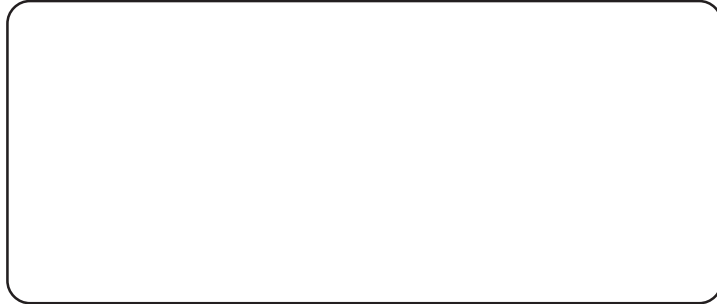


**BOOK POST**



**SECUNDERABAD  
HEALTH CARE LIMITED**



*24th Annual Report  
2014-2015*

**SECUNDERABAD HEALTH CARE LIMITED**  
Flat No.301, 3rd Floor, Supriya Nivas, Plot No.47,  
Street No.5, Sagar Society, Road#2, Banjara Hills  
Hyderabad, Telangana – 500034

*Innovation is our future*



# SECUNDERABAD HEALTHCARE LIMITED

## 24<sup>TH</sup> ANNUAL REPORT 2014-2015

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

Mr. Daniel Solomon Bondugula	:	Managing Director
Mr. Vinay Madhukar Ganu	:	Executive Director
Mr. Rajaram Arjun Rambade	:	Executive Director
Mrs. Sangeeta Dyanoba Savane	:	Non Executive - Independent Director
Mr. Surendra Naidu Rayapati	:	Non Executive - Independent Director
Dr. Thakur Ramesh Singh Chouhan	:	Non Executive - Independent Director
Mr. Amit Tarachand Shah	:	Non Executive - Independent Director
Mr. Jigar Premchand Motta	:	Non Executive - Independent Director
Mr. S L M Chowdary Palempati	:	Non Executive – Non-Independent Director

#### BANKERS

YES Bank Ltd  
ING Vysya Bank  
IndusInd Bank  
State Bank of India

#### STATUTORY AUDITORS

D P Agarwal & Co.,  
Chartered Accountants,  
261/263, 4th Floor, Bilquees Mantion,  
D N Road, Fort,  
Mumbai – 400 001

#### REGISTERED & CORPORATE OFFICE

Flat No.301, 3rd Floor, Supriya Nivas, Plot No.47,  
Street No.5, Sagar Society, Road#2, Banjara Hills  
Hyderabad, Telangana – 500034

#### SHARE TRANSFER AGENTS

M/s. Aarthi Consultants Private Limited  
1-2-285, Domalguda,  
Hyderabad – 500 029.

#### LISTING AT:

Bombay Stock Exchange Limited

**Notice of Annual General Meeting:**

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of Secunderabad Health Care Limited will be held on Wednesday, the 30<sup>th</sup> Day of September, 2015, at 11.00 a.m. A.M at Siddhartha Nagar, Welfare Association 8-3-169/163, Siddhartha Nagar, Hyderabad - 500 038 to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss for the period ended on that date and Directors and Auditors Reports there on.
2. To appoint a Director in place of Mr. Vinay Madhukar Ganu (DIN: 02803863), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rajaram Arjun Rambade (DIN: 02831029), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if though fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED that, M/s. D P Agarwal & Co., Chartered Accountants (Registration No. 35500) be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to pay remuneration as decided by Board of Directors of the company.”

**Special Business**

5. **To appointment of Mrs. Sangeeta Dyanoba Savane (DIN- 07161895) as Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, and provisions of Listing Agreement, **Mrs. SANGEETA DYANOBA SAVANE (DIN- 07161895)**, who was earlier appointed as an Additional Director of the Company, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose **Mrs. SANGEETA DYANOBA SAVANE** as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from the date of the ensuing Annual General Meeting of the Members of the Company, whose period of office shall not be liable to retire by rotation.

For and on behalf of the Board

Sd/-

Mr. Daniel Solomon Bondugula  
Chairman & Managing Director

Place: Hyderabad  
Date: 14.08.2015.

**NOTES:**

- a. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 25<sup>th</sup> September 2015 to Wednesday the 30<sup>th</sup> day of September 2015 (both days inclusive) for the purpose of Annual General Meeting, to be declared.
- b. Explanatory Statement as required under Section 102(2) of the Companies Act, 2013 is annexed.
- c. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- d. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.
- e. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
- f. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are Link Intime India Private Limited (RTA).
- g. Members can avail of the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed duly filled-in to RTA. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.
- h. Members are requested to
  - intimate to the DP, changes, if any, in their registered addresses and/or changes in their bank account details, if the shares are held in dematerialized form.
  - intimate to the Company's RTA, changes if any, in their registered addresses, in their bank account details, if the shares are held in physical form (share certificates).
  - consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
  - dematerialize their Physical Shares to Electronic Form (Demat) to eliminate all risks associated with Physical Shares. Our Registrars and Transfer Agents viz., Link Intime India Private Limited, may be contacted for assistance, if any, in this regard.
- i. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of/change in such bank details.
- j. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government.
- k. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specified functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
- l. In order to save the natural resources Members are requested to register their e-mail address/

addresses with the Depository Participants, if the shares are held in dematerialized form and with the Company's Registrar & Transfer Agent if the shares are held in physical form, in case you have not registered your email ids till now.

**In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.**

The instructions for e-voting are as under:

The voting period begins on Sunday, 27<sup>th</sup> September, 2015 (9.00 a.m. IST) and ends on Tuesday, 29<sup>th</sup> September, 2015 (5.00 p.m. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24<sup>th</sup> September, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

The Notice of AGM of the Company can be downloaded from [www.cdslindia.com](http://www.cdslindia.com) and [www.knrcil.com](http://www.knrcil.com)

**A. In case of members receiving e-mail (for Members whose e-mail addresses are registered with the Company/Depositories):**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below

**For Members holding shares in Demat Form and Physical Form**

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)* Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequencenumber which is printed on Attendance Slip indicated in the PANField.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyyformat.
DividendBankDetails#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.* Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii)

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Secubderabad Helath Care **Limited** > on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired.  
The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed.  
If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**B. In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

**C. Other instructions:**

- i. The voting rights of Members shall be in proportion to their shares of the paid – up equity share capital of the Company as on July 22, 2015.
- ii. Mr. Sathesh Rao Ponugoti, Practicing Company Secretary (Membership No. ACS 22364), has been appointed as the scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- iii. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- iv. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.knrcl.com and on the website of CDSL and communicated to the BSE Limited (BSE), and the National Stock Exchange of India Limited (NSE) where the shares of the Company are listed.
- vi. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut -off date i.e. July 22, 2015 may follow the same procedure as mentioned above for e-Voting. However, if you are already registered with CDSL for remote e-voting then you can use your exiting password for casting your vote.

**EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS AS REQUIRED BY SECTION 102 (2) OF THE COMPANIES ACT, 2013**

**ITEM NO. 5**

Smt. Sangeeta Dyanoba Savane having experience in Finance Accounting. The Appointment of Mrs. Sangeeta Dyanoba Savane on the Board will strengthen the Board, the company will be benefited utilizing her vast experience in Finance and accounting field.

Pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, the appointment requires the approval of shareholders by way of Ordinary Resolution.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

None of the Directors except Smt Sangeeta Dyanoba Savane / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice except to their shareholding.

Your Directors recommends the Resolution set out at Item Nos. 5 of the Notice for your approval.

For and on behalf of the Board

Sd/-

Mr. Daniel Solomon Bondugula  
Chairman & Managing Director

Place: Hyderabad  
Date: 14.08.2015.

Dear Members,

Your Directors are pleased to present the Twentieth Annual Report and the Company's audited financial statement for the financial year ended March 31, 2015.

**FINANCIAL RESULTS**

The Company's financial performance, for the year ended March 31, 2015 is summarized below:

Rupees in Lakhs

PARTICULARS	2014-15	2013-14
Gross Income (including other income)	<b>62,233,740</b>	<b>76,316,275</b>
Profit before interest and depreciation	<b>4203483</b>	<b>2993768</b>
<b>Less: Interest and financial charges</b>	<b>51527</b>	<b>63723</b>
Profit Before depreciation	<b>4151956</b>	<b>2930045</b>
<b>Less: Depreciation and amortization</b>	3,412,347	2,168,290
<b>Profit before tax</b>	739,609	761,755
Provision for tax (including Deferred Tax )	<b>-501453</b>	<b>128827</b>
<b>Profit after tax</b>	<b>1241063</b>	<b>632927</b>
<b>Net Profit for the year</b>	<b>1241063</b>	<b>632927</b>
Profit brought forward from previous year	<b>632927</b>	
Profit available for appropriation	<b>1873990</b>	
<b>Appropriations:</b>	-	-
Transfer to General Reserve	-	-
Dividend	-	-
Dividend tax	-	-
Balance carried forward	<b>1873990</b>	
Paid Up capital	<b>83759600</b>	
Reserves and Surplus	<b>733891737</b>	<b>732650674</b>

**RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

The highlights of the Company's performance are asunder:

Revenue from operations	Rs. <b>62,233,740</b>
PBDIT(Excluding Other Income) decreased by	17.68%
Profit before Tax decreased by	2.90%
Cash Profit increased by	41.70%
Net Profit increased by	96.08%

The order book position as on 31<sup>st</sup> March 2015 stands at Rs. 50 Lakhs.

**Reserves**

The Company is not proposing to transfer any amount to the General Reserves of the Company out of the profits made during the year. The total Reserves & Surplus (including capital reserves, securities premium

Reserves, General Reserves and P&L Account accumulated) as on 31<sup>st</sup> March 2015 is Rs. 733891737 as against the Paid-up capital of Rs. 837596000

#### Dividend

The Board of Director of your company, keeping in view the financial positions of the company, has not recommended any Dividend For the Financial year 2014-15

#### Management Discussion and Analysis Statement

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

#### Transfer to the Investor Education and Protection Fund

In terms of Section 125 of the Companies Act, 2013, no amount is required to transfer to the Investor Education and Protection fund (IEPF) established by the Central Government during the Financial year.

#### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiaries or joint ventures.

#### Consolidated Financial Statements

The company does not have any subsidiaries or joint ventures, hence only standalone Financial Statements are provided to the shareholders of the company.

#### Directors' Responsibility Statement;

Pursuant to the requirements under Section 134 (3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, Your Directors hereby confirmed that:

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements 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 at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have 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;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The report on Corporate Governance as stipulated

under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

#### DIRECTORS

In accordance with the requirements of the Companies Act, 2013 Mr. VinayMadhukarGanuand Mr. RajaramArjunRambade, Director of the Company is liable to retire by rotation at the Annual General Meeting and, being eligible, offer themselves for reappointment at the ensuring Annual General Meeting.

Brief resume of the Director proposed to be reappointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and relationships between directors inter-se, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

The Board of Directors has complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board / Committee meetings, when MD / ED are asked to make presentations about performance of the Company to the Board. Apart from this, they also have independent interactions with the Statutory Auditors, the Internal Auditors and external advisors appointed from time to time. Further, they meet without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

#### STATUTORY AUDITORS

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, on rotation of audit firms, and based on the recommendation of the Audit Committee, the Board has at its meeting held on 30<sup>th</sup> May 2015 recommended the appointment of M/s. D P Agarwal & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting to the Conclusion of the next Annual General Meeting. M/s. D P Agarwal & Co., Chartered Accountants, have confirmed that the appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013. Accordingly, the appointment of M/s. D P Agarwal & Co., Chartered Accountants, Hyderabad, as the Statutory Auditors, is being proposed as an Ordinary Resolution

#### SECRETARIAL AUDITOR

The Board has appointed M/s P SateeshaRaoCompany Secretaries, to conduct Secretarial Audit for the FY 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure II to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related

parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out Go:**

The particulars relating to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo as required under section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are as follows

**a) Conservation of Energy**

The Company has taken suitable measures for conservation of energy. The core activity of the company is civil construction that is not an energy intensive activity.

**b) Technology absorption, Adoption and Innovation**

There is no information to be furnished regarding Technology Absorption as your Company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources, which needs to be absorbed or adopted.

Innovation is a culture in the Company to achieve cost efficiency in the construction activity to be more and more competitive in the prevailing environment that cannot be quantified.

**Foreign Exchange earnings and outgo**

Foreign Exchange Inwards - Nil

Foreign Exchange outgo towards: Nil

**FIXED DEPOSITS**

Your Company has not accepted any deposits covered by the provisions of Section 73 of the Companies Act, 2013 and the Rules framed there under.

**INDUSTRIAL RELATIONS**

Your Directors are happy to report that the Industrial Relations have been extremely cordial at all levels throughout the year. Your Directors record their appreciation for sincere efforts, support and co-operation of all employees being extended from time to time to accelerate the growth of the Company.

**DISCLOSURES**

**Audit Committee**

The Audit Committee comprises majority Independent Directors namely Mr. Surendra Naidu Rayapati, Mr. Thakur Ramesh Singh Chouhan and Mr. Solomon Daniel Bondugulaas other members. All the recommendations made by the Audit Committee were accepted by the Board.

**Vigil Mechanism**

The Company has a Vigil mechanism and Whistle blower policy in terms of the Listing Agreement, under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Protected disclosures can be made by a whistle blower through a dedicated e-mail, or a letter to the Chairman of the Audit Committee.

**Meetings of the Board**

Nine meetings of the Board of Directors were held during the year under review. For further details, please refer report on Corporate Governance of this Annual Report.

**Code of Conduct**

A declaration regarding compliance with the code of conduct signed by the Company's Managing Director is published in the Corporate Governance Report which forms part of the annual report.

**Particulars of Loans given, Investments made, Guarantees given and Securities provided**

Particulars of loans given, investments made, guarantees given and securities provided are provided in the standalone financial statement

**Extract of Annual Return**

Extract of Annual Return of the Company is annexed herewith as **Annexure III** to this Report.

**PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The percentage of increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15 (Rs. in lakhs)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Daniel Soloman Managing Director	5,40,000	0%	50	Profit before Tax decreased by 2.90 and Profit After Tax increased by 96.08 in financial Year 2014-15

During the period under review, no employee of the Company is employed throughout the financial year and in receipt of Rs.60 lakhs or more, or employed for part of the year and in receipt of Rs.5 lakhs or more a month, under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- ii) The median remuneration of employees of the Company during the financial year was Rs. 27,275 p.m;
- iii) In the financial year, there was increase of \*\*% in the median remuneration of employees;
- iv) There were 2 employees on the rolls of Company as on March 31, 2015
- v) Relationship between average increase in remuneration and company performance: - The Profit before tax for the financial year ended March 31, 2015 decreased by 2.90% whereas the median remuneration was the same as last year
- vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:



The total remuneration of Key Managerial Personnel was Rs. 5,40,000 lakhs whereas the Profit before tax was Rs. 7,39,609 lakhs in 2014-15

- vii) a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2015 at NSE was Rs. 1,19,468.46 lakhs (Rs. 23,904.94 lakhs as on March 31, 2014)
- b) Price Earnings ratio of the Company at NSE was 16.36 as at March 31, 2015 and was 3.92 as at March 31, 2014;
- viii) Average percentage decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 16.85% whereas the managerial remuneration for the same financial year was the same as last year
- ix) The key parameters for any variable component of remuneration availed by the directors: Not applicable
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but received remuneration in excess of the highest paid director during the year – Not Applicable; and
- xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- 1. Details relating to deposits covered under Chapter V of the Act.
- 2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.
- 4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**Appreciation and Acknowledgements**

Your Directors wish to place on record their gratitude to the Company's shareholders, customers, vendors and bankers for their continued support to KNRCL's growth initiatives Your Directors also wish to place on record, their appreciation of the contribution made by employees at all levels, who through their competence, sincerity, hard work, solidarity and dedicated support, have enabled your Company to make rapid strides in its business initiatives Your Directors also thank the Central and State Governments and their various agencies, particularly, the National Highway Authority of India and other Governmental agencies for extending their support during the year, and look forward to their continued support.

On behalf of the Board of Directors  
of Secunderabad Healthcare Limited

SOLOMON DANIEL BONDUGULA      RajaramArjunRambade  
Managing Director                      Executive Director

Place: Hyderabad  
Date: 14 Aug 2015

**Report On Corporate Governance**

In accordance with Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited (BSE) the report containing the details of Corporate Governance systems and processes at Secunderabad Health Care Limited (SHCL) is given below:

- 1. Company's Philosophy  
Secunderabad Health Care Limited ("SHCL") is committed to implement sound corporate governance practices with a view to bring transparency, accountability and equity in all facets of its operations and maximizing shareholders value. SHCL is committed to achieve the good standards of Corporate Governance on continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at true Corporate Governance.
- 2. Board of Directors:  
The present composition of Board of Directors consists of Five Directors out of which two are Whole Time Directors and three are Non-Executive Directors. The composition and the category of Directors are as under:

Sl No.	Name	Designation	Category
1.	SURENDRA NAIDU RAYAPATI	Director	Independent /Non- Executive Director
2.	SOLOMON DANIEL BONDUGULA	Managing director	Managing Director
3.	THAKUR RAMESH SINGH CHOUHAN	Director	Independent /Non- Executive Director
4.	VINAY MADHUKAR GANU	Director	Executive Director
5.	JIGAR PREMCHAND MOTTA	Director	Independent /Non- Executive Director
6.	RAJARAM ARJUN RAMBADE	Director	Executive Director
7.	AMIT TARACHAND SHAH	Director	Independent /Non- Executive Director
8.	SLM CHOWDARY PALEMPATI	Director	Non-Independent /Non- Executive Director
9.	SANGEETA DYANOBA SAVANE	Additional director	Additional Director

**Conduct of Board Proceedings**

The day to day business is conducted by the executives of the Company under the directions of Managing Director and Executive Directors and the supervision of the Board. The Board holds periodical meetings every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The Board performs the following specific functions in addition to the oversight of the business and the management.

- Review, monitor and approve major financial and business strategies and corporate actions
- Assess critical risk facing the company and review options for their mitigation
- Ensure that processes are in place for maintaining the integrity of
  - the Company;
  - the financial statements;
  - compliance with laws;
  - relationship with customers, suppliers and other stakeholders;
- Delegation of appropriate authority to the committees / executive directors / senior executives of the company for effective management of operations

**Governance Policies**

At SHCL, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Whistle Blower Policy
- Code of Conduct for Board of Directors and Officers of Senior Management
- Corporate Social Responsibility Policy
- Sexual Harassment Policy

**Number of Board Meetings held**

Six Board Meetings were held during the year 2014-2015. The intervening period between two Board Meetings was well within the maximum gap of four months prescribed under Clause 49 of Listing Agreement.

