



VeerHealth Care Ltd.

“NATURE-AL DIRECTION TO REMEDIES”

**22<sup>nd</sup> ANNUAL REPORT**

**2013-2014**

For further details please log in to [www.veerhealthcare.net](http://www.veerhealthcare.net) or E-mail us at [info@veerhealthcare.net](mailto:info@veerhealthcare.net)

## BOARD OF DIRECTORS

<b>Mr. Yogesh M Shah</b>	<b>Chairman - Non Executive</b>
<b>Mr. Bhavin S Shah</b>	<b>Managing Director</b>
<b>Ms. Shruti Y Shah</b>	<b>Executive Director</b>
<b>Mr. Arvind M Shah</b>	<b>Independent Director</b>
<b>Dr. Dharnendra B Shah</b>	<b>Independent Director</b>
<b>Mr. Mitesh J Kuvadia</b>	<b>Independent Director</b>

## AUDITORS

<b>NAME</b>	<b>OFFICE</b>
<b>M/s. JAYESH R. SHAH &amp; CO.</b>  <b>Chartered Accountants</b>	B-2, Swagat, Ciba Society,  Amrut Nagar, Ghatkopar (W),  Mumbai - 400086.

## REGISTERED OFFICE

629-A, 1 <sup>st</sup> Floor, Gazdar House, J.S.S. Marg, Near Kalbadevi Post Office, Mumbai - 400002.
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## Notice

Notice is hereby given that the Twenty Second Annual General Meeting of the members of Veerhealth Care Limited will be held on Friday, September 12, 2014 at 12.00 P.M. at 6, New Nandu Industrial estate, Mahakali Caves Road, Andheri (E), Mumbai - 400093 to transact the following businesses:

### Ordinary Business

- 1) To consider and adopt:
  - a. The audited financial statement of the Company for the financial year ended March 31, 2014; the reports of the Board of Directors and Auditors thereon; and
  - b. The audited consolidated financial statement of the Company for the financial year ended March 31, 2014.
- 2) To appoint Auditors and fix their remuneration 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 M/s. Jayesh R. Shah & Co. Chartered Accountants (Registration No. 104182W), be and hereby appointed as a auditors of the company, to hold the office from the conclusion of this annual general meeting to the conclusion of the next Three annual general meeting of the company to audit the accounts for the financial year 2014-2015, 2015-2016 and 2016-2017 on such a remuneration as shall be fixed by the Board of Directors."

### Special Business

- 3) To appoint Miss. Shruti Y Shah (DIN: 06952245), as a Director to fill up the vacancy of the retiring director Shri. Jayant S Shah (DIN:02856418), who retires at this Annual General Meeting 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 Miss. Shruti Y Shah (DIN: 06952245), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation in the vacancy of Jayant S Shah (DIN: 02856418), who retires at this Annual General Meeting."

"RESOLVED FORTHER THAT Miss. Shruti Y Shah (DIN: 06952245), Appointed as Executive Director accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Miss. Shruti Y Shah as Executive Director of the Company, for a period of 5 (five) years with effect from September 12, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Miss. Shruti Y Shah, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution."

- 4) To appoint Shri. Mitesh J Kuvadiah (DIN: 03256900), as a Director to fill up the vacancy of the retiring director Shri. Vivek D Shah (DIN:06541347), who retires at this Annual General Meeting 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 Shri. Mitesh J Kuvadiah (DIN: 03256900), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019, liable to retire by rotation in the vacancy of Vivek D Shah (DIN: 06541347), who retires at this Annual General Meeting."

- 5) To appoint Shri Arvind M Shah (DIN: 01645534) as an Independent Director 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 read with Schedule IV 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) and Clause 49 of the Listing Agreement, Shri Arvind M Shah (DIN: 01645534), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019."

- 6) To appoint Shri Dharnendra B Shah (DIN: 00229621) as an Independent Director 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 read with Schedule IV 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) and Clause 49 of the Listing Agreement, Shri Dharnendra B Shah (DIN: 00229621), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019."

