

CDR HEALTHCARE LIMITED

CDR HEALTHCARE LIMITED

26th ANNUAL REPORT
2012-2013

CDR HEALTHCARE LIMITED

BOARD OF DIRECTORS

Sri D. Bhaskar Reddy	Director
Sri M. Ranga Reddy	Director
Sri Erra Ram Reddy	Director

BANKERS

Indian Bank
Canara Bank

REGISTERED OFFICE

Room No.99, 3-6-287/A, 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

Aarthi 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 26th Annual General Meeting of M/s. CDR HEALTHCARE LIMITED will be held on Saturday, 28th Day of September, 2013 at 2.00 P.M. at Sundaraiah Vignan Kendram, Bagh Lingampalli, Hyderabad 500 044, Andhra Pradesh to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Sri M. Ranga Reddy Director who retires by rotation and being eligible offers himself for re-appointment.
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.

BY ORDER OF THE BOARD OF DIRECTORS
for CDR HEALTHCARE LIMITED

D. BHASKAR REDDY
DIRECTOR

PLACE: HYDERABAD
DATE: 10.08.2013

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 26th SEPTEMBER 2013 TO 28th SEPTEMBER 2013 (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.

Name of the Director	:	Sri M. Ranga Reddy
Date of Appointment	:	22.02.2012
Date of Birth/Age	:	76 years
Qualification	:	Graudate
Expertise in Specific functional areas	:	Experience in Hospital Management
List of Companies in which Directorships held as on 31.03.2013	:	1
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2013	:	NIL

CDR HEALTHCARE LIMITED

DIRECTORS' REPORT

To
The Members of
M/s.CDR Healthcare Limited,

Your Directors have pleasure in presenting the **26th Annual Report of the Company** together with Audited Accounts for the year ended 31-03-2013.

FINANCIAL RESULTS

	(Rs. in lakhs)	
	YEAR ENDED 31-03-2013	YEAR ENDED 31-03-2012
Total Income	13.49	22.02
Profit before Tax	0.06	0.13
Balance brought forward	(48.98)	(49.11)
Balance carried forward	(48.93)	(48.98)

OPERATIONS

During the year, the turnover of the company is Rs.13.49 Lakhs. During the year the company posted net profit of Rs. 0.06 Lakhs.

LEGAL DISCLOSURES:

1. Your company has filed a WPMP no: 19398/ 2013 on 30/4/2013 in Hon'ble High Court of AP in WP No: 27825/2009 against Ministry of Health & Family Welfare, Govt. of India, for payment of missed bills by CGHS worth about Rs. 71 Lakhs along with the interest.
2. Your company has filed a WPMP No: 28717/ 2013 on 2/8/2013 in Hon'ble High Court of AP in WP No. 27825/2009 against Ministry of Health & Family Welfare, Govt. of India, for payment of disallowed bills by CGHS worth about Rs. 720 Lakhs along with the interest against Bank guarantee.
3. Your company has filed a WPMP No. 28716/ 2013 on 2/8/2013 in Hon'ble High Court of AP in WP No. 27825/2009 against Ministry of Health & Family Welfare, Govt. of India, for re-scrutiny of bills pertaining to 2000-03 of all hospitals as directed by CBI and release the amounts due along with interest.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

(A) ECONOMIC AND BUSINESS ENVIRONMENT:

The macroeconomic environment throughout the year was challenging in the backdrop of weak global economic scenario as well as a host of domestic factors. During the year 2012-13, the GDP growth was low at 5% as against the previous year's figure of 6.2%. The inflationary trend continued during the year under review too. Indian Pharma Industry grew by 14.3% during the year 2013, which was driven by

- i) growth in volume of existing brands (4.4%)
- ii) new introductions (6.0%) and
- iii) price revisions (3.9%)

*** 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.

*** 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 Aarogyasree 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.