The details of the Board Meetings are as under:

Sl. No.	Dates	Board Strength	No. of Directors Present
1	30.05.2014	8	5
2	14.08.2014	8	5
3	02.09.2014	8	4
5	24.10.2014	8	4
6	14.11.2014	8	6
7	14.02.2015	8	5

\* meeting of independent directors only

Attendance of Directors at the Board Meetings, last Annual General Meeting (AGM) and number of other directorships and chairmanships / memberships of each Director in various companies as on 31<sup>st</sup> March 2015 is as under:

Name	Attendance of the meetings during the Year		No. of other Directorships ^	No. of Memberships/ chairmanships of other companies @
	Board Meetings	Last AGM		
SURENDRA NAIDU RAYAPATI	5	Yes	Nil	Nil
SOLOMON DANIEL BONDUGULA	7	Yes	Nil	Nil
THAKUR RAMESH SINGH CHOUHAN	5	Yes	1	Nil
VINAY MADHUKAR GANU	7	Yes	Nil	Nil
JIGAR PREMCHAND MOTTA	5	Yes	Nil	Nil
RAJARAM ARJUN RAMBADE	6	Yes	Nil	Nil
AMIT TARACHAND SHAH	5	Yes	1	Nil
SLM CHOWDARY PALEMPATI	7	Yes	Nil	Nil
SANGEETA DYANOBA SAVANE	0	No	Nil	Nil

- ^ The Directorships held by Directors as mentioned above, do not include Alternative Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies
- @ in accordance with Clause 49, Memberships / chairmanships of only the Audit Committee and Shareholders' / Investors Grievance Committees of all Public Limited Companies (excluding Secunderabad Health Care Limited) have been considered.
- Apart from receiving sitting fee for attending meetings, the Independent Directors do not have any material pecuniary relationships or transactions with the Company, its promoters, Directors, senior management or its holding company, subsidiaries and associates which may affect the independence of the Director.
- The Independent Directors are not related to the promoters or persons occupying management positions at the Board level or at one level below the Board.
- The Independent Directors have not been executives of the Company in the immediately preceding three financial years.
- They are not partners or executives or were not so during the preceding three years of the
  - Statutory audit firm or the internal audit firm associated with the Company.
  - Legal firm(s) and consulting firm(s) that have a material association with the Company.
- The Independent Directors are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect their independence.
- They are not the substantial shareholders of the Company i.e. do not own 2 per cent or more of the block of voting shares.

**Familiarisation programmes for Board Members**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year and information in this regard can be viewed from the our company's website [www.secunderabadhealthcare.com](http://www.secunderabadhealthcare.com)

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

**Meetings of Independent Directors**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted formally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Directors takes appropriate steps to present their views to the Managing Director.

One such meeting of Independent Directors was held during the year on 18<sup>th</sup> March 2015 without the presence of Executive Directors and management personnel. The details of the attendance of the Independent Directors in the meeting are as below.

Name	No. of meetings held during the year 2014-15	
	Held	Attended
Surendra Naidu Rayapati	1	01
Thakur Ramesh Singh Chouhan	1	01

**3. Committees of the Board**

The Company has the following standing committees of the Board.

**a. Audit Committee****Composition, Name of the Members and Chairman**

In terms of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Board of Directors of the Company has constituted an Audit Committee comprising of Two Non-Executive and Independent Directors and One Executive Director.

Name	Designation	Category
SURENDRA NAIDU RAYAPATI	Member	Non-Executive and Independent Director
SOLOMON DANIEL BONDUGULA	Chairman	Managing Director
THAKUR RAMESH SINGH CHOUHAN	Member	Executive and Non-Independent Director

The Minutes of the meetings of the Audit Committee are circulated to all the members of the Board along with the Agenda.

**Terms of reference of the Committee are as follows:**

- Review the un-audited quarterly results and Annual accounts of the company
- Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services
- Reviewing with the management, the annual financial statements before submission to the Board focusing primarily on:
  - (i) Any changes in accounting policies and practices
  - (ii) Major accounting entries based on exercise of judgment by the management
  - (iii) Qualifications in draft audit reports
  - (iv) Significant adjustments arising out of the audit
  - (v) The going concern assumption
  - (vi) Compliance with accounting standards
- Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where

there is suspicion of fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the board

- Discussion with external auditors before the audit commences, on the nature and scope of audit and also post-audit to ascertain any areas of concern
- Reviewing the company's financial and risk management policies
- To look into and review the reasons for substantial defaults, if any, in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

**Attendance of the members at the Audit Committee Meetings:**

During the current financial year 2014-2015 Four Audit Committee Meetings were held and the details of the Audit Committee Meetings are as under:-

Sl. No.	Dates	Committee Strength	No. of Directors Present
1	30.05.2014	3	3
2	14.08.2014	3	3
3	14.11.2014	3	3
4	14.02.2015	3	3

**b. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has been constituted to formulate and recommend to the Board all elements of the remuneration package of the Managing Director and Executive Directors, including performance / achievement bonus and perquisites payable to the Whole Time Directors.

In terms of Clause 49 of the Listing Agreement, the Board of Directors of the Company has constituted this Committee comprising of all the Three Members being Non-Executive and majority being Independent Directors:

Name	Designation
Shri. THAKUR RAMESH SINGH CHOUHAN	Chairman
Shri. SURENDRA NAIDU RAYAPATI	Member
Shri. RAJARAM ARJUN RAMBADE	Member

Mr. Surendra Naidu Rayapati is the Secretary to the Remuneration Committee.

The Minutes of the meetings of the Remuneration Committee are circulated to all the members of the Board along with the Agenda.

**The terms of reference of the Nomination and Remuneration Committee are as follows:**

- The Remuneration Committee recommends to the board the compensation terms of the executive directors
- Framing and implementing on behalf of the Board and the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment

- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors
- Bringing about objectivity in fixing the remuneration package while striking a balance between the interest of the Company and the shareholders
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the Remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

**Remuneration paid to the Directors during 2014-2015:**

Amount in Rs.				
Name	Position	Sitting Fee	Salary & Perquisite	Total
<b>INDEPENDENT DIRECTORS / NON EXECUTIVE DIRECTORS</b>				
Shri SOLOMON DANIEL	Managing director	-	5,40,000	5,40,000
	BONDUGULA			

**c. Stakeholders Relationship Committee**

This Committee comprises of the following members

**Name Designation**

Shri. THAKUR RAMESH SINGH CHOUHAN	Chairman
Shri. SURENDRA NAIDU RAYAPATI	Member
Shri. RAJARAM ARJUN RAMBADE	Member

The terms of reference of the Stakeholders Relationship Committee are as follows:

To allot the equity shares of the Company, and to supervise and ensure:

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
- Issue of duplicate / split / consolidated share certificates;
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

**Shareholders complaints Status:**

Opening	Nil
Received During the Period	06
Resolved During the Period	06
Pending	Nil

**Name and designation of Compliance Officer**

Mr. Vinay Madhukar Ganu , Executive Director  
 Secunderabad Health Care Limited  
 Flat No.301, 3rd Floor, Supriya Nivas, Plot No.47,  
 Street No.5, Sagar Society, Road#2, Banjara Hills  
 Hyderabad, Telangana- 500034  
 Contact No. + 91 40 23542822  
 E-mail – shclimited@gmail.com

**4. General Body Meetings:**

The details of date, location and time of the last three Annual General Meetings held are as under:

Financial Year	Date and Time	Venue
2011-12	29 <sup>th</sup> September, 2012 2.00 p.m	Siddarth Nagar Welfare Association 8-3-169/163, Siddarth Nagar, Hyderabad - 38
2012-13	29 <sup>th</sup> September 2013 2.00 P.m	Siddarth Nagar Welfare Association 8-3-169/163, Siddarth Nagar, Hyderabad - 38
2013-14	29 <sup>th</sup> September 2014 11:30 a.m	Siddarth Nagar Welfare Association 8-3-169/163, Siddarth Nagar, Hyderabad - 38

No Special Resolutions were passed in the Annual General Meetings during the last 3 years.

**5. Postal Ballot:**

No resolution was passed through Postal Ballot Notice during the Financial Year

**6. DISCLOSURES;**

**a. Related Party Transactions**

During the year ended March 31, 2015, there were no materially significant related party transactions, which could have potential conflict with the Company's interests at large. Statement in summary form of transactions with related parties is placed before the audit committee for review. All related party transactions are negotiated on an arms length basis, and are intended to further the Company's interests. In compliance with the accounting standard 18, transactions with related parties are disclosed in the notes to accounts.

**b. Details of non-Compliance etc**

The Company complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets; no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI.

**c. Disclosure of Accounting Treatment**

The Company has followed the accounting standards in the preparation of its financial statements

**d. Board Disclosures****i. Risk Management**

Currently, the Company's risk management approach comprises of the following:

- Governance of Risk
- Identification of Risk
- Assessment and control of Risk

The risks are being identified by a detailed study. Senior Management are analysing and working in mitigating them through co-ordination among the various departments. Insurance coverage and personal accident coverage for lives of all employees are also being taken.

Your company puts in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Presentation to the Board of Directors and the Audit Committee is made on risk management. The Board and the Audit Committee provides oversight and review the risk management policy periodically.

**ii. Internal Control System**

Your company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of internal policies. The Company has a well-defined delegation of power and defined limits for approving revenue as well as capital expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down to ensure adequacy of the control system, adherence to the management instructions and legal compliances.

**e. Code of Conduct**

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board Members and Senior Management Personnel of the company. An affirmation of compliance with the code is received from them on an annual basis

**f. CEO / CFO Certification**

The CEO / CFO Certification on the financial statements and internal control are separately annexed.

**7. Compliance with Non-mandatory requirements**

- a. Non-Executive Chairman's Office:** The Company doesn't maintain any office of the Non-executive chairman and any expenditure incurred by him in performance of his duties will be reimbursed by the Company.
- b. Tenure of Independent Directors:** In terms of the Governance Policy of the Company, all

Directors including Independent Directors except Managing Director are appointed / re-appointed for a period of five years or a shorter duration in accordance with retirement guidelines as determined by the Board from time to time. No maximum tenure for Independent Directors has been specifically determined by the Board.

