Member	Independent	Business	4
Sri M. Kagnava Reddy	Member	Independent	Business	4
Sri D. Bhaskar Reddy**	Member	Independent		—
Dr. C. Jaya Sree**	Member	Independent		—

\*Directors were resigned from the Board with effect from 30th April 2010

\*\* Appointed as Directors by the Board of Directors with effect from 01-03-2010

The meetings of Audit committee are also attended by the heads of finance and Statutory Auditor as Invited. The un-audited financial results for each quarter are approved by the audit committee before passed on to the Board of Directors for approval and adoption.

Terms and reference of the Audit Committee include a review of:

- Financial reporting process
- Draft financial statements and auditor's 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 the external auditor, discussion of the audit plan, fixation of audit fee and also approval of payment of fees for any other services.

### 4. REMUNERATION OF DIRECTORS :

None of the Directors of the Company draw any remuneration. No sitting Fees was paid to any Directors.

### 5. REMUNERATION COMMITTEE

The Company does not have a "Remuneration Committee". Your Directors recommended that all such items that may be required to be discussed at a Meeting of the "Remuneration Committee" could be considered as a Meeting of the Board of Directors.

## CDR HEALTHCARE LIMITED

### 6. SHARE HOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The Committee oversees share transfers and monitors investor grievances. To look into the redressal of shareholders and investors complaints like – transfer of shares non – receipt of balance Sheet non-receipt of declared dividends etc.,

The Committee consists of the following Directors:

Sri M. Keshava Reddy  
Sri D. Bhaskar Reddy\*  
Sri M. Somji Reddy\*  
Sri. D. Bhaskar Reddy\*\*  
Dr. C. Jaya Sree\*\*

\*Directors were resigned from the Board with effect from 30th April 2010

\*\*Appointed as Directors by the Board of Directors with effect from 01-03 2010.

Sri M. Keshava Reddy is the Compliance Officer.

The total No. of Complaints received and complied during the year were : 2

Nature of Complaint	Received	Resolved	Pending
Non receipt of Annual Report	2	2	0
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>0</b>

The Complaints had been attended to within seven days from the date of receipt of the complaint, as communicated by our Registrars and Share Transfer Agents M/s. Aarini Consultants Pvt. Ltd.

### 7. Details of Annual General Meetings: Location and time of the last Three AGMs.

AGM	YEAR	VENUE	DATE	TIME
22nd	2008-2009	Bharatiya Vidya Bhavan, 5-9-1105 Basheerbagh Hyderabad-29	30-09-2009	2.00 P.M.
21st	2007-2008	Bharatiya Vidya Bhavan, 5-9-1105, Basheerbagh, Hyderabad - 500 029	30-09-2008	2 00.P.M.
20th	2006-2007	Sundaralah Vignana Kendram Raghunampally, Hyderabad 500 044.	29-09-2007	3 00.P.M.

## CDR HEALTHCARE LIMITED

### 8. Disclosures

**A.** Disclosure on materially significant related party transactions i.e. transactions of the company of material nature with its promoters, the directors or the management's, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.

None

**B.** Details of non-compliance by the company, penalties, Strictures imposed on the company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

There are some pending compliances under various clauses of the Listing agreement and the Company is in the process of complying the same

### 9. NOTES ON DIRECTORS APPOINTMENT/ RE-APPOINTMENT:

Relevant details forms part of the explanatory statement to the notice of the Annual General Meeting / Director's Report

### 10. MEANS OF COMMUNICATION:

As per the listing requirements, the company publishes periodical financial results in leading English and regional newspapers for information. The Management Discussion and Analysis (MD & A) forms part of the annual report.