B. (A) OPPORTUNITIES AND THREATS:

Opportunities:

- Pharma industry is witnessing healthy growth. Economic growth, rising incidence of chronic diseases, increase in healthcare access and expected growth in per capita income would drive further expansion of the healthcare segment. Therefore, there is opportunity for your Company to grow the Pharma Business further.
- Your Company has the unique advantage of an exclusive network for distribution of OTC products. This can be leveraged for launch of new products under own

CDR HEALTHCARE LIMITED

brands so as to ensure improved profitability and value creation through brand building.

- On Medical Devices, the market as of now is dominated by imported medical devices/ implants. Since your Company manufactures world class products and is priced competitively, this segment provides opportunity for growth. These products also have export potential.
- Considering the size of the market for food products, the Foods Business of your Company has potential for growth including branding / retail opportunities.

THREATS:

- The Product Patent Regime has restricted the access for Indian Pharma Companies to the latest molecules which were earlier available. However, there may be opportunities to launch products that are out of patents regimentation.
- There have been rapidly changing new drug discovery technologies and processes at the global level and the Indian Pharmaceutical industry requires huge capital investment to upgrade facilities to match International Standards. MNCs and Foreign Companies have an edge over the domestic companies in this area.

In view of the above developments and initiatives, the outlook for the Company as a whole for the year 2013-14 appears promising.

(C) RISKS AND CONCERNS:

The analysis presented in the Industry Scenario and Opportunities and Threats Section of this Report throws light on the important risks and concerns faced by your company. The strategy of your company to derisk against these factors is also outlined in the said Sections.

(D) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has necessary Internal Control Systems in place. Internal Audits are regularly conducted through In-house Audit Department and also through External Audit Firms. The reports are periodically discussed internally and corrective measures are taken. Significant audit observations are also placed before the Meeting of the Audit Committee. 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.

CDR HEALTHCARE LIMITED

(E) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:

Your Company attaches significant importance to continuous up gradation of Human Resources for achieving the highest levels of efficiency, customer satisfaction and growth. As part of the overall HR Strategy, training programmes have been organized for employees at all levels through both internal and external faculties during the year under review.

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.

(F) FUTURISTIC STATEMENTS:

This analysis may contain certain statements, which are futuristic in nature. Such statements represent the intentions of the management and the efforts being put in by them to realize certain goals. The success in realizing these goals depends on various factors, both internal and external. Therefore, the investors are requested to make their own independent judgments by taking into account all relevant factors before taking any investment decision.

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

CDR HEALTHCARE LIMITED

PARTICULARS OF EMPLOYEES

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules 2011, the Directors are to report that no employee was in receipt of remuneration of Rs.60,00,000/- or more per annum or Rs.5,00,000/- or more per month where employed for a part of the year.

DIRECTORS

1. Sri M. Ranga Reddy retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.
2. During the year, Dr. C. Jayasree resigned from the Board w.e.f. 21-01-2013. The Board placed on record its sincere appreciation for the valuable services rendered by her during her tenure as Director of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state:

- 1) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- 2) that your Directors have 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 & Loss of the company for that period;
- 3) that your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) that your Directors have prepared the annual accounts on a going concern concept.

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

CDR HEALTHCARE LIMITED

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 the Bombay Stock Exchange Limited (BSE), Mumbai and company has paid the listing fees to the Bombay stock exchange for the year 2013-14.

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.

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

SD/-
(D. BHASKAR REDDY)
DIRECTOR

SD/-
(M. RANGA REDDY)
DIRECTOR

PLACE : HYDERABAD

DATE : 10.08.2013

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

7 Board Meetings were held during the year from April 1st, 2012 to 31ST March, 2013. The dates on which the meetings were held i.e. 26-04-2012, 29-05-2012, 14-08-2012, 29-09-2012, 09-11-2012, 21-01-2013, 13-02-2013. The Last Annual General Meeting of the Company was held on 29-09-2012. 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	<u>Whether attended last AGM</u>
Sri D. Bhaskar Reddy	Independent Non-Executive	7	–	7	Yes
*Dr. C. Jayasree	Independent Non-Executive	--	2	5	Yes
Sri Erra Ram Reddy	Independent Non-Executive	--	--	7	N.A.
Sri M. Ranga Reddy	Independent Non-Executive	1	--	7	N.A.