- c. Remuneration Committee:** The Company has a Remuneration Committee under the nomenclature "Remuneration Committee", the details of which are provided in this Report under the section "Committees of Board – Remuneration Committee"
- d. Shareholders Rights:** The Quarterly, half-yearly and annual financial results of the Company are published in newspapers on all India basis and complete set of annual report is sent to every Shareholder of the Company
- e. Audit Qualifications:** During the financial year 2014-2015f, there are no audit qualifications in the Company's financial statements.
- f. Training of Board Members:** Strategic supervision of the Company is the responsibility of the Board. To achieve this, the Board undertakes periodic review of various matters including business-wise performance and related matters, risk management, borrowings, internal & external audit findings etc., Directors are also briefed on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislation and economic development.
- g. Mechanism for evaluation of Non-Executive Directors:** The role of the Board of Directors is to provide direction and exercise control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations. The Board has not evolved any method/mechanism for appointment of non-executive directors.
- h. Whistle Blower Policy:** The Company encourages open door policy where every employee have access to the Head of the Business / Department, employees are free to report existing / probable violation of laws, regulations or unethical conduct in the organization.

**8. Means of Communication****Quarterly results:**

The Company's quarterly results are published in Business Standard, Andhra Prabha and are displayed on website [www.secunderabadhealthcare.com](http://www.secunderabadhealthcare.com)

**News releases, presentations, among others:**

Official news releases and official media releases are sent to Stock Exchanges.

**Presentations to institutional investors / analysts:**

Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results through earnings call. The transcripts of the earnings call are also uploaded on the Company's website [www.SHCL.com](http://www.SHCL.com)

**Website:**

The Company's website [www.secunderabadhealthcare.com](http://www.secunderabadhealthcare.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

**Annual Report:**

The Annual Report containing, inter alia, Audited Standalone Financial Statement, Consolidated Financial Statement, Directors' Report, Auditors' Report, Corporate Governance Report and other important information is circulated to members and others entitled thereto.

**Management Discussion and Analysis (MDA) Report**

The report on MDA is annexed to the Director's Report and forms part of the Annual Report.

**Disclosures to Stock Exchanges:**

The Company informs BSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

**BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):**

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES):**

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**Dedicated e-mail ID**

shclimited@gmail.com

**9. GENERAL SHAREHOLDERS INFORMATION**

- i. Annual General Meeting : 24<sup>th</sup> Annual General Meeting  
Tuesday the 30<sup>th</sup> September 2015  
  
Time : 11.00 AM  
Venue : Siddarth Nagar Welfare Association  
8-3-169/163, Siddarth Nagar, Hyderabad - 38
- ii. Financial Year : 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015
- iii. Book closure dates : 25<sup>th</sup> September 2015 to 30<sup>th</sup> September 2015 (both days inclusive)
- iv. Financial Calendar for the year 2015-2016  
  
Financial Reporting for the first quarter ended 30<sup>th</sup> June 2015 on or before 14<sup>th</sup> August 2015  
  
Financial Reporting for the second quarter / half-year ended 30<sup>th</sup> September 2015 on or before 14<sup>th</sup> November 2015

Financial Reporting for the third quarter / nine months ended 31<sup>st</sup> December 2015 on or before 14<sup>th</sup> February 2016

Financial Reporting for the fourth quarter / year ended 31<sup>st</sup> March 2016 on or before 30<sup>th</sup> May 2016

v. Listing on Stock Exchanges

**Name and Address of the Stock Exchange**

BSE Limited (BSE)  
1<sup>st</sup> Floor, New Trading Ring, Rotunda Building,  
P J Towers, Dalal Street, Fort, Mumbai – 400001  
Tel: +91 22 2272 1233 / 34 Fax: +91 22 2272 2037 / 39 / 41 / 61

The listing fees payable to BSE for 2014-15 have been paid in full.

vi. Script Code / Symbol

a. Stock Exchanges

Bombay Stock Exchange Limited : 532942

b. Demat ISIN Number in NSDL and CDSL for the equity shares : **INE 930C0106**

The annual custodian fee for the financial year 2014-15 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

c. Corporate Identity Number (CIN)

The CIN allotted by the Ministry of Corporate Affairs, Government of India is **L33100TG1991PLC013380**, and the Company is registered within the jurisdictions of the Registrar of Companies, National Capital Territory of Delhi and Haryana.

vii. Market Price Data:

Month	Open	High	Low	Close
Apr 14	19.40	20.50	15.65	16.70
May 14	17.00	17.10	11.70	11.75
Jun 14	12.30	18.00	11.90	12.44
Jul 14	12.70	13.07	9.11	9.97
Aug 14	9.53	11.49	8.67	10.60
Sep 14	10.55	11.45	9.32	9.97
Oct 14	10.00	10.20	6.40	6.89
Nov 14	7.05	7.27	4.60	5.54
Dec 14	5.80	6.35	3.13	3.23
Jan 15	3.22	5.00	2.68	5.00
Feb 15	5.25	6.65	5.21	5.80
Mar 15	6.09	6.20	3.99	3.99

- viii. Registrar & Share Transfer Agents:  
(for shares held in both Physical and Demat mode)

Aarathi Consultants Pvt. Ltd ,1-2-285,  
Domalguda,Hyderabad,Telangana,500029  
Tel: 040-27638111,4445  
Max: 040-27632184  
Email: info@aarthiconsultants.com  
Website: www.aarthiconsultants.com

- ix. Share Transfer System:

The Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of one month from the date of receipt, subject to the documents being valid and complete in all respects.

Any transferee who wishes to demat the shares may approach a Depository participant along with a duly filled Demat Request Form, who shall, on the basis of the Share Certificate, generate a demat request and send the same to the Registrar and Shares Transfer Agents (RTA). On receipt, the Depository Registrar confirms the request.

All requests for Dematerialisation of shares are processed and the confirmation is given to the respective Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 21 days of receipt.

#### EQUITY SHARES IN SUSPENSE ACCOUNT

As per Clause 5A of the Listing Agreement, the Company reports that 945 Equity Shares are lying in the suspense account as on 31<sup>st</sup> March 2015

#### SECRETARIAL AUDIT

A Practicing Company Secretary of the Institute of Company Secretaries of India, has carried out secretarial audit every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL

- x. Distribution of shareholding as on 31<sup>st</sup> March, 2015

SLNO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	1734	65.76	303992	3039920	0.36
2	5001 - 10000	264	10.01	241955	2419550	0.29
3	10001 - 20000	135	5.12	219308	2193080	0.26
4	20001 - 30000	91	3.45	237218	2372180	0.28
5	30001 - 40000	47	1.78	171352	1713520	0.2
6	40001 - 50000	34	1.29	162453	1624530	0.19
7	50001 - 100000	91	3.45	705029	7050290	0.84
8	100001 & Above	241	9.14	81718293	817182930	97.56
	<b>Total:</b>	<b>2637</b>	<b>100</b>	<b>83759600</b>	<b>837596000</b>	<b>100</b>

- xi. Pattern of Shareholding as on 31<sup>st</sup> March 2015

	Category	Total Shares	Total Percent
1	CLEARING MEMBER	3359026	4.01
2	OTHER BODIES CORPORATE	67344966	80.4
3	FINANCIAL INSTITUTIONS	-	-
4	FOREIGN INST. INVESTOR	-	-
5	MUTUAL FUND	-	-
6	NON NATIONALISED BANKS	-	-
7	NON RESIDENT INDIANS	263002	0.31
10	PUBLIC	12764745	15.24
11	PROMOTERS	27861	0.03
	<b>TOTAL</b>	<b>83731739</b>	<b>100.00</b>

- xii. Dematerialisation of Shares & Liquidity

The Company's shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

#### Dematerialisation of Shares and Liquidity as on 31<sup>st</sup> March 2015

	No. of Shares	% of Total
NSDL	15805177	18.87
CDSL	368735522	44.03
Physical	31080901	37.10
<b>Total</b>	<b>83759600</b>	<b>100.00</b>

- xiii. Address for Correspondence:

(Query on the Annual Report shall reach 15 days before the AGM)

#### Compliance Officer

Secunderabad Health Care Limited  
Flat No.301, 3rd Floor, Supriya Nivas, Plot No.47,  
Street No.5, Sagar Society, Road#2, Banjara Hills  
Hyderabad, Telangana- 500034  
Contact No. + 91 40 23542822  
E-mail – shclimited@gmail.com

#### Registrar & Share Transfer Agents:

(for shares held in both Physical and Demat mode)

Aarathi Consultants Pvt. Ltd ,1-2-285,  
Domalguda,Hyderabad,Telangana,500029  
Tel: 040-27638111,4445  
Max: 040-27632184  
Email: info@aarthiconsultants.com  
Website: www.aarthiconsultants.com

**DECLARATION**

As provided under Clause 49 of Listing Agreement with the Stock Exchanges, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for Board Members and senior management personnel in respect of the Financial Year ended 31<sup>st</sup> March 2015.