### 11. MANAGEMENT DISCUSSION AND ANALYSIS

Appended to this Report

### 12. GENERAL SHARE HOLDER INFORMATION:

- |  |  |
|--|--|
| a) AGM, Date, Time and Venue                     | 30 <sup>th</sup> September, 2010 at 2:00 P.M.<br>At Bharatiya Vidya Bhavan,<br>5-9-1105, Basheerbagh,<br>Hyderabad-500 029 |
| b) Financial Calendar<br>Financial Reporting for | 1 <sup>st</sup> April to 31 <sup>st</sup> March  |

Quarter ending June, 30th 2010	Last week of July 10
Quarter ending September 30th 2010	Last week of October 10
Quarter ending December 31st 2010	Last week of January 11
Quarter ending March 31st 2011	Last week of April, 11
Annual General Meeting for FY ended 31 <sup>st</sup> March 2011	Before end September, 2011

**COR HEALTHCARE LIMITED**

c)	Date of Book Closure	:	<b>23rd September, 2010 to 25th September 2010</b> (both days inclusive)
d)	Dividend Payment date(s)	.	Not Applicable
e)	Listing on Stock Exchange	.	The company has Paid the listing fees to Bombay Stock Exchange Limited, Mumbai  i) Stock Code –Physical Hyderabad : Not allotted Mumbai 523353  ii) Demat ISIN Number NA The company has made an application with depositories for admission of its securities, the same has been refused by depositories due to insufficient networth
f)	Market Price Data: High Low during each Month in last Financial Year		The Company was given Listing permission by Bombay Stock Exchange Limited Mumbai and the shares of the company has been suspended by the Stock Ex-changes. Hence the monthly high and low stock quotations respect of the same are not provided.
g)	Stock Performance in Comparison	:	Since the shares of the Company are still under suspension, there was no trading of the shares. Hence comparison can not be made
h)	Registrar and Share transfer agents		Aarhi Consultants Pvt. Ltd. 1-2-285, Domalguda, Hyderabad Ph: 040 27638111
i)	Share Transfer System	:	The Share transfers are being effected physically by the Company's share transfer agents, Aarhi Consultants Pvt Ltd, Hyderabad

**CDR HEALTHCARE LIMITED**

**j) Distribution of Shareholdings as on 31.3.2010**

Share Holding of Nominal Value Rs.	Rs. (1)	Share Holders		Share Amount	
		Numbers (2)	% of Total (3)	In Rs. (4)	% of Total (5)
upto 5,001	5,000	9517	93.85	12891000	24.02
5,001 to 10,001	10,000	326	3.23	2930700	5.50
10,001 to 20,001	20,000	148	1.45	2524400	4.78
20,001 to 30,001	30,000	56	0.55	1489000	2.82
30,001 to 40,001	40,000	16	0.16	607000	1.15
40,001 to 50,001	50,000	16	0.15	758000	1.43
50,001 to 1,00,001	1,00,000	22	0.22	1753000	3.32
1,00,001 and above		45	0.38	30109870	56.99
<b>TOTAL</b>		<b>10144</b>	<b>100.00</b>	<b>52536000</b>	<b>100.00</b>

**k) According to categories of shareholders as at 31<sup>st</sup> March 2010**

Category of Shareholder	Total No. of Shares	Percentage	Shares pledged or otherwise encumbered	
			No. of Shares	As a Percentage
<b>A. Shareholding of Promoter and Promoter Group</b>				
Indian	2582430	48.88	-	-
Foreign				
Total Shareholding of Promoter and Promoter Group	2582430	48.88	-	-
<b>B. Public Shareholding</b>				
Bodies Corporate	432200	8.18	-	-
Public Financial Institutions	6900	0.13	-	-
Individuals				
i. Individual shareholders holding nominal share capital upto Rs. 1 Lakh	1728270	32.71	-	-
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	523400	9.91	-	-



**CDR HEALTHCARE LIMITED**

<b>C. Others :</b>				
Non Resident Individuals				
Clearing Members				
Overseas Corporate Bodies	10400	0.20	-	-
Total Public Shareholding	2701170	51.52	-	-
Total	<b>5283600</b>	<b>100</b>	-	-
<b>Grand Total (A)+(B)+(C)</b>	<b>5283600</b>	<b>100</b>	-	-

- l) Dematerialization of Shares and liquidity : The Company made an application with depositories for admission of its securities, the same has been refused by depositories due to insufficient network.
- m) Outstanding GDRs./ADRs./Warrants : The Company has not issued any CDRs./ADRs. or any Convertible Warrants or any convertible instruments. Conversion date and likely Impact On equity.
- n) Address for Correspondence : Room No 99 3-5-287/A, B & C Hyoerguaa, Hyderabad – 500 029

