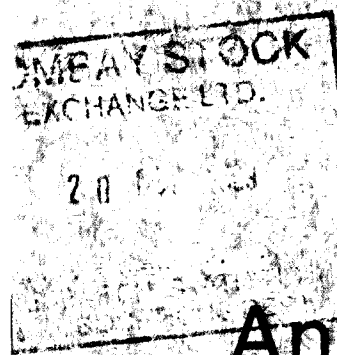
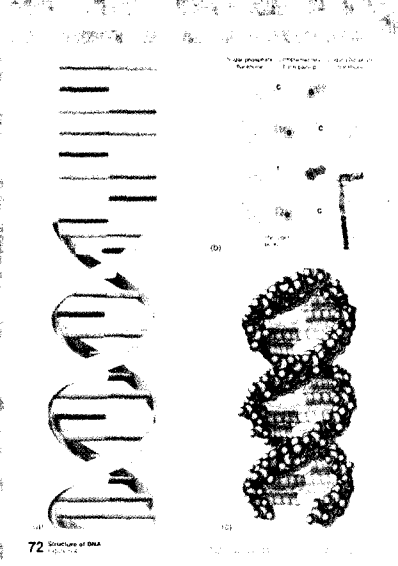


# SECUNDERABAD Healthcare Limited



18<sup>th</sup>  
Annual  
Report  
2009-2010

*Innovation is our future*

**SECUNDERABAD**  

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**Healthcare Limited**

**18<sup>th</sup> ANNUAL REPORT**

**2008-2009**

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# SECUNDERABAD HEALTHCARE LIMITED

## **BOARD OF DIRECTORS**

Mr. M. Munisekhar	Managing Director
Mr. B. Daniel Solomon	Executive Director
Mr. G. Vasudeva Reddy	Non Executive Director
Mr. Sharad T. Shah	Non-Independent Non Executive Director
Mr. K. Hari Kumar	Independent Non Executive Director
Mr. R. Surendra Naidu	Independent Non Executive Director
Dr. Thakur Ramesh Singh Chouhan	Additional Director (Independent Non Executive Director)

## **BANKERS**

Development Credit Bank (DCB)  
Central Bank of India  
ICICI Bank

## **AUDITORS**

M/s. P. Murali & Co.,  
Chartered Accountants,  
6-3-655/2/3,  
Somajiguda,  
Hyderabad-500082.

## **REGISTERED & CORPORATE OFFICE**

402, Mahita Enclave,  
Madhura Nagar,  
Hyderabad- 500038.

## **SHARE TRANSFER AGENTS**

M/s. AARTHI CONSULTANTS PRIVATE LIMITED  
1-2-285, Domalguda,  
Hyderabad-500029

## **LISTING AT:**

The Bombay Stock Exchange Limited, Mumbai

## NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the members of Secunderabad Healthcare Limited will be held on Friday, the 25th September 2009, at 2.00 P.M. at, Sundaraiah Vignana Kendram (Mini Hall), Baghlingampally, Hyderabad-500 044 to consider the following business:

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### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. G.Vasudeva Reddy, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr K.Hari Kumar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Dr. Thakur Ramesh Singh Chouhan, who was appointed as an Additional Director by the Board in terms of Section 260 of the Companies Act, 1956 with effect from 30th June, 2009 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation.”

BY ORDER OF THE BOARD OF DIRECTORS  
For SECUNDERABAD HEALTHCARE LIMITED

PLACE: HYDERABAD  
DATE: 02-09-2009

SD/-  
MANAGING DIRECTOR

## NOTES

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER.
- b) PROXIES IN ORDER TO BE EFFECTIVE MUST BE FILED WITH THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
- c) THE RELEVANT EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS SET OUT ABOVE, AS REQUIRED BY SEC.173 (2) OF THE COMPANIES ACT, 1956 IS ANNEXED HERETO.
- d) THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM 23-09-2009 TO 25-09-2009 (BOTH DAYS INCLUSIVE) IN CONNECTION WITH THE ANNUAL GENERAL MEETING.
- e) THE MEMBERS ARE REQUESTED TO INTIMATE PROMPTLY ANY CHANGE IN THEIR ADDRESS TO THE SHARE TRANSFER AGENTS OF THE COMPANY M/S.AARTHI CONSULTANTS PRIVATE LIMITED, 1-2-285, DOMALGUDA, HYDERABAD - 500 029.
- f) MEMBERS DESIROUS OF OBTAINING ANY INFORMATION ON THE ANNUAL ACCOUNTS OF THE COMPANY ARE REQUESTED TO WRITE TO THE COMPANY AT LEAST 7 WORKING DAYS BEFORE THE DATE OF THE MEETING TO ENABLE THE COMPANY FOR COMPILATION OF THE REQUIRED INFORMATION. MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT AT THE ENSUING ANNUAL GENERAL MEETING.

## Explanatory Statement

[Pursuant to Section 173(2) of the Companies Act, 1956]

### Item No.5

Dr. Thakur Ramesh Singh Chouhan was appointed by the Board of Directors as an Additional Director with effect from 30th June, 2009. Under section 260 of the Companies Act, 1956, Dr. Thakur Ramesh Singh Chouhan holds office only upto the date of this Annual General Meeting. The company has received a notice in writing under section 257 of the Companies Act, 1956, from a member signifying his intention to propose the name of Dr. Thakur Ramesh Singh Chouhan as a candidature for the office of Director.

None of the Director is directly or indirectly concerned or interested in this resolution except Dr. Thakur Ramesh Singh Chouhan.

*The brief profile of Dr. Thakur Ramesh Singh Chouhan has been given elsewhere in this Notice.*

The Board recommends the Resolution for the members' approval in the Annual General Meeting.