- 7) To re-appoint Shri Bhavin S Shah (DIN: 03129574) Managing Director and in this regard to consider and thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri Bhavin S Shah (DIN: 03129574) as Managing Director of the Company, for a period of 5 (five) years with effect from September 12, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Shri Bhavin S. Shah, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- 8) To re-appoint Shri Yogesh M. Shah (DIN: 00169189) as Director and in this regard to consider and thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri Yogesh M. Shah (DIN: 00169189) as Director of the Company, for a period of 5 (five) years with effect from September 12, 2014, on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment as it may deem fit or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- 9) To approve the payment of remuneration to executive directors 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 in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the executive directors of the Company (i.e. the Managing Director and the Whole-time Directors) be paid, remuneration by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc. as per their respective terms of appointment, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Human Resources, Nomination and Remuneration Committee) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- 10) To appoint the Internal Auditor for the financial year 2014-2015 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 M/s. Vivek Shah & co. Chartered Accountants (Registration No.136201W) be and hereby appoint as a Internal Auditor of the company, for the F.Y. 2014-2015 and Board of Director of the company be and hereby authorised to fix the remuneration for time to time in consultation with audit committee."

- 11) RECOMMENDATION FOR REVISION OF REMUNERATION PAYABLE TO Key Managerial Persons of the company.

"RESOLVED THAT pursuant to the provisions of Chapter XIII of the Companies Act, 2013 read with Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the company Remuneration Committee of the Board of Directors of the Company be and is hereby approve and recommend to the Board the alteration in the remuneration structure payable to Key Managerial Personnel of the Company subject to the approval of Central Government and share holders in Annual general Meeting."

Notes:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of him and a proxy need not be a member. Proxies in order to be effective must be received by the company not less than 48 hours before the time for holding the meeting.
- 2) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 3) Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific 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.

- 4) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 5) Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- 6) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 7) Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the Meeting so that the answers may be made readily available at the Meeting.
- 8) The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 11, 2014 to Friday, September 12, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
- 9) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Purva Shareregistry (India) Pvt. Ltd. cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
- 10) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Purva Shareregistry (India) Pvt. Ltd.
- 11) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demit accounts. Members holding shares in physical form can submit their PAN to the Company / Purva Shareregistry (India) Pvt. Ltd.
- 12) Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**Explanatory Statement as Per Section 102(1) of the Companies Act, 2013:**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

**Item No. 3**

Shri Jayant Shah retires at the ensuing Annual General Meeting in terms of his appointment.

As per the provisions of the Section 152(6)(e) of the Act, at the Annual General Meeting at which a director retires, the Company may fill up the vacancy by appointing the retiring director or some other person thereto.

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have atleast one woman director.

Keeping in view the above legal requirements and in deference to Company's shareholders' wishes, the Board of Directors have proposed that Miss. Shruti Y Shah be appointed as a Director of the Company.

Consequently, it is proposed to appoint Miss Shruti Y Shah to fill up the vacancy which would arise consequent to the retirement of Shri Jayant S Shah at the ensuing Annual General Meeting.

It is proposed to appoint Miss Shruti Y Shah as Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.



The Company has received a notice in writing alongwith the deposit amount as required from Miss Shruti Shah as per Section 160 of the Companies Act, 2013.

Miss Shruti Y Shah has achieved the degree of Bachelor in Financial Markets and she is also pursuing Company Secretary and she is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

This Statement may also be regarded as a disclosure under clause 49 of the listing agreement with the stock exchange.

Miss. Shruti Y Shah may be deemed to be concerned or interested, financially or otherwise, to the extent of the aforesaid shareholding in respect of her appointment as a Director Yogesh M Shah who is her relative and the Chairman of the company and their other relative, to the extent of their shareholding interest in the company, may be deemed to be concerned of interested in the appointment of Miss. Shruti Y Shah.

Save And Except the above, none of the other Directors/Key Managerial Personnel of the company/ their relatives are, in any way, concerned and interested, financially or otherwise, in the resolution set out at item no.5 the Notice.

The Board commends the Ordinary Resolution set out at item No.5 the Notice for approval by the shareholders.