BY ORDER OF THE BOARD OF DIRECTORS  
for CDR HEALTHCARE LIMITED

**M. KESHAVA REDDY**  
DIRECTOR

**D. BHASKAR REDDY**  
DIRECTOR

Place : Hyderabad,  
Date : 01-09-2010

CDR HEALTHCARE LIMITED

**DECLARATION REGARDING COMPLIANCE BY BOARD  
MEMBERS AND SENIOR MANAGEMEN PERSONNEL WITH  
THE COMPANY'S CODE OF CONDUCT**

I, M. Keshava Reddy Director of CDR Healthcare Limited hereby declare taht all the Board members and Senior managerial personnel have affirmed for the year ended 31 March 2010 compliance with the code of conduct of the company laid down for them.

**M. KESHAVA REDDY**  
DIRECTOR

Place : Hyderabad.  
Date : 01-09-2010

**CDR HEALTHCARE LIMITED**

**CERTIFICATE BY THE EXECUTIVE OFFICER (CEO) AND  
CHIEF FINANCIAL OFFICER (CFO)**

I, M. Keshava Reddy, Director of CDR Healthcare Limited certify :

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31 March 2010 and to the best of our knowledge and belief :
  - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading and
  - These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take and rectify the identified deficiencies and :
4. That we have informed the auditors and the audit committee of :
  - a. Significant changes in the internal control during the year.
  - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
  - c. Instances of significant fraud of which we have become aware and the involvement of an employee having a significant role in the company's internal control system.

**M. Keshava Reddy**  
Director

Place : Hyderabad,  
Date : 01-09-2010

**CDR HEALTHCARE LIMITED**

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members,  
CDR HEALTHCARE LIMITED  
Hyderabad.

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate governance of M/s. CDR HEALTHCARE LIMITED ("the company") for the year ended 31st March, 2010 as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchanges.

The compliance of the conditions of the Corporate governance is the responsibility of the management. Our examination, conducted in the manner described in the Guidance note on Certification of Corporate governance' issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the company has not complied with the conditions of Corporate Governance as stipulated in clause 49 the above mentioned Listing Agreement.

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

**For P. MURALI & CO**  
**CHARTERED ACCOUNTANTS**

Place Hyderabad  
Date : 01-09-2010

**P. MURALI MOHANA RAO**  
Partner  
Membership No. 23412

## CDR HEALTHCARE LIMITED

### AUDITORS' REPORT

To  
The Members,  
**COR HEALTHCARE LIMITED**

We have audited the attached Balance Sheet of **CDR HEALTHCARE LIMITED** as at 31<sup>st</sup> March 2010 and also the Profit & Loss Account for the period ended on that date annexed thereto and the cash flow statement for the period 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis of our opinion.

As required by the Companies (Auditor's report) order 2003 and as amended by the Companies (Auditor's report) (Amendment) order 2004, issued by the Central Government of India in terms of the sub-section (4A) of section 227 of the Companies Act, 1956 we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

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 purposes of our audit.
- (ii) 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.
- (iii) The Balance Sheet, Profit & Loss Account and Cashflow Statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cashflow Statement dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of section 211 of Companies Act, 1956.

**CDR HEALTHCARE LIMITED**

- (v) On the basis of written representations received from the Directors, as on 31<sup>st</sup> March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2010 from being appointed Director in terms of clause (g) of sub-section (1) of section 274 of Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2010;
- (b) In the case of the Profit & Loss Account, of the Profit for the period ended on that date; and

**And**

- (c) In the case of Cash Flow Statement, of the cash flows for the period ended on that date;