BY ORDER OF THE BOARD OF DIRECTORS  
For SECUNDERABAD HEALTHCARE LIMITED

PLACE: HYDERABAD  
DATE: 02-09-2009

Sd/-  
(M.MUNISEKHAR)  
MANAGING DIRECTOR

**ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:**

Brief Details of Directors seeking reappointment /appointment at this Annual General Meeting including the Directors appointed since last AGM (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr G.Vasudeva Reddy	Mr K.Hari Kumar	Dr. Thakur Ramesh Singh Chouhan
Date of Appointment	31.10.1991	23.02.2006	30.06.2009
Date of Birth	17.10.1954	25-06-1959	07-04-1960
Expertise in Specific functional areas	32 years experience in Finance, Administration, Marketing, legal and procurement.	Vast Experience in healthcare industry	Oncologist by profession with double PhD and vast experience in Medicine, Research and Teaching.
List of Companies in which Directorships held as on 31.03.2009	1	None	None
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2009	None	None	None

Note: Committees include the Audit committee, remuneration committee and the Shareholders/ Investors Grievance Committee.

## DIRECTORS' REPORT

To  
The Members of  
M/s. SECUNDERABAD HEALTHCARE LIMITED

The Directors have pleasure in presenting the 18th Annual Report of the company together with the Audited Accounts for the year ended 31st March 2009.

### FINANCIAL RESULTS

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Turnover	1593.62	2017.30
Profit before Tax (+) / Loss (-)	43.06	269.3
Provision for Tax	4.79	41.90
Profit After Tax (+) / Loss (-)	38.27	227.40
Balance Brought Forward	174.33	5.76
Balance Carried Forward	166.01	0.00

(Rs. Lakhs)

### OPERATIONS

During the year under report, your company has able to withstand the global economic turmoil and able to maintain most of its turnover with reduced margins.

With the expected global recovery by 2010, your company expected to grow well with considerable advantage to the stake holders.

Your company has to hold some of its plans due to down turn in the global economic situation. Your company expected continues with the projects in the near future so that projects will be completed by the time economic conditions of the markets are improved.

Hence, expects higher revenues and returns in the years to come.

### OUTLOOK

Health care is one of the largest service sectors in India as well as in the world. Down turn in the world economies forcing western world to cut their costs on health care and pharmaceuticals. This provides opportunity to your company and well as to India. Recent influenza virus scare has reiterated need for enhanced healthcare system in the coming years.

Increased fertilizer raw material input costs and environmental safety concerns worldwide has made countries like India, which is mainly dependent on agriculture based economy, to look for alternates and giving boost for Bio fertilizers and Bio pesticide.

Besides concentrating on Health Care, Nutraceuticals and Cosmeceuticals, your company has ntered into upcoming areas like peptones, bio fertilizers and bio pesticides.



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

- (a) Conservation of Energy: The Company is monitoring the consumption of energy and is identifying measures for conservation of energy.
- (b) (i) Technology Absorption, adaptation and innovation:- The company has developed inhouse technology for Bio Fertilizers and Bio Pesticides.
- (ii) Research and Development (R & D): The Company is taking steps to get Research and Development work to be carried out inhouse and made the same as continuous process in the company.
- (c) Foreign exchange earnings : NIL  
Foreign exchange out go : NIL

**PARTICULARS OF EMPLOYEES**

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

**DIRECTORS**

Dr. Thakur Ramesh Singh Chouhan has been appointed as an Additional Director of the Company by the Board on 30th June, 2009, and is eligible to be appointed as Director liable to retire by rotation at ensuing meeting.

Mr.G.Vasudeva Reddy and Mr. K.Hari Kumar retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Mr. M.T.Srinivas resigned from the Board and the Board has accepted the same at their meeting held on 30th June, 2009. The Board has given appreciation to his valuable services rendered by him during his tenure of period.

**AUDITORS:**

M/s P. Murali & Co Chartered Accountants, Statutory Auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The company has received letters from the Auditors to the effect that their appointment, if made, would be with in the prescribed limits under section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment with in the meaning of section 226 of the said act.

The notes on accounts referred to in the Auditors' Report are self – explanatory and therefore do not call for any further comments

## **DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA)**

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

- i) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the company for the period;
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a going concern basis.

## **STATEMENT PURSUANT TO CLAUSE 38 OF LISTING AGREEMENT**

Presently the company's Equity shares are listed on and Bombay Stock Exchange Limited (BSE) and the company has paid the Annual Listing Fees for the year 2009-2010.

## **CORPORATE GOVERNANCE**

In order to bring more transparency in the conduct of business, the Stock Exchanges have amended the listing agreement incorporating the code of corporate governance to listed companies. Your Company has always been committed to the best practices in the governance of its affairs. Your company had taken steps and complied with most of the recommendations during the year. For the year under review, the Compliance Report is provided in the Corporate Governance section in this Report. The Auditors' Certificate on compliance with the mandatory requirements of Corporate Governance is given in "Annexure "A" to this Report."

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

### **A. INDUSTRY BACKGROUND**

India is known for its health, pharmaceutical industry for sometime. With the growing economy, increased awareness of health, availability of technical staff has made India as destination for health and related industries like pharmaceutical, biotech and nutraceutical industries. Besides globalization, population in India, increased life expectancy, knowledge about health, availability of health insurances have given boost of health and health related industry in India.

Besides health care, biotechnology life peptones, bio fertilizers and bio pesticides is paving the way for greener and safer inputs and living. Government and industry is encouraging and supporting the industry and products which are safer and environmental friendly. With the increased government support through DSIR and DBT, more innovation is going to come into the pharma and bio pharma industry which is expected to give boost the healthcare industry in the long term.

**B. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

**C. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS:**

The company has taken care of changes top, middle managements and staff in requirement of middle management and staff. The company has appointed required technical and administrative staff. New staff has under gone required training and orientation to handle present and future businesses of the company in an efficient and effective manner.

**PERSONNEL**

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

**DEPOSITS**

The company has not accepted any deposits during the year pursuant to the provisions of Section 58A of the Companies Act, 1956.