*Dr. C. Jayasree Resigned from the Board w.e.f. 21.01.2013

3. AUDIT COMMITTEE:

During the year under review Five (5) Meetings were held for approval of Un-audited Financial Results and other business.

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

CDR HEALTHCARE LIMITED

Name of the Director	Designation	Wholtime/ Independent	Profession	Committee meetings attended
Sri. D. Bhskar Reddy	Member/ Chairman	Independent	Business	4
*Dr. Jayasree	Member	Independent	Doctor	4
Sri M.Ranga Reddy	Member	Independent	Business	3
Sri. E. Ram Reddy	Chairman	Independent	Business	3

*Dr. C. Jayasree Resigned from the Board w.e.f. 21.01.2013

The meetings of Audit committee are also attended by the heads of finance and Statutory Auditor as Invitees. 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 at a Meeting of the Board of Directors.

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.,

CDR HEALTHCARE LIMITED

The Committee consists of the following Directors:

Sri M. Ranga Reddy

Sri D. Bhaskar Reddy

*Dr. C. Jaya Sree

Sri E. Ram Reddy

*Dr. C. Jayasree Resigned from the Board w.e.f. 21.01.2013

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

Nature of Complaint	Received	Resolved	Pending
Nil	0	0	0
TOTAL	0	0	0

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

AGM	YEAR	VENUE	DATE	TIME
25th	2011-2012	Sundaraiah Vignan Kendrem 5-9-1105, Basheerbagh, Hyderabad-29.	29-09-2012	11-30 A.M..
24th	2010-2011	Bharatiya Vidya Bhavan, 5-9-1105, Basheerbagh, Hyderabad-29.	30-09-2011	2.00 P.M..
23rd	2009-2010	Bharatiya Vidya Bhavan, 5-9-1105, Basheerbagh, Hyderabad-29.	30-09-2010	2.00 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.

There is no CFO/CEO to the Company

11. MANAGEMENT DISCUSSION AND ANALYSIS

Appended to this Report.

12. GENERAL SHARE HOLDER INFORMATION:

- a) AGM, Date, Time and Venue : 28th September, 2013 at 2-00 P.M.
At Sundaraiah Vignan Kendram
Bagh Lingampalli,
Hyderabad-500 044
- b) Financial Calendar : 1st April 2012 to 31st March 2013
- Financial Reporting for :

Quarter ending June, 30th 2013	Already declared on 10 August 2013
Quarter ending September 30th 2013	On or before 14 November 2013
Quarter ending December 31st 2013	On or before 14 February 2014
Quarter ending March 31st 2014	On or before 30 May 2014
Annual General Meeting for FY ended 31 st March, 2014	Before end September, 2014

CDR HEALTHCARE LIMITED

- c) Date of Book Closure : 26th September, 2013 to 28th September 2013 (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 Bombay Stock Exchange Limited for revocation of suspension.
- f) Market Price Date: High Low during each Month in last Financial Year : Shares of the company has been suspended by the Stock Ex-changes. Hence the monthly high and low stock quotations respect of the same could not be provided, for the financial year 2012-2013.
- g) Stock Performance in Comparison: There was no trading of the shares. Hence comparison cannot 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 31.3.2013**

Share Holding of Nominal Value Rs.	Rs. (1)	Share Holders		Share Amount	
		Numbers (2)	% of Total (3)	In Rs. (4)	% of Total (5)
upto	5,000	9513	93.86	12686000	24.01
5,001	10,000	324	3.2	2897700	5.48
10,001	20,000	146	1.44	2535430	4.8
20,001	30,000	55	0.54	1489000	2.82
30,001	40,000	16	0.16	607000	1.15
40,001	50,000	16	0.16	758000	1.43
50,001	1,00,000	22	0.22	1753000	3.32
1,00,001	and above	43	0.42	30109870	56.99
TOTAL		10135	100.00	52836000	100.00

k) According to categories of shareholders as at 31st March 2013.