#### **Item No. 4**

Shri Vivek D Shah retires at the ensuing Annual General Meeting in terms of his appointment.

As per the provisions of the Section 152(6)(e) of the Act, at the Annual General Meeting at which a director retires, the Company may fill up the vacancy by appointing the retiring director or some other person thereto.

Keeping in view the above legal requirements and in deference to Company's shareholders' wishes, the Board of Directors have proposed that Shri Mitesh J Kuvadiah be appointed as a Director of the Company.

Consequently, it is proposed to appoint Shri. Mitesh J Kuvadiah to fill up the vacancy which would arise consequent to the retirement of Shri Vivek D Shah at the ensuing Annual General Meeting.

It is proposed to appoint Shri. Mitesh J Kuvadiah as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.

The Company has received a notice in writing alongwith the deposit amount as required from Shri Mitesh J Kuvadiah as per Section 160 of the Companies Act, 2013.

Shri Mitesh J Kuvadiah has achieved the degree of Bachelor in Commerce and he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Mitesh J Kuvadiah is interested in the resolutions set out respectively at Item No.4 of the Notice with regard to his appointment.

The relatives of Shri Mitesh J Kuvadiah may be deemed to be interested in the resolutions set out respectively at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item No. 4 of the Notice for approval by the shareholders.

#### **Item No. 5 & 6**

Shri Arvind M Shah and Shri Dharnendra B Shah are Independent Directors of the Company and have held the position as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Shri Arvind M Shah and Shri Dharnendra B Shah as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.

Shri Arvind M Shah and Shri Dharnendra B Shah are not disqualified from being appointed as Director in terms of Section 1654 of the Act and have given their consent to act as Directors.

The company has received notices in writing from members alongwith the deposit of amount as per Section 160 of the Act proposing the candidatures of each of Shri Arvind M Shah and Shri Dharnendra B Shah for the office of Directors of the Company.

The Company has also received declarations from Shri Arvind M Shah and Shri Dharnendra B Shah that they meet other criteria of independence as per sub-section (6) of Section 149 of the Act under Clause 49 of the Listing Agreement. In the opinion of the Board, Shri Arvind M Shah and Shri Dharnendra B Shah are independent of the management.

Shri Arvind M Shah and Shri Dharnendra B Shah are interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notices with regard to their respective appointments.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 and 6 of the Notice for approval by the shareholders.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Arvind M Shah and Shri Dharnendra B Shah are interested in the resolutions set out respectively at Item Nos.5 and 6 of the Notice with regard to their respective appointment.

The relatives of Shri Arvind M Shah and Shri Dharnendra B Shah may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 and 6 of the Notice for approval by the shareholders

#### **Item No. 7 & 8**

The Board of Directors of the Company at Board Meeting held on 30<sup>th</sup> May, 2014 has, subject to the approval of the members, re - appointed Shri Bhavin S Shah as Managing Director, for a period of 5 (five) years from the expiry of his present term, which expired on September 12, 2014, at the remuneration recommended by the Board and approved by the Board.

Further, the Board its meeting held on 30<sup>th</sup> May, 2014, has, subject to the approval of members, re-appointed Shri Yogesh M. Shah , designated as Director, for a period of 5 (five) years from the expiry of his present term, which will expire on September 12, 2014, at the remuneration recommended by the Board and approved by the Board.

It is proposed to seek the member's approval for the re-appointment of and remuneration payable to Shri Bhavin S Shah as Managing Director, in terms of the applicable provisions of the Act.

A broad particular of the terms of re-appointment and remuneration payable to Shri Bhavin S Shah is as under:

(a) Salary per annum

Name	Salary
Bhavin S Shah	9, 10,000.00

#### **Item No. 9**

Under the act, directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the



remuneration payable to the directors by the company should be commensurate with their increased role, responsibilities and duties.

Section 197 of the Act provides for payment of remuneration to the directors as under:

- (a) Payment of remuneration to more than one managing director/ Whole time director shall not exceed 10% of the net profit of the company to all such director.