**ACKNOWLEDGEMENTS**

Your Directors also wish to express their thanks to the Stakeholders viz Shareholders, Financial Institutions, Bankers, Distributors and customers, the various departments of the Government of India and the Government of Andhra Pradesh for their unstinted support during the year under review and look forward to their continued support.

for and on behalf of the Board  
for SECUNDERABAD HEALTHCARE LIMITED

SD/-  
(M.MUNISEKHAR)  
MANAGING DIRECTOR

SD/-  
(DANIEL SOLOMON)  
EXECUTIVE DIRECTOR

PLACE: HYDERABAD  
DATE: 02-09-2009

**ANNEXURE – “A” TO DIRECTORS REPORT**  
**CORPORATE GOVERNANCE**  
(Pursuant to Clause 49 of the Listing Agreement)

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

The company believes that strong corporate governance is indispensable for healthy business growth and to be resilient in a vibrant capital market and is an important instrument of investor protection. The Companies activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. It is firmly believed that good governance practices would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision. The company stands by transparency in all its dealings and strict regulatory compliance.

The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under clause 49 of the Listing Agreements with the Stock Exchanges. With the adoption of whistle blower policy the company has moved further in its pursuit of excellence in corporate governance.

**2. BOARD OF DIRECTORS**

- a) The Company has Seven Directors of which One Managing Director, One Executive Director, Two Non Executive and Non Independent Directors and three Independent Non Executive Directors. The composition of the Board is in conformity with clause 49 of the Listing Agreements entered into with the Stock Exchanges and meets the stipulated requirements.
- b) None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he is a Director. The Directors have made necessary disclosures regarding Committee positions in other public companies as on March 31, 2009.
- c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, directorships of private limited companies, section 25 companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

## Composition of Board

Size and composition

Name of the Director	Category (Promoter/ Executive/ Non- Executive)	Designation	Relationship with other Directors	Number of memberships in Board of other Public Limited Company	Associated with other committees of Public Limited Company	
					Member	Chairman
Sri M. Munisekhar	Promoter /Executive	Managing Director	None	1	Nil	Nil
Sri. Daniel Solomon	Executive	Executive Director	None	Nil	Nil	Nil
Sri. G.Vasudeva Reddy	Non Executive	Director	None	Nil	Nil	Nil
Dr.Thakur Ramesh Singh Chouhan*	Non Executive and Independent	Additional Director	None	NIL	NIL	NIL
Sri K. Hari Kumar	Non Executive and Independent	Director	None	Nil	Nil	Nil
Sri R. Surendra Naidu	Non Executive and Independent	Director	None	Nil	1	1
Sri. Sharad T Shah	Non-Independent Non Executive Director	Director	None	Nil	Nil	Nil
Sri M.T. Srinivas Rao**	Non Executive and Independent	Director	None	1	NA	NA

\* Dr.Thakur Ramesh Singh Chouhan has been appointed as an Additional Director w.e.f 30th June, 2009.

\*\* Mr. M.T Srinivas Rao ceased as Director of the Company due to his resignation w.e.f. 30th June, 2009.

6 Board Meetings were held during the year from April 01, 2008 to March 31, 2009 on the dates mentioned as follows: 28.06.2008, 30.07.2008, 11.08.2008, 31.10.2008, 30.12.2008, 26.01.2009. The Last Annual General Meeting was held on 29th September 2008. The attendance of each Director is as under:

Number of Board meetings held and attendance of the Directors during the Financial Year 2008-2009:

Name of the Director	No. of Meetings held	No. meetings attended	Presence at AGM
Sri M. Munisekhar	6	5	Yes
Sri. Daniel Solomon	6	6	Yes
Sri.G.Vasudeva Reddy	6	6	Yes
Dr.Thakur Ramesh Singh Chouhan*	N/A	N/A	N/A
Sri K. Hari Kumar	6	6	Yes
Sri R. Surendra Naidu	6	6	Yes
Sri Sharad T Shah	6	1	No
Sri M.T. Srinivas Rao**	6	6	Yes

\* Dr.Thakur Ramesh Singh Chouhan has been appointed as an Additional Director w.e.f 30th June, 2009.

\*\* Mr. M.T Srinivas Rao ceased as Director of the Company due to his resignation w.e.f. 30th June, 2009.

d None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company

e) During the year, information as mentioned in Annexure1A to Clause 49 of the Listing Agreements has been placed before the Board for its consideration.

### 3. AUDIT COMMITTEE:

- I) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- II) The terms of reference of the Audit Committee include a review of;
  - A) Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
  - B) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
  - C) Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - D) Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
  - E) Reviewing with management the annual financial statements before submission to the Board, focusing on:
    - i) Any changes in accounting policies and practices;
    - ii) Qualification in draft audit report;
    - iii) Significant adjustments arising out of audit;
    - iv) The going concern concept;
    - v) Compliance with accounting standards;
    - vi) Compliance with stock exchange and legal requirements concerning financial statements;
    - vii) Any related party transactions
  - F) Reviewing the company's financial and risk management's policies.
  - G) Disclosure of contingent liabilities.
  - H) Reviewing with management, external and internal auditors, the adequacy of internal control systems.
  - I) Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  - J) Discussion with internal auditors of any significant findings and follow-up thereon.
  - K) Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  - L) Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - M) Reviewing compliances as regards the Company's Whistle Blower Policy.

- III) The previous Annual General Meeting of the Company was held on 29th September 2008 and Mr. M.T. Srinivasa Rao, Chairman of the Audit Committee, attended previous AGM.
- IV) The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

**Attendance of Audit Committee**

Name of the Director	No. of Meetings held	No. meetings attended
Sri K.Hari Kumar	6	6
Sri.R.Surendra Naidu	6	6
Dr.Thakur Ramesh Chouhan*	NA	NA
Sri. M. T. Srinivas Rao**	6	6

\* Dr.Thakur Ramesh Singh Chouhan has been appointed as an Additional Director w.e.f 30th June, 2009.

\*\* Mr. M.T Srinivas Rao ceased as Director of the Company due to his resignation w.e.f. 30th June, 2009.

The heads of finance and Statutory Auditor as Invitees also attended the meetings of Audit committee. The audit committee approves the un-audited financial results for each quarter before submitting to the Board of Directors for approval and adoption.

- V) Six Audit Committee meetings were held during the year. The dates on which the said meetings were held are as follows: 28.06.2008, 30.07.2008, 11.08.2008, 31.10.2008,30.12.2008, 26.01.2009.

The necessary quorum was present at all the meetings.