Category of Shareholder	Total No.of Shares	Percentage	Shares pledged or otherwise encumbered	
			No. of Shares	As a Percentage
A. Shareholding of Promoter and Promoter Group				
Indian	2333187	44.16	—	—
Foreign			—	—
Total Shareholding of Promoter and Promoter Group	2333187	44.16	—	—
B. Public Shareholding				
Bodies Corporate	224200	4.24	—	—
Public Financial Instiutions	6900	0.13	—	—
Individuals				
i. Indiuidal shareholders holdingnominal share capital upto Rs.1. Lakh	2185513	41.36	—	—
ii. Individual shareholders holding nominal share capital in excess of Rs. Lakh	523400	9.91	—	—

CDR HEALTHCARE LIMITED

C. Others :				
Non Resident Individuals				
Clearing Members				
Overseas Corporte Bodies	10400	0.20	-	-
Total Public Shareholding	2950413	55.84	-	-
Total	5283600	100	-	-
Grand Total (A)+(B)+(C)	5283600	100	-	-

- l) Dematerialization of Shares and liquidity : "The Company made an application with depositories for admission of its securities.
- m) Outstanding GDRs./ADRs./ Warrants : The Company has not issued any GD Rs./ ADRs. or any Convertible Warrants or any convertible instruments. Conversion date and likely Impact On equity.
- n) Address for Correspondence : CDR Health Care Limited
Room No.99, 3-6-287/A, B&C
Hyderguda, Hyderabad – 500 029

BY ORDER OF THE BOARD OF DIRECTORS
for CDR HEALTHCARE LIMITED

(D. BHASKAR REDDY)
DIRECTOR

(M. RANGA REDDY)
DIRECTOR

Place : Hyderabad.
Date : 10-08-2013

CDR HEALTHCARE LIMITED

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

I, D. Bhaskar Reddy Director of CDR Healthcare Limited hereby declare that all the Board members and Senior managerial personnel have affirmed for the year ended 31st March 2013 compliance with the code of conduct of the company laid down for them.

**D. BHASKAR REDDY
DIRECTOR**

Place : Hyderabad.
Date : 10-08-2013

CDR HEALTHCARE LIMITED

CERTIFICATE

I, D Bhaskara Reddy, Director of CDR Healthcare Limited certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31st March 2013 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 affair 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 purpose 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 statements; 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.

D. Bhaskar Reddy
Director

Place : Hyderabad.
Date : 10-08-2013

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, 2013 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 complied with the conditions of Corporate Governance as stipulated in clause 49 the above mentioned Listing Agreement.

We further state that such compliance 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
FRN: 007257S

Place : Hyderabad
Date : 27-05-2013

P. MURALI MOHANA RAO
Partner
Membership No. 23412

CDR HEALTHCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of **M/S CDR HEALTHCARE LIMITED**

Report on the Financial Statements:

We have audited the accompanying financial statements of **M/S CDR HEALTHCARE LIMITED**, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

CDR HEALTHCARE LIMITED

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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 affairs of the Company as at March 31, 2013;
- (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.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For P.MURALI & CO.,
CHARTERED ACCOUNTANTS
FRN: 007257S**

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

PLACE : HYDERABAD
DATE : 27-05-2013

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 does not have 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 under section 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 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 and other parties listed in the register U/S 301 of the Companies Act, 1956. Hence, over due 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 and other terms and conditions on which loans have been taken from parties

CDR HEALTHCARE LIMITED

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 contracts 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 register U/s.301 of the Companies Act, 1956 does not arise.

(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, 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 subsection (1) of section 209 of the Companies Act,1956 .

CDR HEALTHCARE LIMITED

- IX** (a) The Company is regular in depositing statutory dues including Income Tax, Cess & other statutory dues with the appropriate authorities and at the end of last 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 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 the company has accumulated losses at the end of the financial year 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 defaulted in repayment of dues to financial Institutions or Banks.
- 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.
- 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 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 .
- XVI.** According to the information and explanations given to us, the company has not obtained any Term Loans. This clause does not arise.
- 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 for long term investment does not arise.