**Item No. 10**

Under the regulation, The Company has decided to appoint internal auditor M/s. Vivek Shah & Co. Firm Registration No.136201W for the financial year 2014-2015.

**Item No. 11**

Under the provision of chapter XIII of the companies Act, 2013 the remuneration committee has observe that the company not registered enough profit in the last year, as company has started its new business line. For the growth of the business company has hired managing director and Key managerial personal in the Current Year. Remuneration committee observes that it may happen that remuneration payable to them may exceed 11% of the Net profit in the current financial year. Keeping in view, as per rules 2014 requirement remuneration committee has decided to take approval from Central government for payment of remuneration to them.

Place : - Mumbai  
Date : - 04<sup>th</sup> August, 2014

By the order of the Board of Directors  
For Veerhealth Care Limited

Sd/-  
Bhavin Shah  
Managing Director

## DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in submitting the 22<sup>nd</sup> Annual Report along with the Audited Balance Sheet and Profit and Loss A/c for the year ended 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS (In Thousands)

Particulars	31 <sup>st</sup> March 2014 (Amount in "000")	31 <sup>st</sup> March 2013 (Amount in "000")
Turnover	35,256	31,601
Net Profit Before Tax	388	54
Less: Provision For Tax	131	(8)
Profit After Tax	257	63
Add: Balance In Profit & Loss c/fd	(7,556)	(7,618)
Add: Transfer From General Reserve	Nil	Nil
<u>APPROPRIATIONS</u>		
Prior Period Adjustment	Nil	Nil
General Reserve	Nil	Nil
Provisions Written Back	Nil	Nil
Balance C/F.	(7,615)	(7,556)

### **DIVIDEND**

In view of inadequate profit during the year, the directors do not recommend any dividend on equity shares for the year ended on 31.3.2014.

### **OPERATION**

The Company has started its operation in to Ayurvedic Pharmaceuticals products during the year. It has already deployed fund for the set up of ayurvedic medicine manufacturing plant, by the end of July 2014 plant would be ready for carrying out operations. The machinery procurement and installation for Tablet & Liquid Division is complete and for Powder and Ointment Division is on the verge of completion. The Company has applied for the Manufacturing License in its name for manufacturing ayurvedic drugs. The production is expected to start in full swing by the second half of the year 2014-15. The company has also obtained all the mandatory permissions and approvals applicable to its nature of business from various agencies. The Company has adopted all the accounting standards applicable to the company. The Company has made arrangements and entered in to MOU for Research and development with various parties and companies.

### **CORPORATE GOVERNANCE**

In order to enhance customer satisfaction and stakeholder value, your Company continues to benchmark its Corporate Governance practices that are best. Your Company has complied with the mandatory requirements of clause 49 of the listing agreement entered into with the Stock Exchanges regarding the Corporate Governance for the Financial Year 2013 - 14. The compliance report along with Auditors Certificate is provided in the Corporate Governance Report annexed to this report.

### **AUDITORS**

M/s. Jayesh R. Shah & Co., Chartered Accountants, retires from the office of auditor of the Company and being eligible, offer them for reappointment.

## **DEMATERIALIZATION**

As the Members are aware your company shares are tradable compulsorily in electronic format your company has established connectivity with the depositories with National Securities Depository Limited (NSDL), and Central Depository Services (India) Limited (CDSL). In view of enormous advantages offered by the Depository system, Members are requested to avail the facility of dematerializations of the Company's Shares on depositories as aforesaid.

## **FUTURE PROSPECTS**

Once the company has started its manufacturing operations at its Plants situated at Changodar, Ahmedabad, The Company is expecting to run its healthcare business in full swing by the end of 2014-2015. The Company has already applied for registration of few products. It has partnered with few sources for procurement of raw material on long term basis. The company management is looking forward towards advertising its products massively through various media to capture the market. The company is also planning to make available an online store on its website and also sell through various distribution channels and retail stores for enabling customers to buy its products conveniently. The company also plans for carrying out research and product development activities on an on-going basis. It also plans to set up facilities for clinical testing.