**4. REMUNERATION COMMITTEE**

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

**5. REMUNERATION OF DIRECTORS:**

Details of remuneration paid to Directors are given below:

Name of the Director	Relation-ship with other Directors	Business re-lationship with Company if any	Loans and ad-vances from Company	Remuneration	Paid during the Year 2008-2009		
				Sitting fees Rs.	Salary Rs.	Commis-sion	Total Rs.
Mr. Munisekhar Medasani	None	Nil	Nil	Nil	6,36,000	Nil	6,36,000

No sitting Fee was paid to any Director.

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

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

The Committee consists of the following Independent & Non Executive Directors:

Shareholders/ Investors Grievance Committee

**Details of Committee members**

<b>Name of the Director</b>	<b>Chairman/Member</b>
Sri.R.Surendra Naidu	Chairman
Sri K.Hari Kumar	Member
Dr.Thakur Ramesh Chouhan*	Member

\* Dr.Thakur Ramesh Singh Chouhan has been appointed as an Additional Director w.e.f 30th June, 2009.

\*\* Mr. M.T Srinivas Rao ceased as Director of the Company due to his resignation w.e.f. 30th June, 2009.

Details of Complaints received/resolved

The total No. of Complaints received and complied during the year as follows:

<b>Nature of Complaint</b>	<b>Received</b>	<b>Resolved</b>	<b>Pending</b>
Total	Nil	Nil	Nil

Sri. Daniel Solomon is the Compliance Officer.

**7. DETAILS OF ANNUAL GENERAL MEETINGS: Location and time of the last Three AGMs.**

<b>AGM</b>	<b>YEAR</b>	<b>VENUE</b>	<b>DATE</b>	<b>TIME</b>
17th	2007-2008	Sundaraiah Vignan Kendaram (Mini Hall) , Baghlingampally Hyderabad.	29.09.2008	2.00 p.m
16th	2006-2007	Sundaraiah Vignan Kendaram (Mini Hall) , Baghlingampally Hyderabad.	29.09.2007	2.00 p.m
15th	2005-2006	Sundaraiah Vignan Kendaram (Mini Hall) , Baghlingampally Hyderabad.	27.09.2006	10.00.a.m.

(i) Special Resolutions passed in the previous three Annual General Meetings: NIL

(ii). Postal Ballot:

No Business item has been transacted through postal ballot last year: Nil

**8. DISCLOSURES**

A. Disclosure on materially significant related party transactions i.e. transactions of the company of material nature with its promoters, the directors or the management's, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large. **None**

B. Details of non-compliance by the company, penalties, Strictures imposed on the company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. **None**



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

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

**10. MEANS OF COMMUNICATIONS:**

As per the listing requirements, the company publishes periodical financial results in leading English and regional newspapers for information.

**11. MANAGEMENT DISCUSSIONS AND ANALYSIS**

The Management Discussion and Analysis (MD& A) is being forms part of the annual report

**12. GENERAL SHARE HOLDER INFORMATION:**

(I) Annual General Meeting	
Date	25th September, 2009
Time	2.00 P.M
Venue	Sundaraiah Vignan Kendaram (Mini Hall) , Baghlingampally Hyderabad.

(ii) Financial Calendar 1st April to 31st March And the financial reporting will be as follows:	
Quarter ending June, 30 2009	Last week of July 09
Quarter ending September 30 2009	Last week of October 09
Quarter ending December 31 2009	Last week of January, 10
Quarter ending March 31 2010	Last week of April, 10
Annual General Meeting for FY ended 31st March, 2010	Before end of September, 2010

(III) Date of Book Closure	23rd September 2009 to 25th September 2009
----------------------------	--

(IV) Dividend payment date	If, declared will be paid within the stipulated time as per the Act.
----------------------------	--

(V) Listing on Stock Exchanges	The Bombay Stock Exchange Limited, Mumbai (BSE)
--------------------------------	---

(VI) Stock Code	
Bombay Stock Exchange Ltd	Secunderabad Healthcare
	524540
Dematerialization of Securities	ISIN: INE 930C 01016

(VII) Market Price Data: High, Low during each Month in last Financial Year	During the financial year ended 31.03.2009		
	Month	High	Low
	April 2008	51.00	43.30
	May 2008	69.00	47.95
	June 2008	50.40	30.80
	July 2008	32.25	29.30
	August 2008	32.30	27.55
	September 2008	28.90	22.55
	October 2008	31.40	26.00
	November 2008	39.35	32.80
	December 2008	42.90	37.40
	January 2009	40.80	40.80
	February 2009	38.80	38.80
	March 2009	--	--
(VIII) Stock Performance in Comparison to Broad-based indices such as BSE Sensex, CRISIL Index, BZX 200, Nifty etc..	During the financial year the shares of the company were traded actively and the Share price has been moving with the trend of the indices.		
(IX) Registrar & Transfer Agent	M/s. Aarathi Consultants Private Limited 1-2-285, Domalguda, Hyderabad – 500 029. Ph: 040-2763 8111; 040-2763 4445 Fax: 040-2763 2184 Website: www.aarthiconsultants.com Email: info@arthiconsultants.com		
(X) Share Transfer System Documents will be accepted at	M/s. Aarathi Consultants Private Limited 1-2-285, Domalguda, Hyderabad – 500 029. Ph: 040-2763 8111; 040-2763 4445 Fax: 040-2763 2184 Website: www.aarthiconsultants.com Email: info@arthiconsultants.com		
<p>The Shares of the Company are in physical form and electronic form. The transfer of shares in demat form is done through the Depositories without involvement of the Company. As regards, transfer of shares held in physical form, the transfer documents can be lodged with M/s. Aarathi Consultants Private Limited at above-mentioned address.</p> <p>The Transfer of shares in physical form is normally processed within 10-12 days from the date of receipt if the documents are complete in all respects. The Share Transfer Committee severally empowers to approve the transfers.</p>			