**For P. MURALI & CO.,  
CHARTERED ACCOUNTANTS  
FRN : 007267S**

**P. MURALI MOHANA RAO  
PARTNER  
Membership No. 23412**

PLACE HYDERABAD  
DATE : 01-09-2010

**ANNEXURE TO THE AUDITORS' REPORT**

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- (c) The Company has not disposed off substantial part of the Fixed Assets during the year.
- II. The Company has no inventory. Hence this clause is not applicable.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
- (b) As the Company has not granted any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
- (c) As no loans are granted by company, the clause of receipt of interest & principal amount from parties, is not applicable to the company.
- (d) No loans have been granted to Companies, Firms & other parties listed in the register U/s. 301 of the Companies Act 1956, hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.
- (e) The company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s. 301 of the Companies act 1956.
- (f) As the Company has not taken any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company is not applicable.
- (g) As no loans are taken by the company, the clause of repayment of interest & Principal amount to parties, is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control.
- V. (a) In our opinion and according to the information and explanation given to us, since no contract or arrangements referred to in section 301 of the Companies Act 1956 have been made by the company in respect of any party in the financial year, the entry in the registrar U/s.301 of the Companies Act, 1956 does not arise.

## CDR HEALTHCARE LIMITED

- (b) According to the information and explanations given to us, as no such contracts or arrangements made by the company, the applicability of the clause of charging the reasonable price having regard to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.
- VIII. In respect of the Company the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section(1) of section 209 of the Companies Act, 1956.
- IX. a) The Company is regular in depositing statutory dues including PF, ESI, Income Tax, Cess and any other statutory dues with the appropriate authorities and at the last of the Financial year there were no amounts outstanding which were due for more than 6 months from the date they became payable.
- b) According to the information and explanations given to us, no undisputed amounts are payable in respect of PF, ESI, Income Tax, Cess and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.
- X. The Company has been registered for a period of not less than 5 years, and its accumulated losses at the end of the financial year is less than fifty percent of its net worth and the company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- XI. According to information and explanations given to us, the Company has not taken any loans from banks or financial institutions. Hence this clause of repayment of dues to financial institutions or banks or debenture holders and the defaulted payment therein is not applicable to the company.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit fund in respect of Nidhi/Mutual Benefit Fund/Societies.



**CDR HEALTHCARE LIMITED**

- XIV According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- XV According to the information and explanations given to us, the Company has not given any corporate guarantee for loans taken by others from Banks or Financial Institutions and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise.
- XVI According to the information and explanations given to us, the company has not obtained any Terms Loans, hence this clause is not applicable.
- XVII According to the information and explanations given to us, no funds are raised by the Company on short-term basis. Hence the clause of short term funds being used for long-term investment does not arise.
- XVIII According to the information and explanations given to us, the Company has not made preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the Company does not arise.
- XIX According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge or in respect of debentures issued does not arise.
- XX According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For P.MURALI & CO.,  
CHARTERED ACCOUNTANTS  
FRN : 507257S

PLACE : HYDERABAD  
DATE : 01.09.2010

P. MURALI MOHANA RAO  
PARTNER  
Membership No.23412

**CDR HEALTHCARE LIMITED**

**BALANCE SHEET AS AT 31st March 2010**

PARTICULARS	SCHEDULE NO.'s	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs.
<b>I) SOURCES OF FUNDS</b>			
1. Shareholders' funds			
a. Capital	1	5,27,62,600	5,27,02,000
b. Reserves & Surplus	2	5,97,797	5,97,797
2. Loan Funds			
a. Un Secured Loans	3	8,09,48,622	9,24,17,958
3. Deferred tax liability		3,47,18,649	3,24,90,823
<b>TOTAL</b>		<b><u>16,90,28,668</u></b>	<b><u>17,82,69,178</u></b>
<b>II) APPLICATION OF FUNDS</b>			
1. Fixed Assets	4		
a. Gross Block		37,75,81,543	37,75,81,543
b. Less Depreciation		26,38,23,582	26,23,55,854
c. Net Block		11,37,57,961	11,52,25,689
d. Capital Work in Progress		4,38,95,188	1,38,43,711
2. Current Assets, Loans & Advances			
a. Sundry Debtors	5	4,00,17,249	6,50,18,471
b. Cash & Bank Balances	6	24,552	3,98,945
c. Advances & Deposits	7	18,46,198	2,45,65,586
Less : Current Liabilities, Provisions & Advances	8	3,57,80,858	4,41,37,213
<b>NET CURRENT ASSETS</b>		<b>61,07,141</b>	<b>4,58,45,789</b>
3. Profit & Loss Account		54,68,380	33,53,989
<b>TOTAL</b>		<b><u>16,90,28,668</u></b>	<b><u>17,82,69,178</u></b>