For Secunderabad Health Care Limited

SOLOMON DANIEL BONDUGULA  
Managing Director

Place: Hyderabad

Date:

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
Secunderabad Health Care Limited

We have examined the compliance with the conditions of the Corporate Governance by **Secunderabad Health Care Limited** ("the company") for the year ended 31<sup>st</sup> March 2015, as stipulated in Clause 49 of Listing Agreement of the said Company with the Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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 D.P.AGARWAL & CO.,**  
Firm Registration No: 1100068W  
Chartered Accountants

**D.P.Agarwal**  
Proprietor  
Membership No. 35500

Place: Hyderabad

Date:



CHIEF EXECUTIVE OFFICER  
AND  
CHIEF FINANCIAL OFFICER CERTIFICATION

In relation to the Audited Financial Accounts of the Company as at 31<sup>st</sup> March, 2015, we hereby certify that

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. 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 volatile of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which are aware and the steps have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

For Secunderabad Health Care Limited

Sd/-  
SOLOMON DANIEL BONDUGULA  
Managing Director Executive Director & CFO

Sd/-  
Rajaram Arjun Rambade  
GM (F&A)

Sd/-  
Vinay Madhukar Ganu

Place: Hyderabad  
Date: 14.08.2015

MANAGEMENT DISCUSSION & ANALYSIS

**HEALTH CARE, PHARMACEUTICAL & INTERMEDIARY DRUGS INDUSTRY – GLOBAL & INDIAN:**

The global Health Care, Pharmaceutical & Intermediary Drugs Industry market is expected to reach \$ 1.3 trillion by 2018, due to increased global spending driven by population growth, an aging population, and improved access in pharmerging markets. CAGR of pharmerging market will be 8 to 11% by 2018. Due to globalization, pharmerging countries increased from 5 to 21 and healthcare improvement will continue to be their priority. Many of these countries are implementing healthcare reforms to ensure universal coverage. The developed market – led by the United States, the major five European markets and Japan had been the primary drivers of increased growth, while the 21 pharmerging countries will increase their contribution to growth over next five years and account for nearly 50% of absolute growth in 2018. The Indian Health Care, Pharmaceutical & Intermediary Drugs Industry accounts for about 1.4% of the global Health Care, Pharmaceutical industry in value terms and 10% in volume terms. It's revenue is expected to expand at a CAGR of 14.5% from the year 2009 to year 2020, by nearly \$ 55 billion. The generic market is expected to grow to \$ 26.1 billion by 2016 and has immense potential for growth. India is the fourth largest player by value with market share of Asia-Pacific. Indian pharmaceutical industry accounts for the second largest number of Abbreviated New Drug Applications (ANDAs) and is the world leader in Drug Master Files (DMFs) application with US. Indian pharmaceutical industry has many advantages in terms of efficient cost of production, good R&D technical work force for process improvements, lower healthcare costs, diversified array of products viz., over 60,000 generics brands across 60 therapeutic categories comprising of more than 500 different APIs. Economic prosperity, increased drugs affordability and increasing penetration of health insurance along with government initiatives like 'pharma vision 2020' will propel India to become a global leader as a end-to-end drug manufacturer. The government of India is committed to setting up robust healthcare and delivery mechanisms.

**BUSINESS STRATEGY: DOMESTIC MARKET AND TRENDS:** The domestic formulation, Health Care, Pharmaceutical market has witnessed a healthy growth in demand during the past five years. Going forward, this trend is expected to continue broadly based on growing population, increasing health awareness and an increasing per capita income leading to a large overall healthcare spend. The market is expected to grow with a CAGR of 14% to reach a size of US \$47.06 billion by 2018. Indian bulk drug, Intermediary drug industry has grown as a direct offset of formulation growth world-wide. Secunderabad Health Care Limited has a strong framework and which is now a standard requirement of most of the big Indian pharmaceutical companies. High process efficiency and high standard for quality has created good brand name for Company. Secunderabad Health Care Limited has carried out the new facilities to capture the growing trends and markets for intermediary drugs Trading and Health care related business activities ties.

**Export Market and Trends:** Indian bulk drug & Intermediary drug companies have filed 49% of the overall drug master filings (DMFs) made in the US in 2013, which will help Indian pharmaceutical companies to capitalize further on export opportunities in regulated and semi-regulated markets. The ministry of commerce targets to export \$ 25 billion worth of pharmaceuticals in 2016. Indian drugs are exported to more than 200 countries in the world, with US as a key market. In terms of value, exports of pharmaceutical products increased at a CAGR of 26.1% to USD 10.1 billion during FY 2006-13. The Americas accounted for around 34% of Indian pharma exports In FY 13, followed by Europe 26% and Asia 20%. Exports to Africa increased at a CAGR of 21% from 2009-13. The global generics market has grown at a phenomenal pace in past few years, and is expected to grow over the next five years.

**SWOT ANALYSIS - STRENGTHS & OPPORTUNITIES:** Secunderabad Health Care Limited has been continuously striving to keep its costs to minimum possible to aggressively compete with Competitors in Domestic Market. Moreover, slowly India is getting competitive with respect to Chinese manufacturers, as

Chinese environmental rules are becoming stringent like that of India. Moreover, global players prefer Indian manufacturers to Chinese due to better documentation and quality. Furthermore, currently Secunderabad Health Care Limited has customer satisfied and certified Trading and doing business facilities which give us an edge over competition throughout the domestic market and to explore in world market. Secunderabad Health Care Limited continues to enjoy economies of scale due to its large network trade market capacities Intermediary drug and health care related segments. Bigger market share automatically helps us to be competitive in market due to spread of overheads and better bargaining power. Our Technicians are constantly working for developing techniques, non-infringing route of synthesis, scale up and for commercialization at large scale Trading activity. They actively work not only on bulk drugs, Intermediary and health care activity and in various therapeutic categories but also on specialty chemicals for non-API related applications.

**WEAKNESSES, RISKS AND CONCERNS:** Variation in crude oil prices would always be area of concern. Secunderabad Health Care Limited has already initiated the techniques to the fold in it all opportunities and throughout of all risks & costs, which reflects in the financial result of the Company. Secunderabad Health Care Limited was able to cope up with these pressures due to strong operational efficiency and increased market share of its products.

**INTERNAL CONTROL SYSTEM & ADEQUACY:** The Company has sound and adequate internal control systems commensurate with its size and nature of business. We constantly upgrade our systems for incremental improvements, because we firmly believe that 'change is the only permanent thing'.

The Audit Committee of the Board periodically reviews these systems. These systems ensure protection of assets and proper recording of transactions and timely reporting. Internal audit is being carried out by an independent firm of chartered accountants on a quarterly basis. The Audit Committee also regularly reviews the periodic reports of the Internal Auditors. Issues raised by Internal Auditors and Statutory Auditors are discussed and addressed by the Audit Committee. Audit Committee constantly tries to add value by evaluating existing systems.

**Discussion on financial performance and operational performance:**

1. **Turnover:** The Gross Sales of the Company is Rs. 622.33 Lacs in FY:14-15 and Rs. 763.16 Lacs in F.Y. 2013-14.
2. **Share Capital:** The Company has not allotted any shares during the year under review and the paid up share capital as on 31st March 2015 is Rs. 83,75,96,000 divided in to 83759600 Equity Shares of Rs. 10/- each.
3. **Reserves and Surplus:** The Reserves and Surplus of the Company has gone up from Rs. 7338.91 Lacs in F.Y. 2014-15 as Compared to Rs. 7326.50 Lacs in previous FY-2013-14.
4. **Net worth:** The Company's Net Worth increased.
5. **Secured / unsecured loans:** There was decrease of loans as the present F.Y. 2014-15 is Rs. 1601.33 Lacs as compared to previous F.Y. 2013-14 is Rs. 1843.98.
6. **Fixed Assets:** The Company's Fixed Assets (Gross Block) are at the present F.Y. 2014-15 is Rs. 346.06 Lacs as compared to previous F.Y. 2013-14 is Rs. 380.18 Lacs.
7. **Tax:** The Company has provided for a sum of Rs. 1.40 Lac as current year tax.
8. **Net Profit:** The Company's Net Profit after Tax and extraordinary expenses during the year was Rs. 12.41 Lacs as compared to Rs. 6.32 Lacs in FY14.

9. **Dividend:** The Board of Directors has not recommended any dividend to accrue the Reserves for future perspective.

10. **Earning Per Share (EPS):** The Company's EPS of the Company in Present & Previous Financial Year is Rs. 0.01.

**HUMAN RESOURCE:** Human capital has always been the most important and valuable asset to the Company. HRD center had conducted number of training programs during the year 2014-15 as well on the various topics related to Technological Development, Quality System Management, Behavioral Change Modules, Individual and Operational Safety, Personality Development, Computerization of Systems etc. Apart from these internal training programs, employees are also sent for training/ seminars at prominent training institutes on regular basis for upgrading their knowledge and skill level.

**ENVIRONMENT HEALTH & SAFETY:** All our business systems & facilities are designed with appropriate Waste Management Systems and operate in harmony with the surrounding ecosystem, Safe disposal of waste, an eco-friendly.

**OUTLOOK:** The Company's programs are currently focused on new products development related to lifestyle related diseases like diabetics, cardiovascular, anticoagulant, hypertension, chronic kidney disease, etc.

**Cautionary Statement:** Statement in the Management Discussion and Analysis describing the Company's objectives, projections, expectations and estimates regarding future performance may be "forward looking statements" and are based on currently available information. The management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those which may be indicated in such statements.

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L33100TG1991PLC013380
2	Registration Date	31/10/1991
3	Name of the Company	SECUNDERABAD HEALTH CARE LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
5	Address of the Registered office & contact details	Flat No.301, 3rd Floor, Supriya Nivas, Plot No.47, Street No.5, Sagar Society, Road#2, Banjara Hills, Hyderabad, Telangana, INDIA, 500034
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Aarthi Consultants Pvt. Ltd , 1-2-285, Domalguda, Hyderabad, Telangana,500029, Ph: 040-27638111,4445

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	HEALTH CARE	33100	
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of sharesheld	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	231,910	-	231,910	0.28%	27,861		27,861	0.03%	-87.99%
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	40,827,869	30,354,400	71,182,269	84.98%	36,990,566	30,354,400	67,344,966	80.40%	-5.39%
e) Banks / FI									
f) Any other									
<b>Sub Total (A) (1)</b>	41,059,779	30,354,400	71,414,179	85.26%	37,018,427	30,354,400	67,372,827	80.44%	-5.66%
(2) <b>Foreign</b>									
a) NRI Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Any other									
<b>Sub Total (A) (2)</b>									
<b>TOTAL (A)</b>	41,059,779	30,354,400	71,414,179	85.26%	37,018,427	30,354,400	67,372,827	80.44%	-5.66%
<b>B. Public Shareholding</b>									
1. <b>Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1):-</b>									
2. <b>Non-Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,455,403	393,201	1,848,604	2.21%	1,496,730	392,901	1,889,631	2.26%	2.22%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	8,878,014	130,100	9,008,114	10.75%	10,745,014	130,100	10,875,114	12.98%	20.73%
c) Others (specify) Non Resident Indians	51,242	203,500	254,742	0.30%	59,502	203,500	263,002	0.31%	3.24%
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members	1,233,961	-	1,233,961	1.47%	3,359,026	-	3,359,026	4.01%	172.21%
Trusts									
Foreign Bodies - D R									
<b>Sub-total (B)(2):-</b>	11,618,620	726,801	12,345,421	14.74%	15,660,272	726,501	16,386,773	19.56%	32.74%
<b>Total Public (B)</b>	11,618,620	726,801	12,345,421	14.74%	15,660,272	726,501	16,386,773	19.56%	32.74%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	52,678,399	31,081,201	83,759,600	100.00%	52,678,699	31,080,901	83,759,600	100.00%	27.08%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	MUNISEKHAR MEDASANI	231,910	0.28%		27,861	0.03%	0	-87.99%
2								
3								
4								