<b>(XI) (a) Distribution of Shareholding as on 31-03-2009</b>					
<b>Share Holding of Nominal Value</b>		<b>Share Holders</b>		<b>Share Amount</b>	
Rs.	Rs.	Numbers	% of Total	In Rs.	% of Total
(1)	(1)	(2)	(3)	(4)	(5)
1-5000		1074	79	1892300	5.32
5001-10000		113	8	1071260	3.01
10001-20000		25	2	423950	1.19
20001- 30000		50	4	1297490	3.65
30001-40000		12	1	439470	1.23
40001-50000		21	2	1038270	2.92
50001-100000		18	1	1356100	3.81
100001 & Above		44	3	28077160	78.88
<b>TOTAL</b>		<b>1357</b>	<b>100</b>	<b>35596000</b>	<b>100</b>

<b>(XI) (b) Distribution of Shareholding as on 31-03-2009</b>			
	<b>CATEGORY</b>	<b>No.of Shares held</b>	<b>%of share-holding</b>
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group:</b>		
(1)	Indian		
a.	Individuals/Hindu Undivided Family	860500	24.17
b.	Central Government/State Government		
c.	Bodies Corporate		
d.	Financial Institutions / Banks		
	Others:		
e.	Mutual funds		
f.	Trusts		
	<b>Sub-Total (A)(1)</b>	<b>860500</b>	<b>24.17</b>
(2)	Foreign		
a.	Individuals (Non- Residents Individuals / Foreign Individuals)		
b.	Bodies Corporate		
c.	Institutions		
d.	Any others specify- clearing members		
	<b>Sub-Total (A)(2)</b>		
	<b>Total Shareholding of Promoter and Promoter Group A = (A) (1)+ (A)(2)</b>	<b>860500</b>	<b>24.17</b>
<b>B)</b>	<b>Public Shareholding</b>		
(1)	Institutions		
a.	Mutual funds / UTI		
b.	Financial Institutions / Banks	000	000
c.	Central Government/State Government		

d.	Venture Capital Funds		
e.	Insurance Companies		
f.	Foreign Institutional Investors		
g.	Foreign Venture Capital Investors		
	Others:		
h.	Foreign Companies		
	<b>Sub-Total (B)(1)</b>	<b>000</b>	<b>000</b>
(2)	Non- Institutions		
a.	Bodies Corporate	246833	6.93
b.	Individuals		
	i). Individual Shareholders holding Nominal Share Capital upto Rs. 1 Lakh	718533	20.19
	ii). Individual Shareholders holding Nominal Share Capital in excess of Rs. 1 Lakh	1679234	47.17
	Others:		
c.	Non Resident Individuals	54500	1.53
	<b>Sub-Total (B)(2)</b>	<b>2699100</b>	<b>75.83</b>
	<b>Total Public Shareholding B = (B)(1) + (B)(2)</b>	<b>2699100</b>	<b>75.83</b>
	<b>TOTAL ( A+B)</b>	<b>3559600</b>	<b>100.00</b>
(C)	<b>Shares held by Custodians and against Depositories Receipts have been issued</b>	<b>Nil</b>	<b>Nil</b>
	<b>GRAND TOTAL (A+B+C)</b>	<b>3559600</b>	<b>100.00</b>

**(XII) Dematerialization of Shares & Liquidity**

The Company's shares are compulsory traded in dematerialized form and are available for trading on both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Company representing 72.61% of the company's share capital are dematerialized as on 31st March 2009.

The Company's shares are listed and eligible to trade on the above-mentioned Stock Exchanges in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 930C01016.

**(XIII) Outstanding GDRs/ADRs./Warrants or any Convertible instruments, conversation date and likely impact on equity.**

The Company has issued 375000 share warrants to promoter and non promoters during the year 2007-2008 out of which 200000 share warrants have been converted in to equity on 15th June, 2009.

**(XIV) Address for Correspondence** | 402, Mahita Enclave, Madhura Nagar, Hyderabad – 500 038.

BY ORDER OF THE BOARD OF DIRECTORS  
for SECUNDERABAD HEALTHCARE LIMITED

PLACE : HYDERABAD  
DATE : 02-09-2009

SD/-  
(M.MUNISEKHAR)  
MANAGING DIRECTOR

SD/-  
(DANIEL SOLOMON)  
EXECUTIVE DIRECTOR

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

I, M. Munisekhar, Managing Director of Secunderabad Healthcare Limited hereby declare that all the Board members and Senior managerial personnel have affirmed for the year ended 31 March 2009 compliance with the code of conduct of the company laid down for them.

Sd/-  
**M. Munisekhar**  
Managing Director

Hyderabad  
02-09-2009.

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

I, M. MUNISEKHAR, Managing Director of M/s. Secunderabad Healthcare Limited certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31 March 2009 and to the best of our knowledge and belief;
  - a) These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b) These statements present a true and fair view of the company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct;
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or purpose to take and rectify the identified deficiencies and;
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) There is no Instances of significant fraud of which we have become aware and the involvement of an employee having a significant role in the company's internal control system.

Sd/-  
**M. Munisekhar**  
Managing Director

Hyderabad  
02-09-2009.

## Compliance Certificate on Corporate Governance

To  
The Members,  
M/s. SECUNDERABAD HEALTHCARE LIMITED

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate governance of M/s. Secunderabad Healthcare Limited ("the company") for the year ended 31st March 2009 as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchanges.

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

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the company has complied with the conditions of Corporate Governance as stipulated in clause 49 the above-mentioned Listing Agreement.

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

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

SD/-  
**P. MURALI MOHANA RAO**  
PARTNER.