CDR HEALTHCARE LIMITED

- XVIII.** According to the information and explanations given to us, the Company has not made any 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 interest of 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 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: 007257S**

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

PLACE : HYDERABAD
DATE : 27-05-2013

CDR HEALTHCARE LIMITED

BALANCE SHEET AS AT 31st March 2013

PARTICULARS	Note No.	AS AT 31-03-2013 Rs.	AS AT 31-03-2012 Rs.
I) EQUITY AND LIABILITIES			
1. Shareholders' funds			
a. Share Capital	1	5,28,36,000	5,27,62,600
b. Reserves & Surplus	2	(47,90,850)	(47,96,510)
2. Non- Current Liabilities			
a. Deferred Tax Liability (Net)	3	3,47,18,649	3,47,18,649
b. Other Long terms Liabilities	4	9,98,78,163	10,30,38,555
3. Current Liabilities			
a. Trade Payables	5	3,39,58,160	2,27,46,840
b. Short Term Provisions	6	2,15,907	1,87,817
TOTAL		21,68,16,029	20,86,57,951
II) ASSETS			
1. Non-Current Assets			
a. Fixed Assets			
i) Tangible Assets	7	11,37,57,961	11,37,57,961
ii) Capital Work in Progress		5,70,07,140	4,72,02,149
b. Long Term Loans & Advances	8	60,21,205	76,63,031
2. Current Assets			
a. Trade Receivables	9	4,00,17,249	4,00,17,249
b. Cash & Bank Balances	10	12,474	17,561
TOTAL		21,68,16,029	20,86,57,951

Summary of Significant Accounting Policies

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 MOHANA RAO
PARTNER
Membership No. 23412

D. BHASKAR REDDY
DIRECTOR

M. RANGA REDDY
DIRECTOR

PLACE : HYDERABAD

DATE : 27-05-2013

CDR HEALTHCARE LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Note No.	YEAR ENDED	YEAR ENDED
		31-03-2013	31-03-2012
		Rs.	Rs.
INCOME			
Revenue From Operations	11	3,98,000	22,01,633
Other Income	12	9,50,640	
		<u>13,48,640</u>	<u>22,01,633</u>
EXPENSES			
Consumption of Raw Materials		36,125	2,41,310
Employee Benefit Expenses	13	4,10,785	8,17,491
Operative & Administrative Expenses	14	8,91,748	11,24,657
Financial Cost		4,322	5,210
		<u>13,42,980</u>	<u>21,88,668</u>
PROFIT BEFORE TAX		5,660	12,965
TAX EXPENSES			
1) Current Tax		-	-
2) Deferred Tax		-	-
PROFIT AFTER TAX		5,660	12,965
Balance brough forward from prev. year		(48,98,510)	(49,11,475)
Balance carried to Balance Sheet		(48,92,850)	(48,98,510)
EARNINGS PER SHARE			
1) Basic		0.001	0.002
2) Diluted		0.001	0.002

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE
for **P.MURALI & CO.**,
Firm Regn.No.007257S
CHARTERED ACCOUNTANTS