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	1/4/2014		231,910	0.28%	231,910	0.28%
	Changes during the year	31/09/2014	Transfer		0.00%	(73,896)	-0.09%
		31/02/2015	Transfer		0.00%	(130,153)	-0.16%
					0.00%		0.00%
	At the end of the year	31/03/2015	231,910		0.28%	27,861	0.03%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
	At the end of the year			12,500	0.01%	12,500	0.01%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	PAWANAGARWAL						
	At the beginning of the year			12,500	0.01%	12,500	0.01%
	Changes during the year				0.00%		0.00%
	At the end of the year			12,500	0.01%	12,500	0.01%
2	RAHULAGARWAL						
	At the beginning of the year			12,500	0.01%	12,500	0.01%
	Changes during the year				0.00%		0.00%
	At the end of the year			12,500	0.01%	12,500	0.01%
3	RASHMIAGARWAL						
	At the beginning of the year			12,500	0.01%	12,500	0.01%
	Changes during the year				0.00%		0.00%
	At the end of the year			12,500	0.01%	12,500	0.01%
4	SUNITAAGARWAL						
	At the beginning of the year			12,500	0.01%	12,500	0.01%
	Changes during the year				0.00%		0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount		184,398,750.00		184,398,750.00
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-
<b>Total (i+ii+iii)</b>	-	184,398,750.00	-	184,398,750.00
<b>Change in Indebtedness during the financial year</b>				
* Addition				
* Reduction		24,265,000.00		24,265,000.00
Net Change	-	24,265,000.00	-	24,265,000.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount		160,133,750.00		160,133,750.00
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-
<b>Total (i+ii+iii)</b>	-	160,133,750.00	-	160,133,750.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Daniel Solomon Bondugula	(Rs/Lac)
	Designation	M.D	
1	Gross salary		0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	540,000.00	540,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- as % of profit		-
	- others, specify		-
5	Others, please specify		-
	Total (A)	540,000.00	- 540,000.00
	Ceiling as per the Act		

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		N.A.	N.A.	N.A.	(Rs/Lac)
1	Independent Directors				-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				540,000.00
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name				(Rs/Lac)
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				-
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description Punishment/ Compounding fees imposed	Details of Penalty /	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY : N.A.</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS : N.A.</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT : N.A.</b>					
Penalty					
Punishment					
Compounding					

**INDEPENDENT AUDITOR'S REPORT**

To the Members of SECUNDERABAD HEALTHCARE LIMITED

**Report on the Financial Statements:**

We have audited the accompanying financial statements of SECUNDERABAD HEALTHCARE LIMITED "the Company", which comprise the Balance Sheet as at March 31, 2015, 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:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

**Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid

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 of the state of affairs of the Company as at 31st March 2015, its loss and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
  - a) we have sought and 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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its notes to financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For D.P.AGARWAL & CO.,  
Chartered Accountants  
Firm's Registration Number: 1100068W

D.P.AGARWAL  
Partner  
Membership Number: 35500

Place : Hyderabad  
Date : 30-05-2015

**Annexure referred to in paragraph 1 of Our Report of even date to the members of SECUNDERABAD HEALTHCARE LIMITED on the accounts of the company for the year ended 31st March, 2015 Under "Report on other Legal & Regulatory Requirements"**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- 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.
- II. (a) The Inventory has been physically verified during the year and in our opinion, the frequency of verifications is reasonable.
  - (b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation of the size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory and as explained to us, there was no material discrepancies noticed on such verification of stocks as compared to book records.
- III. The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s.189 of the Companies Act, 2013.
- IV. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of goods and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
- V. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- VI. In respect of the Company, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013.
- VII. a) The Company is regular in depositing statutory dues including Income Tax, Sales Tax and other statutory dues with the appropriate authorities and at the last date 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 Income Tax, Sales Tax and other statutory dues as at the end of the period.
  - c) There are no amounts that are due to be transferred to the Investors Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under.
- VIII. The Company has been registered for a period of not less than 5 years, and the company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and immediately preceding financial year.

- IX. In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution/banks. The company has not issued any debentures.
- X. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- XI. In our opinion and according to the information and explanations given to us, the Company has not taken any term loans during the relevant financial year.
- XII. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

For D.P.AGARWAL & CO.,  
Chartered Accountants  
Firm's Registration Number: 1100068W

Place : Hyderabad  
Date : 30-05-2015

D.P.AGARWAL  
Partner  
Membership Number: 35500

**SIGNIFICANT ACCOUNTING POLICIES**

**1. Accounting Convention :**

**a. 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 the generally accepted accounting principles prescribed by the (Accounting Standards) Rules, 2006 issued by the Central Government.

**b. Revenue Recognition**

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

**c. Use of Estimates**

The preparation of the Financial statements is on conformity with the generally accepted accounting principles which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from the estimates and revisions, if any, recognized in the current and future periods.

**d. Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation. Cost of Acquisition of fixed assets is inclusive of duties and incidental expenses thereto.

**e. Depreciation and Amortization**

Depreciation on fixed assets is computed on the straight line method and as per useful life as prescribed under Part C of Schedule II of the Companies Act, 2013.

**f. Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**2. Investment :**

The Quoted and Unquoted Investments are stated at cost i.e. cost of acquisition, inclusive of the expenses incidental to acquisition, wherever applicable.

**3. Inventories :**

Inventories are valued at Cost or Market Price, whichever is lower.

**4. Taxes on Income :**

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 recognized 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.

**5. Earnings per Share :**

The Earnings considered in ascertaining the Earnings per Share comprises the Net Profit after Tax. The number of Shares used in the computation of the Earnings per Share is the weighted average number of Shares outstanding during the year.

**6. Gratuity :**

No provision for Gratuity has been made in the accounts as none of the employees of the Company have completed five years of services as required by the payment of Gratuity Act.

**7. Related Party Disclosures**

The Company furnishes the Disclosure of transactions with related parties, as required by Accounting Standard 18 "Related Party Disclosure" as specified in the Companies (Accounting Standard) Rules, 2006. Related parties as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representation made by the management and information available with the company.

**Notes to Financial Statements for the Year Ended March 31, 2015**

- 22. In the opinion of the management, the Current Assets, Loans & Advances are approximately of the value stated, if realized in the ordinary course of business. The provisions for all known liabilities are ascertained.
- 23. Balance of Creditors and Loans & Advances and balances of Bank current account are subject to confirmation.
- 24. The Company did not have any transactions with small scale industrial (SSI) undertaking during the year ended March 31<sup>st</sup>, 2015 and hence there are no amounts due to such undertaking. Further the identification of SSI undertaking is based on the management's knowledge of their status.
- 25. In accordance with the Accounting Standard 22 (AS 22) issued by the Institute of Chartered Accountants of India, the Company has accounted for deferred income tax during the year. The deferred Income Tax provision during the year amounts to Rs. (6,42,386) as compared to Rs. (16,325) for the previous year.
- 26. Inflow / Outflow in Foreign Currency:

	Current Year (Rs.)	Previous Year (Rs.)
Inflow :	NIL	NIL
Outflow	NIL	NIL



27. Detailed information regarding quantitative particulars under part II of Schedule III to the Companies Act, 2013.  
(AS PER DETAILS ENCLOSED)

28. Related Party & Related Party Transactions Disclosures:

a. Related Parties:

Name of the Related Party	Nature of Relationship
Daniel Solomon Bondugula	Managing Director
VinayMadhukarGanu	Executive Director
RajaramArjunRambade	Executive Director
SangeetaDyanobaSavane	Non Executive - Independent Director
Surendra Naidu Rayapati	Non Executive - Independent Director
Dr. Thakur Ramesh Singh Chouhan	Non Executive - Independent Director
AmitTarachand Shah	Non Executive - Independent Director
JigarPremchand Motta	Non Executive - Independent Director
S L M ChowdaryPalempati	Non Executive- Non-Independent Director

b. Transactions & Remuneration during the year with Related Parties:

Name of the Party	Nature of Relationship	Nature of Transaction	2014-15 (Rs.)	2013-14 (Rs.)
Daniel Solomon Bondugula	Managing Director	Remuneration	5,40,000	5,40,000
VinayMadhukarGanu	ExecutiveDirector	NIL	NIL	NIL
RajaramArjunRambade	Executive Director	NIL	NIL	NIL
Surendra Naidu Rayapati	Non Executive - Independent Director	NIL	NIL	NIL
Dr. Thakur Ramesh Singh Chouhan	Non Executive - Independent Director	NIL	NIL	NIL
AmitTarachand Shah	Non Executive - Independent Director	NIL	NIL	NIL
JigarPremchand Motta	Non Executive - Independent Director	NIL	NIL	NIL
S L M ChowdaryPalempati	Non Executive- Non-Independent Director	NIL	NIL	NIL

29. The implementation of Accounting Standard (AS-20) "Earning per Share" issued by the Institute of Chartered Accountants of India.