PLACE: HYDERABAD  
DATE: 02.09.2009

**AUDITORS REPORT**

To  
The Members,  
M/s. SECUNDERABAD HEALTHCARE LIMITED

We have audited the attached Balance Sheet of SECUNDERABAD HEALTHCARE LIMITED as at 31st March, 2009 and also Profit & Loss Account for the year ended on the date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit;
- (ii) In our opinion, proper books of account as required by law have been kept by company so far as appears from our examination of those books
- (iii) The Balance Sheet & Profit & Loss Account dealt with by this report are in agreement with the books of account:
- (iv) In our opinion, the Balance Sheet & Profit & Loss Account dealt with by this report comply with the Act counting standards referred to in sub-section (3C) of Section 211 of Companies Act, 1956;
- (v) On the basis of written representations received from the Directors, as on 31 st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed Director in terms of clause (g) of sub-section(i) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 st March; 2009;
  - (b) In the case of Profit & Loss Account, of the Profit for the year ended on that date;

And

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

For P. MURALI & CO.,  
CHARTERED ACCOUNTANTS

SD/-  
P. MURALI MOHANA RAO  
PARTNER

PLACE: HYDERABAD

DATE: 02-09-2009

**ANNEXURE TO THE AUDITORS' REPORT**

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



- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion the company is have internal audit system commensurate with its size and nature of its business.
- VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- IX. (a) The Company is regular in depositing statutory dues including PF, Income tax and any other statutory dues with the appropriate authorities and at the last of the financial year there were no amounts outstanding which were due for more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, no undisputed amounts are payable in respect of PF, Income tax and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.
- X. The Company has been registered for a period of not less than 5 years, and the company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- XI. According to information and explanations given to us, the Company has not taken any loans from Banks or Financial Institutions. Hence this Clause of repayment of dues to financial Institutions or banks or debenture holders and the defaulted payment therein is not applicable to the Company.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as th Company is not covered by the provisions of special statute applicable to Chit Fund is respect of Nidhi/Mutual Benefit Fund/societies.
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- XV. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or Financial Institutions, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise.
- XVI. According to the information and explanations given to us, the company has not obtained any Term Loans, hence this clause is not applicable.

- XVII. According to the information and explanations given to us, no funds are raised by the Company on short-term basis. Hence the clause of short term funds being used for long-term investment does not rise.
- XVIII. According to the information and explanations given to us the Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX. According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
- XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For P MURALI&CO.,  
CHARTERED ACCOUNTANTS

P. MURALI MOHANA RAO  
PARTNER

PLACE:HYDERABAD

DATE : 02-09-2009

**SECUNDERABAD HEALTHCARE LIMITED**  
**BALANCE SHEET AS ON 31ST MARCH 2009**

PARTICULARS	SCHEDULE NO.S	AS AT 31-03-2009 (Rupees)	AS AT 31-03-2008 (Rupees)
<b>I SOURCES OF FUNDS</b>			
<b>1. Shareholders' Funds</b>			
a. Capital	1	57,696,000	57,696,000
b. Reserves & Surplus		16,600,817	17,433,135
<b>2. Deferred Tax Laibility</b>		11,808,758	7,150,476
<b>TOTAL</b>		<b>86,105,575</b>	<b>82,279,611</b>
<b>II APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>			
a. Gross Block	2	67,371,444	67,364,969
b. Depreciation		9,768,845	2,388,645
c. Net Block		57,602,599	64,976,324
<b>2. Investments</b>		4,250,000	2,750,000
<b>3. Current Assets, Loans &amp; Advances</b>			
a. Inventories		6,825,360	7,531,546
b. Sundry Debtors	3	21,532,927	13,782,800
c. Cash & Bank Balances	4	60,521	2,768,591
d. Advances & Deposits	5	1,105,416	3,986,623
Less: Current Liabilities, Advances & Provisions	6	5,271,248	13,516,273
<b>NET CURRENT ASSETS</b>		24,252,976	14,553,287
<b>NOTES ON ACCOUNT</b>	7	-	-
<b>TOTAL</b>		<b>86,105,575</b>	<b>82,279,611</b>

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

FOR AND ON BEHALF OF THE BOARD  
SECUNDERABAD HEALTHCARE LIMITED

Sd/  
PARTNER

Sd/  
MANAGING DIRECTOR

Sd/  
EXECUTIVE DIRECTOR

PLACE : HYDERABAD  
DATE : 02/09/2009

**SECUNDERABAD HEALTHCARE LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2009**

PARTICULARS	SCHEDULE NO.S	AS AT 31-03-2009 (Rupees)	AS AT 31-03-2008 (Rupees)
<b>1 INCOME</b>			
Sales		159,273,214	199,300,664
Closing Stock		6,825,360	7,531,546
Other Income		89,118	2,429,617
<b>TOTAL</b>		<b>166,187,692</b>	<b>209,261,827</b>
<b>2 EXPENDITURE</b>			
Opening Stock		7,531,546	4,252,138
Purchases		132,374,233	154,078,535
Administrative & Selling Expenses		14,568,688	22,109,939
Interest & Bank Charges		26,428	76,211
Depreciation		7,380,201	1,951,343
<b>TOTAL</b>		<b>161,881,096</b>	<b>182,468,165</b>
<b>3 PROFIT BEFORE TAX</b>		<b>4,306,596</b>	<b>26,793,662</b>
<b>4 PROVISION FOR TAXATION</b>		<b>479,420</b>	<b>3,051,409</b>
<b>5 PROFIT AFTER TAX</b>		<b>3,827,176</b>	<b>23,742,253</b>
<b>6 PROVISION FOR FRINGE BENEFIT TAX</b>		<b>1,212</b>	<b>1,350</b>
<b>7 DEFERRED TAX LIABILITY</b>		<b>(4,658,282)</b>	<b>(6,883,789)</b>
<b>8 BALANCE BROUGHT FORWARD</b>		<b>17,433,135</b>	<b>576,021</b>
<b>9 BALANCE CARRIED FORWARD</b>		<b>16,600,817</b>	<b>17,433,135</b>
<b>Earnings Per Share</b>		<b>1.08</b>	<b>6.67</b>
<b>Notes on Account</b>	<b>7</b>	-	-