AS PER OUR REPORT OF EVEN DATE  
for P.MURALI & CO.,  
CHARTERED ACCOUNTANTS

BY ORDER OF THE BOARD OF DIRECTORS  
For CDR HEALTHCARE LIMITED

P. MURALI MOHANARAO  
PARTNER  
Membership No. 23412

M. KESHAVA REDDY  
DIRECTOR

D. BHASKAR REDDY  
DIRECTOR

PLACE HYDERABAD  
DATE : 01-09-2010

**CDR HEALTHCARE LIMITED**

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

PARTICULARS	SCHEDULE NO.'s	YEARENDED	YEARENDED
		31-03-2010 Rs	31-03-2009 Rs
<b>1. INCOME</b>			
Collections & Other Income		38,11,024	4,61,52,872
<b>TOTAL</b>		<u>38,11,024</u>	<u>4,61,52,872</u>
<b>2. EXPENDITURE</b>			
Consumption		3,02,039	10,48,050
Administrative Expenses	9	19,14,522	4,34,02,544
Interest & Bank Charges		13,300	95,404
Depreciation		14,67,728	15,27,558
<b>TOTAL</b>		<u>36,97,589</u>	<u>4,60,73,556</u>
<b>3. PROFIT / (LOSS) BEFORE TAX</b>		1,13,435	79,310
<b>4. PROVISION FOR TAX</b>			26,900
<b>5. PROFIT / (LOSS) AFTER TAX</b>		1,13,435	52,356
<b>6. PROVISION FOR DEFERRED INCOME TAX</b>		22,27,826	39,02,144
<b>7. PROFIT / (LOSS) AFTER DEFERRED INCOME TAX</b>		(21,14,391)	(38,49,787)
<b>8. BALANCE BROUGHT FORWARD</b>		(33,53,989)	4,05,798
<b>9. BALANCE CARRIED FORWARD TO BALANCE SHEET</b>		154,03,380	(33,53,989)
<b>10. BASIC EARNINGS PER SHARE</b>		(0.40)	(0.70)
<b>NOTES TO ACCOUNTS</b>	<b>10</b>		

AS PER OUR REPORT OF EVEN DATE:  
for P.MURALI & CO.,  
CHARTERED ACCOUNTANTS

BY ORDER OF THE BOARD OF DIRECTORS,  
For CDR HEALTHCARE LIMITED

P.MURALI MOHANARAO  
PARTNER  
Membership No. 23412

**M. KESHAVA REDDY**  
DIRECTOR

**D. BHASKAR REDDY**  
DIRECTOR

PLACE : HYDERABAD

DATE : 01-09-2010

**CDR HEALTHCARE LIMITED**

**SCHEDULE 1**

**SHARE CAPITAL**

PARTICULARS	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs.
<b>AUTHORISED</b>		
<b>1,00,00,000 Equity Shares of Rs.10/-Each</b>	<b><u>10,00,00,000</u></b>	<b><u>10,00,00,000</u></b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
5263600 Equity Shares of Rs.10/-Each	5,28,36,000	5,28,36,000
LESS Calls in Arrears	<u>73,400</u>	<u>73,400</u>
	<b><u>5,27,62,600</u></b>	<b><u>5,27,62,600</u></b>

**SCHEDULE 2**

**RESERVES & SURPLUS**

PARTICULARS	AS AT 31-03-2010 Rs	AS AT 31-03-2009 Rs
Investment Allowance Reserve	1,02,000	1,02,000
Profit & Loss Account	<u>4,95,797</u>	<u>4,95,797</u>
	<b><u>5,97,797</u></b>	<b><u>5,97,797</u></b>

**SCHEDULE 3**

**UN SECURED LOANS**

PARTICULARS	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs
From Others	8,09,49,622	8,24,17,958
	<b><u>8,09,49,622</u></b>	<b><u>8,24,17,958</u></b>