## **PARTICULAR REQUIRED TO BE FURNISHED BY THE COMPANIES (DISCLOSURE OF PARTICULAR IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:**

1) Parts A and B pertaining to conservation and technology absorption	N.A
2) Foreign exchange earning & outgoing	
A) Foreign exchange earnings	Rs. NIL
B) Foreign exchange out-goings	Rs. NIL

## **PARTICULARS OF EMPLOYEES**

Information as per section 217(2) of the Companies Act, 1956 read with Companies (particular of employees) Rules, 1975, is not applicable as none of the employees have earned an aggregate remuneration in excess of the limit specified in the section.

## **DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO NEW SEC.217 (2AA) OF THE COMPANIES ACT 1956**

As required under the added sec.217 (2AA), the Directors state as under.

- 1) That in the preparation of the annual accounts, the applicable accounting standards have been followed.
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgment 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 the end of the financial year and of the profit or loss of the Company for the year.
- 3) That 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.
- 4) That the Annual Accounts have been prepared on a going concern basis.

**ACKNOWLEDGEMENTS:** The Directors wish to place on record their appreciation of the co-operation and assistance received from the company's shareholders, executive and staff in helping the company to achieve its goals.

Place : - Mumbai  
Date : - 30<sup>th</sup> May, 2014

By the order of the Board of Directors  
For Veerhealth Care Limited

Sd/-  
Bhavin Shah  
Managing Director

## CORPORATE GOVERNANCE (ANNEXURE TO DIRECTORS' REPORT)

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an ongoing process that ensures that the Company displays the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics in its dealings. Good Corporate Governance is a critical doctrine to the global economic system, enabling the business to not only effectively and efficiently achieve its corporate objectives but also develop a structure and methodology to sustain its survival in a globally competitive environment.

Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all interactions with its Shareholders, Depositors, and Debenture holders, Employees, Creditors, Debtors and Regulatory Authorities.

### BOARD OF DIRECTORS

Veerhealth Care Limited's Board comprises of Six Directors out of which one is Chairman, one is Managing Director, one is non executive-non independent directors and three are Independent directors of the company.

A brief profile of the Directors is given below:

- 1) **Mr. Yogesh M Shah (DIN No. 00169189)**, Chairman, director (56 years) is the tax and financial consultant.
- 2) **Mr. Bhavin S. Shah (DIN No. 03129574)**, Managing Director (34 Years) is an M.Com a Microsoft certified professional and vast experience in production and operation management.
- 3) **Miss. Shruti Y Shah (DIN No. 06952245)**, Woman Director (22 Years) has achieved the degree of Bachelor in Financial Markets and she is also pursuing Company Secretary.
- 4) **Mr. Arvind M. Shah (DIN No. 01645534)** Independent Director (57 years) is a tax consultant.
- 5) **Dr. Dharnendra B. Shah (DIN No. 00229621)** Independent Director (64 years) is a practicing Doctor with experience of more than 38 years.
- 6) **Mr. Mitesh J Kuvadía (DIN No. 03256900)** Independent Director has achieved the degree of Bachelor in Commerce.

### BOARD MEETING

Total 4 Board Meetings were held in a financial year 31st March, 2014. The meetings were held on 22/05/2013, 14/08/2013, 13/11/2013 and 14/02/2014.

Attendance of each Director at the Board Meetings and the last Annual General Meeting

Directors	No. Of Board Meetings Attended	Whether Attended Last AGM
Mr. Bhavin S. Shah	3	Yes
Mr. Yogesh M. Shah	4	Yes
Mr. Jayant S. Shah	2	Yes
Mr. Arvind M. Shah	4	No
Dr. Dharnendra B. Shah	3	Yes
CA Vivek D. Shah	3	Yes

### COMMITTEES OF THE BOARD / AUDIT COMMITTEE

The Company has constituted an Audit Committee which is comprised of the Non-Executive Directors majority of them being Independent. The members of the audit committee are Mr. Arvind M. Shah, Dr. Dharnendra B. Shah and CA Vivek D. Shah. Terms of reference to the Audit Committee is primarily to Supervise the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible, to appoint and fix the remuneration of internal auditors, to review the internal and external audit reports, the adequacy of internal control systems and to review the Company's financial and risk management policies.