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

FOR AND ON BEHALF OF THE BOARD  
SECUNDERABAD HEALTHCARE LIMITED

Sd/  
PARTNER

Sd/  
MANAGING DIRECTOR

Sd/  
EXECUTIVE DIRECTOR

PLACE : HYDERABAD  
DATE : 02/09/2009

**SECUNDERABAD HEALTHCARE LIMITED**  
SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31-03-2009

**SCHEDULE 1 SHARE CAPITAL**

PARTICULARS	AS AT 31-03-2009 (RUPEES)	AS AT 31-03-2008 (RUPEES)
<b>AUTHORISED:</b>		
5000000 Equity Shares of Rs.10/-Each	<b>50,000,000</b>	<b>50,000,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP:</b>		
3559600 Equity Shares of Rs.10/-Each	35,596,000	35,596,000
Share Warrants	22,100,000	22,100,000
	<u>57,696,000</u>	<u>57,696,000</u>
<b>SCHEDULE 3</b>		
<b>SUNDRY DEBTORS</b>		
Others	21,532,927	13,782,800
	<u>21,532,927</u>	<u>13,782,800</u>
<b>SCHEDULE 4</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash on hand	6,845	419,352
Balance with Scheduled Banks	53,676	2,349,239
	<u>60,521</u>	<u>2,768,591</u>
<b>SCHEDULE 5</b>		
<b>ADVANCES &amp; DEPOSITS</b>		
Advances	1,105,416	3,986,623
	<u>1,105,416</u>	<u>3,986,623</u>
<b>SCHEDULE 6</b>		
<b>CURRENT LIABILITIES, ADVANCES &amp; PROVISIONS</b>		
Loans & Sundry Creditors	1,587,214	9,332,316
Outstanding Expenses & Provisions	3,684,034	4,183,957
	<u>5,271,248</u>	<u>13,516,273</u>

## SECUNDERABAD HEALTHCARE LIMITED

### SCHEDULE 2 FIXED ASSETS

DESCRIPTION OF ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Block As at 01-04-2008	Additions During the Period	Adjustments During the Period	Block as at 31-03-2009	UPTO 31-03-2008 Period	During the Period	Adjustments During the Year	Total as at 31-03-2009	as at 31-03-2009	as at 31-03-2008
Plant & Machinery	16577984			16577984	1301712	1172063		2473775	14104209	15276272
Furniture & Fixtures	218460			218460	24200	13829		38029	180431	194260
Patents & Intellectual Property	5826145			5826145	140266	276742		417008	5409137	5685879
Polluaction Control Equipment	11659880			11659880	138461	553844		692305	10967575	11521419
Computers/Software&Pheriperals	33082500	6475		33088975	784005	5363723		6147728	26941247	32298495
	67364969	6475		67371444	2388644	7380201		9768845	57602599	64976324

## SECUNDERABAD HEALTHCARE LIMITED

### WDV DEPRECIATION STATEMENT

PARTICULARS	NET BLOCK AS AT 01-04-2008	ADDITIONS		DELITON	BLOCK AS AT 31-03-2009	DEPRECIATION	NET BLOCK AS AT 31-03-2009	RATES
		ABOVE 180 DAYS	BELOW 180 DAYS					
Plant & Machinery	13064719				13064719	1959708	11105011	15%
Furniture & Fixtures	176953				176953	17695	159258	15%
Patents & Intellectual Property	4369609				4369609	1092402	3277207	25%
Polluaction Control Equipment	5829940				5829940	5829940		100%
Computers/Software&Pheriperals	20302386	6475			20308861	12185317	8123544	60%
	43743607	6475			43750082	21085062	22665020	

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## SCHEDULE -7 NOTES FORMING PART OF THE ACCOUNTS

### A. SIGNIFICANT ACCOUNTING POLICIES

#### General:

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

#### Revenue Recognition:

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

#### Investments:

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

#### Fixed Assets:

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

#### Depreciation and Amortisation:

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

#### Inventories:

Inventories are valued at cost or market price whichever is lower.

#### Taxation:

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

**Earning Per Share:**

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

**Gratuity:**

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

**B. NOTES ON ACCOUNTS**

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

NIL

2. Director's Remuneration: Current Year (Rs.)	Previous Year (Rs.)
6,36,000/-	6,36,000/-
3. Auditor's Remuneration: Current Year (Rs.)	Previous Year (Rs.)
Audit fee	
56,257/-	56,257/-

4. Detailed information regarding quantitative particulars under Part II of Schedule VI to the Companies Act, 1956.

**(AS PER THE DETAILS ENCLOSED)**

5. There are no dues to SSI Units outstanding for more than 30 days.
6. No confirmation were obtained from debtors / creditors as to the balances receivable from/payable to them as at year end.
7. In according with Accounting Standard 22 (AS 22) issued by the ICAI, the Company has accounted for deferred income tax during the year. The deferred income tax provision for the current year amounts to Rs. 46,58,282/- towards deferred income tax liability (previous year Rs.6883789/- towards deferred income tax Liability).
8. Previous years figures have been regrouped wherever necessary.
9. The figure have been rounded off to the nearest rupee.

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**SIGNATURES TO SCHEDULES 1 To 7**

As per our report of even date  
For R MURALI & CO.,  
CHARTERED ACCOUNTANTS

For and on behalf of the Board  
SECUNDERABAD HEALTHCARE LIMITED

P. MURALI MOHANA RAO  
PARTNER

M. MUNISEKHAR  
MANAGING DIRECTOR

B. DANIEL SOLOMON  
EXECUTIVE DIRECTOR

PLACE : HYDERABAD  
DATE : 02-09-2009



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2009**

	(Rs. In lakhs)	
	Current Year	Previous Year
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit/(Loss) before taxation, and extraordinary Items	43.07	267.94
Adjustments for:		
Depreciation	73.80	19.51
Interest expenses	0.26	0.76
Preliminary Expenses W/o	0	0.00
Operating Profit before working capital changes	117.13	288.21
Trade and other receivables	-48.69	43.20
Inventories	7.06	(32.79)
Trade payables	-87.26	81.39
Cash generated from operations	-11.75	380.00
Expenditure on patents	58.26	
<b>NET CASH FLOW OPERATING ACTIVITIES</b>	<b>-11.75</b>	<b>438.26</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	-0.06	(590.95)
Sale/adjustment of Fixed Assets investments	-15.00	(2.50)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-15.06</b>	<b>(593.45)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Net off share capital		221.00
interest paid	-0.26	(0.76)
Creditors for capital goods	(44.33)	
Unsecured Loan		
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>-0.26</b>	<b>175.91</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>-27.08</b>	<b>20.72</b>
Cash and Cash equivalents as at (Opening Balance)	27.69	6.97
Cash and Cash equivalents as at (Closing Balance)	0.61	27.69

FOR AND ON BEHALF OF THE BOARD  
for SECUNDERABAD HEALTH CARE LIMITED

PLACE : HYDERABAD  
DATE : 02-09-2009.