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

P.MURALI MOHANA RAO
PARTNER

D. BHASKAR REDDY
DIRECTOR

M. RANGA REDDY
DIRECTOR

Membership No. 23412

PLACE : HYDERABAD

DATE : 27-05-2013

CDR HEALTHCARE LIMITED

Cash Flow Statement for the Period Ended 31st March, 2013

Particulars	Current Year Amount in Rs.	Previous Year Amount in Rs.
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before tax	5,660	12,965
Adjustments for		
Financial Cost	4,322	-
Operating Cash Flow before working capital Changes	9,982	12,965
(Increase / Decrease in Short terms Loans and Advances	28,090	-
Increase /Decrease in Trade Payables	1,12,11,320	-
Cash Generated from Operations	1,12,49,392	12,965
CASH GENERATED FROM OPERATING ACTIVITIES	1,12,49,392	12,965
II. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Long Term Loans and Advances	16,41,826	67,100
Capital Work in Process, Preoperative	(98,04,991)	-
NET CASH AVAILABLE FROM INVESTING ACTIVITIES	(81,63,165)	67,100
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest Paid	(4,322)	-
Repayment of Unsecured Loans	-	-
Increase / (Decrease) in other long term Liabilities	(31,60,392)	(85,810)
Increase / (Decrease) in share capital	73,400	-
NET CASH USED IN FINANCING ACTIVITIES	(30,91,314)	(85,810)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(5,087)	(5,745)
Add : Opening Balance of Cash & Cash Equivalents	17,561	23,306
Closing Balance of Cash & Cash Equivalents	12,474	17,561

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

BY ORDER OF THE BOARD OF DIRECTORS
for **CDR HEALTHCARE LIMITED**

P. MURALI MOHANA RAO
PARTNER

M. RANGA REDDY
DIRECTOR

D. BHASKAR REDDY
DIRECTOR

Membership No. 23412

PLACE : HYDERABAD
DATE : 27-05-2013

CDR HEALTHCARE LIMITED

To

The Board of Directors
CDR Health Care Limited
Hyderabad

We have examined the attached Cash Flow Statement of M/s.CDR Health Care Limited for the year ended 31st March, 2013 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 Agreeemnt with the Corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of to the members of the Company.

Yours faithfully,
for P.MURALI & CO.,
CHARTERED ACCOUNTANTS

P. MURALI MOHANA RAO
PARTNER
No. 23412

PLACE : HYDERABAD
DATE : 27-05-2013

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:

The Company follows the Mercantile system of Accounting and recognises income and expenditure on accrual basis.

Investments:

Investments are stated at cost i.e., cost of acquisition, inclusive of expenses incidental to acquisition wherever applicable.

Fixed Assets :

Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties, taxes and incidental expenses thereto.

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.

Earnings Per Share:

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

Gratuity :

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

CDR HEALTHCARE LIMITED

Notes to Financial Statements for the Year Ended March 31st, 2013

Note No.1, SHARE CAPITAL

PARTICULARS	AS On 31-03-2013 Rs.	AS On 31-03-2012 Rs.
A) Equity Share Capital		
(a) Authorised		
(1,00,00,000 Equity Shares of Rs.10/-Each Current Year)	10,00,00,000	-
(1,00,00,000 Equity Shares of Rs.10/-Each Previous Year)	<u>-</u>	<u>10,00,00,000</u>
(b) Issued		
(Equity Shares of Rs.10/-Each Current Year)	5,28,36,000	5,28,36,000
(5283600 Equity Shares of Rs.10/-Each Previous Year)	<u>5,28,36,000</u>	<u>5,28,36,000</u>
(c) Subscribed & Fully Paidup		
(5283600 Equity Shares of Rs.10/-Each Current Year)	5,28,36,000	5,28,36,000
(5283600 Equity Shares of Rs.10/-Each Previous Year)	-	-
(d) Subscribed & Not Fully Paidup	-	-
(a)	<u>5,28,36,000</u>	<u>5,28,36,000</u>

CDR HEALTHCARE LIMITED

B) Calls Un Paid

Equity Shars		73,400
--------------	--	--------

Total Equity Share Capital (A-B)	5,28,36,600	5,27,62,600
----------------------------------	-------------	-------------

C) A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Equity Shares of Rs.10Each, Fully paid up

At the Beginning

Issued during the year - Cash Issue	52,83,600	52,83,600
-------------------------------------	-----------	-----------

At the end	52,83,600	52,83,600
------------	-----------	-----------

**D) Details of Shareholder holding more than 5% shares of the company:
Equity Shares of Rs. 10/-**

	%	%
Siddartha Consultancy services pvt ltd No. Of Shares (C.Y) 319450 No. Of Shares (P.Y) 319450	6.05	6.05

