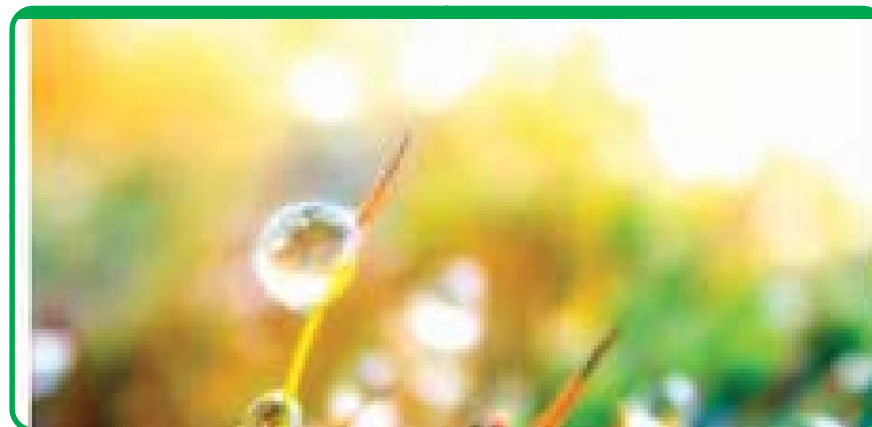


BOOK POST

**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

24TH 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. Aarhi 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 30th 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 31st 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 25th September 2015 to Wednesday the 30th 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, 27th September, 2015 (9.00 a.m. IST) and ends on Tuesday, 29th 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 24th 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 and 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.
- (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 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 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.
 - 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 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, under help section or write an email to 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. Satheesh 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)	62,233,740	76,316,275
Profit before interest and depreciation	4203483	2993768
Less: Interest and financial charges	51527	63723
Profit Before depreciation	4151956	2930045
Less: Depreciation and amortization	3,412,347	2,168,290
Profit before tax	739,609	761,755
Provision for tax (including Deferred Tax)	-501453	128827
Profit after tax	1241063	632927
Net Profit for the year	1241063	632927
Profit brought forward from previous year	632927	
Profit available for appropriation	1873990	
Appropriations:	-	-
Transfer to General Reserve	-	-
Dividend	-	-
Dividend tax	-	-
Balance carried forward	1873990	
Paid Up capital	83759600	
Reserves and Surplus	733891737	732650674

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The highlights of the Company's performance are asunder:

Revenue from operations	Rs. 62,233,740
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 31st 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 31st 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:

- 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;
- 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;
- 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;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- 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
- 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 30th 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 Sateesha Rao Company 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 Solomon 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:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.
- 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 Managing Director
RajaramArjunRambade 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:

- 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.
- 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 31st 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

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 18th 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