Four (4) such Meetings of the committee were held during the 22/05/2013, 14/08/2013, 13/11/2013 and 14/02/2014.

Meetings and Attendance of members of the Audit Committee during the Financial Year 2013 - 2014

Directors	No. of Meetings Attended
Mr. Arvind M. Shah	4
Dr. Dharnendra B. Shah	3
CA Vivek D. Shah	3

### REMUNERATION COMMITTEE

The remuneration committee comprises of Mr. Arvind M. Shah, Dr. Dharnendra B. Shah and CA Vivek D. Shah.

### SHAREHOLDER GRIEVANCE COMMITTEE

The committee comprises of Three Directors Dr. Dharnendra B. Shah, Shri Arvind M. Shah and CA Vivek D. Shah look into the grievance of shareholders and investor.

**Analysis of Shareholders Correspondence during the year under consideration:**

Nature Of	Received	Redressed
Correspondence	0	0
Change of Address	Nil	Nil
Demat Request	0	0
Annual Report	Nil	Nil

### DETAILS OF THE LAST THREE GENERAL MEETINGS:

MEETING	DATE AND TIME OF A. G. M.	PLACE	SPECIAL RESOLUTION PASSED
19 <sup>th</sup> AGM	23-08-2011 at 10.00 a.m.	140/142 Princess Street, Govind Building, 2 <sup>nd</sup> Floor, Mumbai 400 002.	Yes. To appoint a director
20 <sup>th</sup> AGM	31-08-2012 at 10.00a.m.	6, New Nadu, Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai 400093.	No.
21 <sup>st</sup> AGM	18-06-2013 at 10.00a.m.	6, New Nadu, Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai 400093.	No.

### DISCLOSURE:

The details of the transaction with related parties are given in the Notes to the accounts of Auditors Report. The transaction is in the natural course of the business and is not in conflict with the interest of the Company.

There were no instance of non compliance of any matter relating to the Capital Market and no penalties were imposed on the company by Stock Exchanges or Securities & Exchange Board of India or any other Statutory Authority on any matter relating to capital Markets.

### INTERNAL CONTROLS:

Management feels that the internal controls in place are sufficient considering the complexity, size and nature of operation of the Company.

### MEANS OF COMMUNICATION

The Board of Directors of the company approves and takes on record the Un-audited/Audited financial results in the prescribed Proforma of the Stock Exchange on a quarterly basis. The results are announced to all the Stock Exchanges where the shares of the Company are listed.

### GENERAL SHAREHOLDERS INFORMATION

#### 22<sup>nd</sup> ANNUAL GENERAL MEETING

Date & Time	Friday, the 12 <sup>th</sup> September, 2014 at 12.00 P.M
Venue	6, New Nadu Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai 400093.
Date of Book Closure	11 <sup>th</sup> to 12 <sup>th</sup> September, 2014 (both inclusive)

### LISTING ON STOCK EXCHANGE:

THE STOCK EXCHANGE, MUMBAI, (Stock Code: 511523), Phirozejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400023.  
Ph: 022-2272 1234 Fax: 022-2272 2082.

**LISTING FEE:**

The Company has paid Listing Fees to Stock Exchanges where the shares are listed within due date. Your Company is strictly observing all the clauses of the Listing agreement entered into with the Stock Exchanges and there are no investor complaints pending against the Company.

**ADDRESS FOR CORRESPONDENCE:**

The Company has appointed Share Transfer Agents M/s. Purva Sharegistry (India) Pvt. Ltd. as the Share Transfer Agents of the Company. Add: M/s. PurvaSharegistry (India) Pvt. Ltd, Shiv Shakti Indl. Estate, Gala No. 9, J. R. Boricha Marg, Sitaram Mill Compound, Mumbai – 400011. Ph.: 022-23010771 / 23016761.