CDR HEALTHCARE LIMITED

Note No. 2: RESERVES & SURPLUS

PARTICULARS	AS On 31-03-2013 Rs.	AS On 31-03-2012 Rs.
I) Reserves & Surplus		
Investment Allowance Reserve	1,02,000	1,02,000
II) Negative Balance of Reserves & Surplus Account	(48,92,850)	(48,98,510)
Total Reserves & Surplus	<u>(47,90,850)</u>	<u>(47,96,510)</u>
NOTE No. 3 : DEFERRED TAX LIABILITY (NET)		
I. Opening Deferred Tax Liability	3,47,18,649	3,47,18,649
Add : Deferred Tax Liability for the Year	<u>-</u>	<u>-</u>
Deferred Tax Liability / (Asset) – Net	<u>3,47,18,649</u>	<u>3,47,18,649</u>
NOTE No. 4 : OTHER LONG TERM LIABILITIES		
I. a) Unsecured Loans		
From Others	9,98,78,163	10,30,38,555
Total Long Term Liabilities	<u>9,98,78,163</u>	<u>10,30,38,555</u>
NOTE No. 5 : TRADE PAYABLES		
I. a) Trade Payables	3,39,58,160	2,27,46,840
Total Trade Payables	<u>3,39,58,160</u>	<u>2,27,46,840</u>
NOTE No. 6 : SHORT TERM PROVISIONS		
I. a) Others		
Provision for Expenses	2,15,907	1,87,817
Total Short Term Provisions	<u>2,15,907</u>	<u>1,87,817</u>

CDR HEALTH CARE LIMITED

NOTE NO. 7 : TANGIBLE ASSTS AS AT 31-03-2013

PARTICULARS	Gross Block			Depreciation/Amortization			Net Block as on 31-03-2013	Net Block as on 31-03-2012
	As on 01-04-2012	Additions during the year	Deletions during the year	As on 31-03-2013	Dep. As on 01-04-2012	Dep. for the year 2012-13		
Tangible Assts								
1) Land	31,75,661	-	-	31,75,661	-	-	-	31,75,661
2) Building	7,53,32,473	-	-	7,53,32,473	3,99,39,735	-	3,99,39,735	3,53,92,738
3) Furniture & Fixtures	78,22,528	-	-	78,22,528	78,03,462	-	78,03,462	19,066
4) Hospital Machinery	22,95,06,290	-	-	22,95,06,290	1,70,153,763	-	17,01,53,763	5,93,52,527
5) Computers	46,25,180	-	-	46,25,180	46,25,180	-	46,25,180	-
6) Misc. Fixed Assels	5,71,19,411	-	-	5,71,19,411	4,13,01,442	-	4,13,01,442	1,58,17,969
TOTAL	37,75,81,543	-	-	37,75,81,543	26,38,23,582	-	26,38,23,582	11,37,57,961
PREVIOUS YEAR	37,75,81,543	-	-	37,75,81,543	26,38,23,582	-	26,38,23,582	11,37,57,961

CDR HEALTHCARE LIMITED

NOTE No. 8 : LONG TERM LOANS AND ADVANCES

PARTICULARS	AS On 31-03-2013 Rs.	AS On 31-03-2012 Rs.
Security Deposit Unsecured, Considered Good Deposit with APSEB	89,500	89,500
(a)	<u>89,500</u>	<u>89,500</u>
Advances Recoverable inCash or in Kind Unsecured, Considered Good		
- VAT Input	4,33,184	4,33,184
- TDS Receivable	-	67,151
- Others	54,98,521	70,73,196
(b)	<u>59,31,705</u>	<u>75,73,531</u>
Total Long Term Loans & Advances	<u>60,21,205</u>	<u>76,63,031</u>

NOTE No. 9 : TRADE RECEIVABLES

I. Outstanding for a period exceeding six months from the date they are due for payment Unsecured, Considered Good	4,00,17,249	4,00,17,249
Total Inventories	<u>4,00,17,249</u>	<u>4,00,17,249</u>