SD/-  
MANAGING DIRECTOR

SD/-  
EXECUTIVE DIRECTOR

To  
The Board of Directors  
Secunderabad Healthcare Limited

We have examined the attached Cash Flow Statement of M/s Secunderabad Healthcare Limited for the year ended 31st March, 2009. The Statement has been prepared by the company in accordance with the requirement of Clause 32 of listing agreement with stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 02-09-2009 to the member of the Company.

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

**(P. MURALIMOHANA RAO)**  
PARTNER

PLACE:HYDERABAD  
DATE :02-09-2009

**Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956**  
**Balance Sheet Abstract and Company's General Business Profile**

**I. Registration Details**

Registration No. 

0	1	-	0	1	3	3	8	0
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 State Code 

0	1
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Balance Sheet Date 

3	1
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 / 

0	3
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2	0	0	9
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 Date Month Year

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

Public Issue	Rights Issue																		
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td><td> </td></tr></table>				N	I	L				<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td><td> </td></tr></table>				N	I	L			
			N	I	L														
			N	I	L														
Bonus Issue	Private Placement																		
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td><td> </td></tr></table>				N	I	L				<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td><td> </td></tr></table>				N	I	L			
			N	I	L														
			N	I	L														

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities	Total Assets																					
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>8</td><td>6</td><td>1</td><td>0</td><td>6</td></tr></table>						8	6	1	0	6	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>8</td><td>6</td><td>1</td><td>0</td><td>6</td></tr></table>						8	6	1	0	6	
					8	6	1	0	6													
					8	6	1	0	6													
Sources of Funds																						
Paid - Up Capital	Reserves & Surplus																					
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>5</td><td>7</td><td>6</td><td>9</td><td>6</td></tr></table>						5	7	6	9	6	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>1</td><td>6</td><td>6</td><td>0</td><td>1</td></tr></table>						1	6	6	0	1	
					5	7	6	9	6													
					1	6	6	0	1													
Secured Loans	Unsecured Loans /Deferred tax Liability																					
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>1</td><td>1</td><td>8</td><td>0</td><td>9</td></tr></table>						1	1	8	0	9		
						N	I	L														
					1	1	8	0	9													
Application of Funds																						
Net Fixed Assets	Investments																					
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>5</td><td>7</td><td>6</td><td>0</td><td>3</td></tr></table>						5	7	6	0	3	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>4</td><td>2</td><td>5</td><td>0</td></tr></table>								4	2	5	0
					5	7	6	0	3													
							4	2	5	0												
Net Current Assets	Misc. Expenditure																					
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>2</td><td>4</td><td>2</td><td>5</td><td>3</td></tr></table>						2	4	2	5	3	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>									N	I	L
					2	4	2	5	3													
								N	I	L												
Accumulated Losses	Diferred Tax Asset																					
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L			
						N	I	L														
						N	I	L														

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

Turnover	Total Expenditure																						
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>1</td><td>6</td><td>6</td><td>1</td><td>8</td><td>8</td></tr></table>						1	6	6	1	8	8	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>1</td><td>6</td><td>1</td><td>8</td><td>8</td><td>1</td></tr></table>						1	6	1	8	8	1
					1	6	6	1	8	8													
					1	6	1	8	8	1													
+ -	+ -																						
Profit/ Loss Before Tax	Profit/ Loss After Tax																						
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>4</td><td>3</td><td>0</td><td>7</td></tr></table>							4	3	0	7	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>3</td><td>8</td><td>2</td><td>7</td></tr></table>							3	8	2	7		
						4	3	0	7														
						3	8	2	7														
Earning Per Share in Rs.	Dividend rate %																						
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>1</td><td> </td><td>0</td><td>8</td></tr></table>						1		0	8	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L										
					1		0	8															
N	I	L																					

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

Item Code No. (ITC Code) 

N	O	T		A	P	P	L	I	C	A	B	L	E				
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Product Description 

H	E	A	L	T	H	C	A	R	E		P	R	O	D	U	C	T	S
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for and on behalf of the Board  
**for Secunderabad Healthcare Limited**

**PLACE : HYDERABAD**  
**DATE : 02-09-2009**

**M. Munisekhar**  
 Managing Director

**B. Daniel Solomon**  
 Executive Director

# SECUNDERABAD HEALTHCARE LIMITED

402, Mahitha Enclave, Madhuranagar, Hyderabad-500 038.

## ADMISSION SLIP

**Date:**

25th September, 2009

**Venue:**

Sundariah Vignan Kendaram,  
(Mini Hall), Baghlingampally,  
Hyderabad – 500 044

**Time:**

2.00 pm

Name of the shareholder	Folio no. / DPID and Client ID no.	No. of shares

I certify that I am a registered shareholder of the Company and hold above-mentioned shares in the Company and hereby record my present at the 18th Annual General Meeting of the Company.

Member's/Proxy signature

Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission Slip and hand over at the entrance duly signed

.....cut here.....

# SECUNDERABAD HEALTHCARE LIMITED

402, Mahitha Enclave, Madhuranagar, Hyderabad-500 038.

## PROXY FORM

Regd. Folio no.: .....

No. of shares .....

DP ID no. ....

Client ID no. ....

I/We \_\_\_\_\_ of \_\_\_\_\_ being Member /Members of Secunderabad Healthcare limited hereby appoint \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Friday, 25th September 2009 at 2.00 p.m. at Sundaraiah Vignana Kendaram, (Mini Hall), Baghlingampally, Hyderabad – 500 044 and at any adjournment thereof.

As witness my/our hand (s) this \_\_\_\_\_ day of \_\_\_\_\_ of 2009

Signed by the said \_\_\_\_\_

Affix  
Re.1  
Revenue  
Stamp

**SECUNDERABAD HEALTHCARE LIMITED**  
402, Mahitha Enclave, Madhuranagar, Hyderabad - 500 038.