**CDR HEALTHCARE LIMITED**

**SCHEDULE - 4  
FIXED ASSETS**

PARTICULARS	Carry Over at 31-03-2011 Rs.	Additions During The Year Rs.	Deletions During The Year Rs.	Gross Block as at 31-03-2011 Rs.	Depreciation upto 31-03-2009 Rs.	Depreciation During the Year Rs.	Deletion of previous year Rs.	Total Depreciation 31-03-2011 Rs.	Net Block As at 31-03-2010 Rs.	Net Block As at 31-03-2009 Rs.
Land	31,75,661			31,75,661	—			—	31,75,661	31,75,661
Building	7,53,02,473			7,53,02,473	3,84,72,007	14,67,728		3,99,39,735	3,53,92,735	3,66,60,466
Furniture & Fixtures	78,22,578			78,22,578	78,03,482			78,03,482	19,066	19,066
Hospital Machinery	2,95,36,290			2,95,36,290	17,01,53,788			17,01,53,788	5,93,52,527	5,93,52,527
Misc. Fixed Assets	5,71,19,411			5,71,19,411	4,13,01,442			4,13,01,442	1,58,17,969	1,58,17,969
Computers	45,25,180			45,25,180	45,25,180			45,25,180	—	—
<b>TOTAL</b>	<b>37,73,81,543</b>	<b>—</b>	<b>—</b>	<b>37,73,81,543</b>	<b>76,23,55,254</b>	<b>14,67,728</b>	<b>—</b>	<b>26,28,23,982</b>	<b>11,27,57,951</b>	<b>11,52,25,688</b>

**CDR HEALTHCARE LIMITED**

**SCHEDULE 5**

**SUNDRY DEBTORS**

PARTICULARS	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs.
(Unsecured and Considered good)		
Debts exceeding a period of six months	4,00,17,249	6,50,18,471
Other Debts	—	—
	<u>4,00,17,249</u>	<u>6,50,18,471</u>

**SCHEDULE 6**

**CASH & BANK BALANCES**

PARTICULARS	AS AT 31-03-2010 Rs	AS AT 31-03-2009 Rs.
Cash on hand	20,503	3,11,356
Balance with Scheduled Banks	4,049	87,589
	<u>24,552</u>	<u>3,98,945</u>

**CDR HEALTHCARE LIMITED****SCHEDULE 7****ADVANCES & DEPOSITS**

<b>PARTICULARS</b>	<b>AS AT 31-03-2010 Rs.</b>	<b>AS AT 31-03-2009 Rs.</b>
Advances	1,36,825	1,00,87,885
Deposits	14,92,139	14,82,109
Others	2,17,264	1,29,85,592
	<u>18,46,188</u>	<u>2,45,55,586</u>

**SCHEDULE 8****CURRENT LIABILITIES, PROVISIONS & ADVANCES**

<b>PARTICULARS</b>	<b>AS AT 31-03-2010 Rs.</b>	<b>AS AT 31-03-2009 Rs.</b>
Creditors for supplies	1,58,12,000	1,48,31,007
Other Creditors	1,89,38,889	2,81,78,258
Provisions & Outstanding expenses	26,960	26,960
	<u>3,57,80,858</u>	<u>4,41,37,213</u>

**COR HEALTHCARE LIMITED****SCHEDULE 9****ADMINISTRATIVE & OPERATIVE EXPENSES**

PARTICULARS	Year Ended	Year Ended
	31-03-2010	31-03-2009
	Rs.	Rs.
Staff Salaries Wages & Other Benefits	9,41,808	20,82,392
Audit fee	27,575	28,090
General expenses	56,545	7,16,145
Cost of Land & Building	—	14,55,000
Bad Debts written off	—	3,36,69,660
Other Administrative Expenses	8,68,494	54,41,257
	<u>19,14,522</u>	<u>4,34,02,544</u>



**SCHEDULE - 10**

**NOTES FORMING PART OF THE ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**General :**

- (i) These accounts are prepared on the historical cost basis and on the accounting principles of a going concern.
- (ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles

**Revenue Recognition :**

- (i) The Company follows the Mercantile system of Accounting and recognises income and expenditure on accrual basis
- (ii) Revenue is not recognised on the grounds of prudence, until realised in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.