Shareholders are requested to address their correspondence relating to Share Transfer, Transmission, Demat, Remat, Change of Address, Change of Bank Mandate etc.

**DEMATERIALIZATION OF SHARES:**

Over 96.19% of the Company's paid-up equity share capital has been Dematerialized upto 31st March, 2014. Trading in Equity Shares of the Company is permitted only in Dematerialization form as per notification issued by the Securities and Exchange Board of India (SEBI).

**NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL)** 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, SenapatiBapat Marg, Lower Parel, Mumbai: - 400 013 Tel.: 2499 4200 Fax: 2497 2993.

And

**CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL)**

Phirozejeebhoy Towers, 17th Floor, Dalal Street, and Mumbai – 400001.Tel. 22723333 Fax: 22722072.

Shareholders can approach the Depository Participants of the above Depositories for Dematerialization for their Shares.

**DETAILS OF THE DEMATERIALIZATION OF SHARES COMPLETED UPTO 31<sup>ST</sup> MARCH, 2014**

**NUMBER OF SHARES DEMATERIALIZED**

NSDL	CDSL	TOTAL
26117974	40576176	66694150

**SHAREHOLDING PATTERNS**

Share holding pattern of the Company as on 31st March, 2014, is as follows

CATEGORY	PHYSICAL		ELECTRONIC		TOTAL	
	No. of shares	%	No. of shares	%	No. of shares	%
A. Promoters holding						
- Indian Promoters	0	0	25508207	36.79	25508207	36.9
- NRI Promoters	0	0	0	0	0	0
- Bodies Corporate	0	0	0	0	0	0
B. Non Promoters Holdings						
- Institutional Investors	0	0	0	0	0	0
- Banks, FIs	0	0	0	0	0	0
Corporate	1000	0.00	2942221	4.24	2943221	4.24
Indian Public	2647234	3.82	37232832	53.69	38646081	55.73
NRI/ OCBs	0	0	1010890	1.46	1010890	1.46
Grand Total	2648234	3.82	66694150	96.18	69342384	100

**Distribution Schedule (As on 31st March,2014):**

SHARE HOLDING OF NOMINAL VALUE OF	NUMBER	% TO TOTAL	IN RS.	% TO TOTAL
(1)	(2)	(3)	(4)	(5)
UPTO 5,000	2667	78.60	4775176	6.89
5,001 10,000	349	10.29	2994591	4.32
10,001 20,000	190	5.60	2912334	4.20
20,001 30,000	40	1.18	1035814	1.49
30,001 40,000	28	0.83	980240	1.41
40,001 50,000	28	0.83	1304532	1.88
50,001 100,000	31	0.91	2174919	3.14
100,001 AND ABOVE	60	1.77	53164778	76.67
<b>TOTAL</b>	<b>3393</b>	<b>100.00</b>	<b>69342384</b>	<b>100.00</b>



### STOCK MARKET DATA

Monthly closing high and low quotation of shares traded on the Stock Exchange, Mumbai (BSE) for the year 2013-2014.

Month	High(Rs.)	Low(Rs.)
Apr	1.88	1.36
May	2.00	1.35
Jun	1.95	1.63
Jul	1.85	1.75
Aug	1.95	1.81
Sep	3.26	1.90
Oct	2.36	1.83
Nov	1.95	1.75
Dec	1.90	1.73
Jan	2.00	1.80
Feb	2.44	1.80
Mar	2.22	1.72

### Certificate on Compliance with Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors/Management Personnel for the financial Year 2013-14

**For Veerhealth Care Limited**

Sd/-

**Bhavin Shah**

**Managing Director**

**Place :- Mumbai**

**Date :- 30<sup>th</sup>May, 2014**

### DECLARATION BY THE DIRECTOR – PURSUANT TO CLAUSE 49(v)

To,  
The Board of Directors,  
Veerhealth Care Limited

- We have reviewed the Financial Statements and the Cash Flow Statements of Veerhealth Care Limited for the year ended 31<sup>st</sup> March, 2014 and to the best of our knowledge and belief;
  - These statements do not contain any materially untrue statement or omit any material facts or contain statement that might misleading;
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 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 violate the Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- We have indicated to the Auditors and the Audit Committee:
  - That there are no significant changes in internal control over financial reporting during the year;
  - That there are no significant changes in accounting policies during the year; and
  - That there are no instances of significant fraud of which we have become aware.