Particulars	For the year 2013-14	For the year 2012-13
a. Net profit / (loss) for the year from continuing operations	12,41,063	632,927
b. Total Number of Equity Shares	83,759,600	83,759,600
c. Weighted Average Number of Equity Shares	83,759,600	83,759,600
d. Par value per share	Rs.10/-	Rs.10/-
e. Earnings per Share (Basic) (a/b)	0.01	0.01
f. Earnings per Share (Diluted) (a/c)	0.01	0.01

30. Previous year's figures have been regrouped wherever necessary.

31. The figures have been rounded off to nearest rupee.

For **D.P. AGARWAL & CO.**

Chartered Accountants

FRNo: 1100068W

**Forand on Behalf of the Board**

**(D.P. Agarwal)**

Proprietor

M. No. : 35500

Director

Director

**Date** :30-05-2015

**Place** : Hyderabad

## Balance Sheet as at 31st March, 2015

Particulars	Note No	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	837,596,000	837,596,000
(b) Reserves and Surplus	2	733,891,737	732,650,674
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	3	9,112,350	9,754,736
(b) Long Term Borrowings	4	160,133,750	184,398,750
<b>(3) Current Liabilities</b>			
(a) Trade Payables	5	156,456,113	204,239,305
(b) Other Current Liabilities	6	26,872	79,447
(c) Short-Term Provisions	7	1,122,255	623,724
<b>Total</b>		<b>1,898,339,075</b>	<b>1,969,342,636</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) <i>Tangible &amp; Intangible Assets</i>	8	34,606,294	38,018,642
(b) Non-current investments	9	1,156,501,740	791,732,740
(c) Long term Loans and Advances	10	499,542,559	889,345,459
<b>(2) Current assets</b>			
(a) Inventories	11	30,280,830	24,756,018
(b) Trade Receivables	12	173,085,813	221,597,317
(c) Cash and Bank Balances	13	711,820	206,425
(d) Short-Term Loans and Advances	14	3,610,019	3,686,035
<b>Total</b>		<b>1,898,339,075</b>	<b>1,969,342,636</b>

Summary of Significant Accounting Policies **0.00** **(0.00)**  
The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

**For D.P.AGARWAL & CO.,**  
Firm Registration No: 1100068W  
Chartered Accountants

For and on behalf of the Board

SD/-  
**D.P.Agarwal**  
Proprietor  
Membership No. 35500

SD/-  
**Solomon Daniel B**  
Managing Director

SD/-  
**Rajaram Arjun Rambade**  
Executive Director

Place : Hyderabad  
Date : 30-05-2015

## Profit and Loss statement for the year ended 31st March, 2015

Particulars	Note No	Year Ended 31-03-2015 Rupees	Year Ended 31-03-2014 Rupees
Revenue from Operations	15	61,635,840	74,872,900
Other Income	16	597,900	1,443,375
<b>Total Revenue</b>		<b>62,233,740</b>	<b>76,316,275</b>
Expenses:			
Purchase of Stock-in-Trade	17	61,047,900	73,361,000
Changes in Inventory (Stock-in-Trade)	18	(5,524,812)	(3,355,159)
Employee Benefit Expenses	19	894,885	972,100
Operating, Admin and Selling Expenses	20	1,612,284	2,344,566
Financial Costs	21	51,527	63,723
Depreciation	8	3,412,347	2,168,290
<b>Total Expenses</b>		<b>61,494,131</b>	<b>75,554,520</b>
Profit / (Loss) Before Tax		739,609	761,755
Tax Expense:			
(1) Current tax		140,933	145,152
(2) Deferred tax		(642,386)	(16,325)
Profit / (Loss) After Tax		<b>1,241,063</b>	<b>632,927</b>
Earning per equity share: ( Refer Note No. 23)			
(1) Basic & Diluted EPS Rs.		0.01	0.01

Summary of Significant Accounting Policies  
The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

**For D.P.AGARWAL & CO.,**  
Firm Registration No: 1100068W  
Chartered Accountants

For and on behalf of the Board

SD/-  
**D.P.Agarwal**  
Proprietor  
Membership No. 35500

SD/-  
**Solomon Daniel B**  
Managing Director

SD/-  
**Rajaram Arjun Rambade**  
Executive Director

Place : Hyderabad  
Date : 30-05-2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2015

Particulars	Year Ended 31-03-2015 (Rupees)	Year Ended 31-03-2014 (Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	739,609	761,755
Adjustments for:		
Finance Cost	51,527	63,723
Depreciation	3,412,347	2,168,290
Operating Profit before Working Capital changes	4,203,483	2,993,768
Trade Receivables	48,511,505	40,119,680
Increase/Decrease in Inventories	(5,524,812)	(3,355,159)
Trade Payables	(47,783,193)	(37,820,471)
Other Current Liabilities	(52,575)	(7,163)
Short Term Provisions	357,598	(326,481)
Short Term Loans and Advances	76,016	(563,185)
Cash generated from operations	(211,978)	1,040,989
Cash flow before extraordinary items	(211,978)	1,040,989
Extraordinary Items	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(211,978)</b>	<b>1,040,989</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase / Sale of Fixed Assets	-	-
Increase in Investments	(364,769,000)	159,731,807
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(364,769,000)</b>	<b>159,731,807</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Equity Shares	-	-
Proceeds from Share Application Money	-	-
Proceeds from Long Term Borrowings	(24,265,000)	(155,610,600)
Interest Paid	(51,527)	(63,723)
Increase in Securities Premium & Capital Reserve	-	-
Decrease in Long term Loans and Advances	389,802,900	(5,197,589)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>365,486,373</b>	<b>(160,871,912)</b>
<b>NET INCREASE \ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>505,395</b>	<b>(99,117)</b>
Cash and Cash equivalents ( Opening Balance)		131,151
Cash and Cash equivalents ( Closing Balance)	<b>505,395</b>	<b>32,034</b>

For and on behalf of the Board  
**Solomon Daniel B**  
Managing Director

PLACE : HYDERABAD  
DATE : 30-05-2015

**Rajaram Arjun Rambade**  
Executive Director

Notes to Financial Statements for the year ended March 31, 2015

NOTE NO. 1 : SHARE CAPITAL

S.No	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	Equity Share Capital		
(a)	Authorised ( No. of Shares 90000000 - Current Year ) ( No. of Shares 90000000 - Previous Year )	<b>900,000,000</b>	<b>900,000,000</b>
(b)	Issued ( No. of Shares 83759600 - Current Year ) ( No. of Shares 83759600 - Previous Year )	<b>837,596,000</b> -	- <b>837,596,000</b>
(c)	Subscribed & Fully Paid Up ( No. of Shares 83759600 - Current Year ) ( No. of Shares 83759600 - Previous Year )	837,596,000 -	- 837,596,000
(d)	Subscribed & not fully paid up	-	-
(e)	Par Value per share Rs. 10/-		
	<b>Total Equity Share capital</b>	<b>837,596,000</b>	<b>837,596,000</b>
II	<b>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>		
	<b>Equity Shares of Rs.10/- Each, Fully paid up</b>		
	At the Beginning	83,759,600	83,759,600
	Issued during the year - Preferential Issue	-	-
	Forfeited / Bought Back during the year	-	-
	At the end	83,759,600	83,759,600
III	<b>Details of Shareholder holding more than 5% shares of the company:</b>		
	<b>Equity Shares of Rs. 10/- each Held By</b>		
	<i>(There is no Shares Holders Holding more than 5% during the year and during the previous year)</i>		

NOTE NO. 2 : RESERVES AND SURPLUS

S.No	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	<b>RESERVES AND SURPLUS</b>		
a)	Securities Premium		
	As at the commencement of the year	706,000,000	706,000,000
	Add: Additions during the year	-	-
	<b>Sub Total</b>	<b>706,000,000</b>	<b>706,000,000</b>
b)	Surplus :		
	Opening Balance - Profit and Loss Account	26,650,674	26,017,747
	Add: Transfer from Profit & Loss Account	1,241,063	632,927
	<b>Sub Total</b>	<b>27,891,737</b>	<b>26,650,674</b>
	<b>Total Reserves and Surplus</b>	<b>733,891,737</b>	<b>732,650,674</b>

**NOTE NO. 3 : DEFERRED TAX LIABILITY ( NET )**

S.No	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	Opening Deferred tax Liability	9,754,736	9,990,223
	Add:		
	Deferred Tax Liability for the year ( Due to SLM and WDV Difference )	(642,386)	(219,163)
	<b>Gross Deferred tax Liability</b>	9,112,350	9,754,736
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>9,112,350</b>	<b>9,754,736</b>

**NOTE NO. 4 : LONG TERM BORROWINGS**

S.No.	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	Long Term Borrowings		
	i) Un Secured Loans From Others	160,133,750	184,398,750
	<b>Total Long Term Borrowings</b>	<b>160,133,750</b>	<b>184,398,750</b>

**NOTE NO. 5 : TRADE PAYABLES**

S.No	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	a) Trade Payables	156,456,113	204,239,305
	<b>Total Trade Payables</b>	<b>156,456,113</b>	<b>204,239,305</b>

**NOTE NO. 6 : OTHER CURRENT LIABILITES**

S.No.	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	a) Other Payables		
	Other Payable	26,872	79,447
	<b>Total Other Current Liabilities</b>	<b>26,872</b>	<b>79,447</b>

**NOTE NO. 7 : SHORT TERM PROVISIONS**

S.No.	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	a) Statutory Provisions		
	Provision for Income Tax	140,933	145,152
	b) Other Provisions		
	Salaries Payable	653,450	125,450
	Audit Fee Payable	253,650	203,650
	Other Provisions	74,222	149,472
	<b>Total Short Term Provisions</b>	<b>1,122,255</b>	<b>623,724</b>