**Fixed Assets :**

- (i) Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties, taxes and incidental expenses thereon.

**Depreciation and Amortisation :**

- (i) Depreciation is provided on straight line method on pro-rata basis and at the rates and manner specified in the Schedule XIV of the Companies Act, 1956
- ii) Preliminary Expenses are amortised over the period of 10 years.
- iii) Public Issue Expenses are amortised over the period of 10 years.

**Capital Work-in-Progress :**

The capital Work-in-Progress includes cost of Fixed Assets under installation, advances for Capital Goods and unallocated expenditure.

**Taxation :**

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax asset and liability is recognised for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset & liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

**Earning Per Share:**

The earning considered in ascertaining the company's earning per share comprise net profit after tax. The number of shares used in computing basic earning per share is the weighed average number of shares outstanding during the year

**CDR HEALTHCARE LIMITED**

**Gratuity :**

No provision for gratuity has been made as no employee has put in qualifying period of service for entitlement of this benefit.

**B. NOTES ON ACCOUNTS**

- 1 Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975

**NIL**

2 Auditor's Remuneration .	<u>Current Year (Rs.)</u>	<u>Previous Year (Rs.)</u>
Audit Fee	27,575/-	28,060/-

- 3 There are no dues to SSI Units outstanding for more than 30 days.
- 4 Confirmations were not obtained from debtors/creditors as to the balances receivable from/payable to them as at year end.
- 5 In accordance with Accounting Standard 22 (AS 22) issued by the ICAI, the Company has accounted for deferred income tax during the year. The deferred income tax provision for the current year amounts to Rs 22,27,826/- towards deferred income tax Liabilities (Previous year Rs 39,02,144/- towards deferred income tax Liability).
- 6 Previous years figures have been regrouped wherever necessary.
- 7 The figures have been rounded off to the nearest rupee.

**SIGNATURES TO SCHEDULES 1 To 10**

As per our report of even date  
for M. MURALI & CO.,  
CHARITRED ACCOUNTANTS

For and on behalf of the Board  
CDR HEALTHCARE LIMITED

**P. MURALI MOHANA RAO**  
PARTNER

**M. KESHAVA REDDY**  
DIRECTOR

**D. BHASKAR REDDY**  
DIRECTOR

Membership No. 23412

PLACE : HYDERABAD

DATE : 01-09-2010

**CDR HEALTHCARE LIMITED**

**Cash Flow Statement for the Period Ended 31st March, 2010**

Particulars	Year Ended 31-03-2010 (Rs in Lakhs)	Year Ended 31-03-2009 (Rs in Lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before tax and extraordinary items	1.13	0.79
Adjustments for:		
Depreciation	14.88	15.28
Interest expenses	0.13	0.95
Preliminary Expenses W/o		
Profit on sale of assets	--	--
<b>Operating Profit before working capital Changes</b>	<b>15.94</b>	<b>17.02</b>
Trade and other receivables	250.01	331.51
Prior Period Adjustments	-	-
Inventories		
Advances & Deposits	227.19	(90.30)
Trade Payables	(83.56)	(32.20)
<b>Cash Generated from Operations</b>	<b>409.59</b>	<b>226.13</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>409.59</b>	<b>226.13</b>
<b>B. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Sale/adjustment of Fixed Assets		14.25
Capital Work in Process, Preoperative	(298.51)	(138.44)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(298.51)</b>	<b>(123.89)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from share capital	-	-
Repayment of secured loan	-	-
Unsecured Loan	(114.68)	(100.25)
Interest Paid	(0.13)	(0.95)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(114.82)</b>	<b>(101.18)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3.74)</b>	<b>1.06</b>
Cash and Cash equivalents at (Opening Balance)	3.99	2.93
Cash and Cash equivalents at (Closing Balance)	0.25	3.99

For **P.MURALI & CO.,**  
CHARTERED ACCOUNTANTS

BY ORDER OF THE BOARD OF DIRECTORS  
for CDR HEALTHCARE LIMITED

**P. MURALI MOHANA RAO**  
PARTNER  
Membership No 23412

**M. KESHAVA REDDY**  
DIRECTOR

**D. BHASKAR REDDY**  
DIRECTOR

PLACE : HYD/FRABAD  
DATE : 01-09-2010

**CDR HEALTHCARE LIMITED**

**To**

The Board of Directors  
**CDR HEALTHCARE LIMITED**  
Hyderabad.