NOTE No. 10 : CASH & BANK BALANCES

I. Cash and Cash Equivalents		
a) Balances with banks		
1) On Current Accounts	11,907	1,994
b) Cash on hand	567	15,567
Total Cash & Cash Equivalents	<u>12,474</u>	<u>17,561</u>

CDR HEALTHCARE LIMITED

NOTE No. 11 : REVENUE FROM OPERATIONS

PARTICULARS	AS On 31-03-2013 Rs.	AS On 31-03-2012 Rs.
Collections / Others	3,98,000	22,01,633
Total Revenue	<u>3,98,000</u>	<u>22,01,633</u>

NOTE No. 12 : OTHER INCOME

Sale of Scrap	9,50,640	-
Total Employee Benefit Expenses	<u>9,50,640</u>	<u>-</u>

NOTE No. 13 : EMPLOYEE BENEFIT EXPENSES

Salareis & Wages	4,10,785	8,17,491
Total Employee Benefit Expenses	<u>4,10,785</u>	<u>8,17,491</u>

NOTE No. 14 : ADMIN AND OTHER OPERATING EXPENSES

Electricity Charges	-	3,85,200
Repairs & Other Administration Exps	5,875	19,630
Hospital Maintenance	-	18,700
Advertisements	11,600	34,304
Testing Charges	-	1,67,800
Professional charges		49,818
Travelling & Conveyance	6,400	9,600
House Keeping Material	4,210	3,500
Listing expenses	7,59,670	-
Rates & taxes	72,651	3,88,970
Other Misc Expense	3,252	19,045
Payment to Auditors:		
(i) As Auditor	28,090	28,090
Total Other Expenses	<u>8,91,748</u>	<u>11,24,657</u>

CDR HEALTHCARE LIMITED

NOTES TO FINANCIAL STATEMENTS

15. 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

- | | | | |
|-----|-------------------------|---------------------------|----------------------------|
| 16. | Auditor's Remuneration: | <u>Current Year (Rs.)</u> | <u>Previous Year (Rs.)</u> |
| | Audit Fee | 28,090/- | 28,090/- |

17. There are no dues to SSI Units outstanding for more than 30 days.
18. No confirmations were obtained from debtors/creditors as to the balances receivable from/payable to them as at year end.
19. As there is no timing difference of depreciation / loss, the provisions for deferred income tax Liability does not arise as per Accounting Standard 22 (AS 22) issued by the ICAI and hence deferred income tax liability has not been provided.
20. Previous year's figures have been regrouped wherever necessary.
21. The figures have been rounded off to the nearest rupee.

As per our report of even date
For P.MURALI & CO.,
Chartered accountants
FRN No: 007257S

BY ORDER OF THE BOARD OF DIRECTORS
For **CDR Health Care Limited**

P. MURALI MOHANA RAO
PARTNER
Membership No.23412

D.BHASKAR REDDY
DIRECTOR

M. RANGA REDDY
DIRECTOR

PLACE: HYDERABAD
DATE: 27-05-2013

CDR HEALTHCARE LIMITED

CDR HEALTHCARE LIMITED

RoomNo. 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 26th Annual General Meeting of the Company to be held on
Saturday, the 28th September, 2013 at 2-00 PM at Sundaraiiah Vignan Kendram,
Baghlingampally, Hyderabad - 500 044 and at any adjournment thereof.

Signed this day of 2013

Rs.1

- 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

RoomNo. 99, 3-6-287/A ,B &C, Hyderguda, Hyderabad - 500 029

ATTENDANCE SLIP

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

Regd. Folio

Shares held

I hereby record presence at the 26th Annual General Meeting of the Company to be held on Saturday the 28th September 2013 at 2-00 PM at Sundaraiiah Vignan Kendram, Baghlingampally, Hyderabad - 500 044.

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
RoomNo. 99, 3-6-287/A, B&C,
Hyderguda, Hyderabad - 500 029