**NOTE NO 8 : TANGIBLE & INTANGIBLE ASSETS AS AT 31-03-2015**

Sl. No.	Particulars	Gross Block			Depreciation/Amortization			Net Block			
		As on 01.04.2014	Additions during the year	Deletions during the year	As on 31.03.2015	Dep. As on 01.04.2014	Dep. For the year 2014-2015	Deletions during the year	Total Depreciation	Net Block as on 31.03.2015	Net Block as on 31.03.2014
	<b>Tangible Fixed Assets:</b>										
1	Plant & Machinery	16,577,984			16,577,984	5,673,255	255,275	-	5,928,530	10,649,454	10,904,729
2	Furniture & Fixtures	218,460			218,460	107,172	20,754	-	127,926	90,534	111,288
3	Polluaction Control Equipment	11,659,880			11,659,880	3,461,526	738,070	-	4,199,597	7,460,283	8,198,354
4	Computers/Software&Pheriperals	39,490,625			39,490,625	24,711,781	2,029,453	-	26,741,234	12,749,391	14,778,844
	<b>Intangible Fixed Assets:</b>										
1	Patents & Intellectual Property	5,826,145			5,826,145	1,800,718	368,795	-	2,169,513	3,656,632	4,025,427
	<b>TOTAL</b>	<b>73,773,094</b>			<b>73,773,094</b>	<b>35,754,452</b>	<b>3,412,347</b>		<b>39,166,799</b>	<b>34,606,294</b>	<b>38,018,642</b>
	<b>Previous Year</b>	<b>73,773,094</b>			<b>73,773,094</b>	<b>33,586,162</b>	<b>2,168,290</b>		<b>35,754,452</b>	<b>38,018,642</b>	<b>40,186,932</b>

## Notes to Financial Statements for the year ended March 31, 2015

## NOTE NO. 9 : NON- CURRENT INVESTMENTS

S.No.	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	Non- Current Investments		
	1) Investment in Equity Instruments		
	- Quoted	771,732,740	771,732,740
	- Unquoted	384,769,000	20,000,000
	<b>Total Non - Current Investments</b>	<b>1,156,501,740</b>	<b>791,732,740</b>

## NOTE NO. 10 : LONG TERM LOANS AND ADVANCES ( NON CURRENT )

S.No	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	Advances Recoverable in Cash or in kind		
	Unsecured, Considered Good	499,542,559	889,345,459
	<b>Total Long Term Loans and Advances</b>	<b>499,542,559</b>	<b>889,345,459</b>

## NOTE NO. 11 : INVENTORIES

S.No.	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	a) Stock - in - Trade	30,280,830	24,756,018
	- Chemicals		
	<b>Total Inventories</b>	<b>30,280,830</b>	<b>24,756,018</b>

## NOTE NO. 12 : TRADE RECEIVABLES

S.No.	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	Outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, Considered Good	112,330,305	148,263,182
	<b>Other Receivables:</b>		
	Unsecured, Considered Good	60,755,508	73,334,135
	<b>Total Trade Receivables</b>	<b>173,085,813</b>	<b>221,597,317</b>

## NOTE NO. 13 : CASH AND BANK BALANCES

S. No	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	Cash and Cash Equivalents :		
	a) Balances with banks :		
	On Current Accounts	655,877	163,136
	b) Cash on Hand	55,944	43,289
	<b>Total Cash and Cash Equivalents</b>	<b>711,820</b>	<b>206,425</b>

## NOTE NO. 14 : SHORT TERM LOANS AND ADVANCES ( CURRENT )

S.No	Particulars	As on 31-03-2015 Rupees	As on 31-03-2014 Rupees
I	Advances Recoverable in Cash or in kind		
	Unsecured, Considered Good	3,610,019	3,686,035
	<b>Total Short Term Loans and Advances</b>	<b>3,610,019</b>	<b>3,686,035</b>

## NOTE NO. 15 : REVENUE FROM OPERATIONS

S.No.	Particulars	Year Ended 31-03-2015 Rupees	Year Ended 31-03-2014 Rupees
I	Revenue from operations		
	(a) Sale of Products (Chemicals)		
	Domestic Sales	64,247,190	76,194,195
	(b) Income from Securities / Investments	448,040	2,307,000
		64,695,230	78,501,195
	Less: Duties and Taxes	3,059,390	3,628,295
	<b>Total Revenue from Operations</b>	<b>61,635,840</b>	<b>74,872,900</b>

## NOTE NO. 16 : OTHER INCOME

S.No.	Particulars	Year Ended 31-03-2015 Rupees	Year Ended 31-03-2014 Rupees
I	(a) Dividend Income	506,250	-
	(b) Profit on Sale of Investments	91,650	1,443,375
	<b>Total Other Income</b>	<b>597,900</b>	<b>1,443,375</b>

**NOTE NO. 17 : PURCHASE OF STOCK IN TRADE**

S.No.	Particulars	Year Ended 31-03-2015 Rupees	Year Ended 31-03-2014 Rupees
I	Purchases-Chemicals	61,047,900	73,361,000
	<b>Total Trade Purchases</b>	<b>61,047,900</b>	<b>73,361,000</b>

**NOTE NO. 18 : CHANGE IN INVENTORIES**

S.No.	Particulars	Year Ended 31-03-2015 Rupees	Year Ended 31-03-2014 Rupees
I	<b>Finished Goods</b>		
	Finished goods at the beginning of the year	24,756,018	21,400,859
	Less : Finished goods at the end of the year	30,280,830	24,756,018
	<b>(Increase) / Decrease in Inventories</b>	<b>(5,524,812)</b>	<b>(3,355,159)</b>

**NOTE NO. 19 : EMPLOYEE BENEFIT EXPENSES**

S.No.	Particulars	Year Ended 31-03-2015 Rupees	Year Ended 31-03-2014 Rupees
I	(a) Salaries & Wages	327,300	393,650
	(b) Managerial Remuneration	540,000	540,000
	(c) Staff Welfare	27,585	38,450
	<b>Total Employee Benefit Expenses</b>	<b>894,885</b>	<b>972,100</b>

**NOTE NO. 20 : OPERATING, ADMINSTRATIVE AND SELLING EXPENSES**

S.No.	Particulars	Year Ended 31-03-2015 Rupees	Year Ended 31-03-2014 Rupees
I	(a) Telephone, Postage and Others	81,872	113,785
	(b) Business Promotion Expenses	102,505	163,015
	(c) Travelling and Conveyance	153,056	182,700
	(d) Office Maintenance	209,951	348,975
	(e) Printing & Stationery Expenses	154,328	266,441
	(f) Professional Consultancy fee	119,900	199,355
	(g) Rent	226,500	77,000
	(h) Rates & Taxes (Excluding Income Tax)	312,306	226,911
	(i) Payment to Auditors:		
	(i) As Auditor	50,000	50,000
	(j) Other Expenses	63,847	325,152
	(k) Selling Expenses	125,472	365,822
	(l) Freight	12,547	25,410
	<b>Total Administrative and Selling Expenses</b>	<b>1,612,284</b>	<b>2,344,566</b>

**NOTE NO. 21 : FINANCE COST**

S.No.	Particulars	Year Ended 31-03-2015 Rupees	Year Ended 31-03-2014 Rupees
I	(a) Interest Expenses		
	- Loan processing Charges & Bank Charges	51,527	63,723
	<b>Total Finance Cost</b>	<b>51,527</b>	<b>63,723</b>

**SECUNDERABAD HEALTH CARE LIMITED**

CIN: L33100TG1991PLC013380

Reg. Office: Flat No.301, 3rd Floor, Supriya Nivas, Plot No.47,  
Street No.5, Sagar Society, Road#2, Banjara Hills,  
Hyderabad - 500034

**ATTENDANCE SLIP**

**24<sup>th</sup> ANNUAL GENERAL MEETING, 30<sup>th</sup> SEPTEMBER, 2015**

DP Id.	
Name & Address	
Client Id. / Regd Folio. No.	
No. of Shares held	

I Certify that, I am a member / proxy for the member of the company

I hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the company being held on Tuesday, the 30<sup>th</sup> Day of September, 2015, at 11.00 A.M at Siddhartha Nagar, Welfare Association 8-3-169/163, Siddhartha Nagar, Hyderabad - 500 038.

\_\_\_\_\_  
Member / Proxy's signature

Note: Please complete the form and handover at the entrance of the hall.

.....

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Street No.5, Sagar Society, Road#2, Banjara Hills, Hyderabad – 500034

**PROXY FORM**

*(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and administration) Rules, 2014)*

Name of the members(s)	
Registered Address:	
E-mail Id:	
Folio No. / Client Id:	
DP ID	

I / We, being the member(s) of .....Shares of Secunderabad Health Care Limited hereby appoint:

1.	Name	
	Address	
	E-mail ID	
	Signature	
	Or failing him	
2.	Name	
	Address	
	E-mail ID	
	Signature	
	Or failing him	
3.	Name	
	Address	
	E-mail ID	
	Signature	
	Or failing him	
4.	Name	
	Address	
	E-mail ID	
	Signature	

As my/our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 24<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, the 30<sup>th</sup> Day of September, 2015, at 11.00 A.M at Siddhartha Nagar, Welfare Association 8-3-169/163, Siddhartha Nagar, Hyderabad - 500 038 and at any adjournment thereof in respect of such resolutions as are indicated below.



Sl.No.	Resolutions	Optional*	
		For	Against
ORDINARY BUSINESS			
1.	Adoption of Financial Statement for the year ended 31 <sup>st</sup> March, 2015		
2.	Re-appointment of Mr. <b>Vinay Madhukar</b> as Directors who retires by rotation		
3.	Re-appointment of <b>Mr. Rajaram Arjun Rambade</b> as Director who retires by rotation.		
4.	Appointment of Statutory Auditors of the company and to fix remuneration		
SPECIAL BUSINESS			
5.	Appointment of Mrs. Sangeeta Dyanoba Savane (DIN- 07161895) as Director		

Signed this ..... Day of .....2015.

Signature of shareholder : \_\_\_\_\_

Signature of Proxy holder (s) : \_\_\_\_\_

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. \* It is optional to put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details including details of member(s) in above box before submission.

