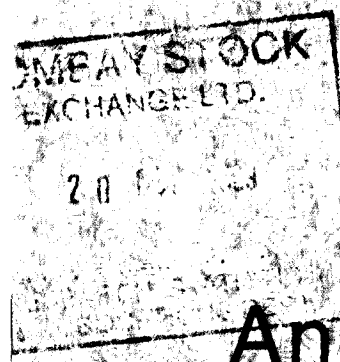
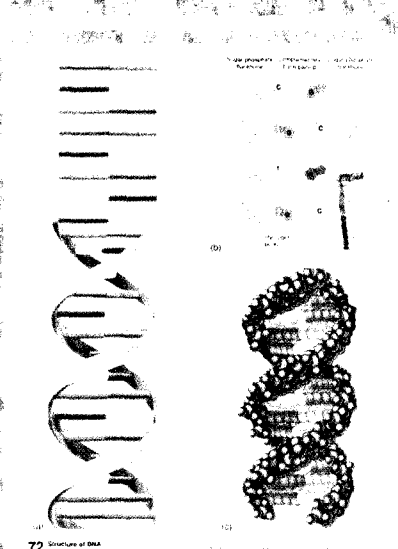


# SECUNDERABAD Healthcare Limited



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

*Innovation is our future*

# SECUNDERABAD Healthcare Limited

18<sup>th</sup> ANNUAL REPORT

2008-2009

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# SECUNDERABAD HEALTHCARE LIMITED

## **BOARD OF DIRECTORS**

Mr. M. Munisekhar  
Mr. B. Daniel Solomon  
Mr. G. Vasudeva Reddy  
Mr. Sharad T. Shah  
Mr. K. Hari Kumar  
Mr. R. Surendra Naidu  
Dr. Thakur Ramesh Singh Chouhan

Managing Director  
Executive Director  
Non Executive Director  
Non-Independent Non Executive Director  
Independent Non Executive Director  
Independent Non Executive Director  
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 RELAVANT 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 entered 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.