We have examined the attached Cash Flow Statement of M/s CDR Healthcare Limited for the year ended 31st March, 2010. The Statement has been prepared by the company in accordance with the requirements of Clause 32 of listing agreement with Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 01-09-2010 to the members of the Company

For **P. MURALI & CO.,**  
**CHARTERED ACCOUNTANTS**

Place : Hyderabad  
Date : 01-09-2010

P MURALI MOHANARAO  
PARTNER  
Membership No. 23412

# CUR HEALTHCARE LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (Statement Pursuant to Part IV of schedule VI to the Companies Act, 1955)

**I. Registration Details**

Registration No.   -       State Code

Balance Sheet Date

**II. Capital Raised during the year (Amount in Rs. Thousands)**

Public Issue <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	Rights Issue <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>
Bonus Issue <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	Private Placement <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>

**III. Position of Mobilisation and Development of Funds (Amounts in Rs. Thousands)**

Total Liabilities <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="2"/> <input type="text" value="9"/>	Total Assets <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="0"/> <input type="text" value="2"/> <input type="text" value="8"/>
Sources of Funds Paid-up Capital <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="6"/> <input type="text" value="3"/>	Reserves & Surplus <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="6"/>
Secured Loans <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Unsecured Loans <input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="4"/> <input type="text" value="9"/>
Application of Funds Net Fixed Assets <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="5"/>	Deferred tax Liability <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="1"/> <input type="text" value="3"/>
Net Current Assets <input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="7"/>	Capital work in progress <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="5"/>
Accumulated Losses <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="6"/>	Misc. Expenditure <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

**IV. Performance of Company (Amount in Rs. Thousands)**

Turnover <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="1"/>	Total Expenditure <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="8"/>
+/- Profit / Loss Before Tax <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="3"/>	+/- Profit / Loss After tax <input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="1"/> <input type="text" value="4"/>
Earning Per Share in Rs. <input type="text" value=""/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="0"/>	Dividend Rate % <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

**V. Generic Names of Three Principal products / Services of Company (as per monetary terms)**

Item Code No. (ITC Code)

Product Description

**CDR HEALTHCARE LIMITED**

**CDR HEALTHCARE LIMITED**

Room No. 99, 3-6-287/A, B & C, Hyderguda, Hyderabad - 500 029

**PROXY FORM**

I / We ..... of  
..... being a member .....  
..... as my/our proxy to vote for me/  
us on my/our behalf at the 23rd Annual General Meeting of the Company to be held on  
Thursday, the 30th September, 2010 at 2-00 PM at Bharatiya Vidya Bhavan, Basheerbagh,  
Hyderabad - 500 029 and at any adjournment thereof.

Signed this ..... day of ..... 2010



- Note :**
- a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself.
  - b) Proxy need not be a member
  - c) The proxy form duly completed should be deposited at the registered office of the company not less than 48 hours before the time fixed for holding the meeting.

**CDR HEALTHCARE LIMITED**

Room No. 99, 3-6-287/A, B & C, Hyderguda, Hyderabad - 500 029

**ATTENDANCE SLIP**

Please present this slip at the entrance of the meeting venue )

Reqd Folio ..... Shares held ..... )

I hereby record presence at the 23rd Annual General Meeting of the Company to be held  
on Thursday the 30th September 2010 at 2-00 PM at Bharatiya Vidya Bhavan, Basheerbagh,  
Hyderabad - 500 029

Name of the Shareholder .....

Name of the Proxy .....

Signature of member/proxy .....

- Note :**
- To be signed at the time of handing over this slip
  - Members are requested to register their names at least 15 minutes prior to the commencement of the meeting

**CDR HEALTHCARE LIMITED**

**Book Post  
Printed Matter**

**To**

**if undelivered please return to :**

**CDR HEALTHCARE LIMITED**  
Room No. 99, 3-B-267/A .B &C,  
Hyderguda, Hyderabad - 500 029