**For Veerhealth Care Limited**

Sd/-

**Bhavin Shah**

**Managing Director**

**Place :- Mumbai**

**Date :- 30<sup>th</sup>May, 2014**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To The Members,**

**M/s. Veerhealth Care Limited,**

We have examined the compliance of conditions of Corporate Governance of M/s. Veerhealth Care Limited, for the year ending 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We 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 Jayesh R. Shah & Co**  
Chartered Accountants  
Firm Registration No. 104182W

**Sd/-**  
**Jayesh Shah**  
Proprietor  
Membership No. 033864

**Place : - Mumbai**  
**Date : - 30<sup>th</sup>May, 2014**

## MANAGEMENT DISCUSSIONS& ANALYSIS

### Industry structure and Outlook

Ayurveda can be seen as one of most visible faces of alternative medicines practiced throughout the world. In India, it has regained its lost ground in mass appeal along with renewed interest for it in the west. There has been noticed a renewed tendency to turn back towards natural cure. Therefore, natural medicines have made a huge comeback. The Indian government supports research and teaching in Ayurveda through many channels at both the national and state levels. World Health Organization statistics demonstrate traditional medicine as being the primary system of health care.

The business prospects amounts to a \$20 billion ready market, which is growing at a very fast rate and would become a \$5 trillion market worldwide by 2050. It goes without saying that large portions of this market would be centred in India being the origin. The total size of the Indian Ayurvedic market is INR 50 billion and it is growing substantially at a rate between 10-15 percent, with the same growth rate targeted for the next 10 years.

There are two big advantages in this industry to be gained by prospective investors. First, that it is recession proof – as the healthcare industry has always been. Second, it reaches out to a larger chunk of target consumers across all income groups. As such, this happens to be a great time to be in the Ayurveda market as it is expected to grow exponentially in the next few years.

### SWOT Analysis

#### Strength:

1. The company has an extensive range of Ayurvedic medicines covering Tablet, Powder, Liquid, and Ointments.
2. The company produces 100% natural products which are not tested on animals thus the range of products are 100% cruelty free.
3. The company has appointed Dr. Vinod C Mehta as the Head of Formulations & Production. He is a Gold Medalist in Ayurveda and is an ayurvedic practitioner since 30 years.
4. The company carries out R&D and Clinical Testing activities on an on-going basis.

#### Weakness:

1. Doctors prescribe allopathic medicines as they get more incentives from medical companies and the share of Ayurvedic companies is less compared to allopathy.
2. The company does not have any direct outlets.
3. Lack of awareness among the masses of the benefits of using Ayurveda over Allopathy drugs.
4. The company is a new entrant in this field and will take time to establish its network.
5. Building a Brand Image involves high cost and considerable amount of time.

#### Opportunity:

1. Gujarat hosts majority of the large pharmaceuticals corporation in India due to its favorable policies supporting the growth of the sector.
2. The factory is located within the radius of 15 Km from Ahmedabad city and so labour is freely available.
3. Factory is constructed as per the prescribed WHO standards which will help the company to stand in international market.
4. The factory is well-equipped with state-of-the art manufacturing facilities for producing quality products.
5. The global health care products industry is growing at a very rapid pace which allows company to pursue aggressive expansion plans.
6. The company seeks to boost sales by selling through leading retail stores and various distribution channels.
7. Improper and unhealthy food habits due to modernization have forced people to take ayurvedic supplementary medicines.

#### Threats:

1. Stiff competition impacts pricing power as existing companies are using pricing as a tool because high inflation makes lower prices easier to attract consumers.

2. Constant increase in costs in terms of raw material and packaging costs.
3. The allopath players are of major threat as they invest heavily on advertising and distribution of their products through medical representatives etc.
4. Since the cultural mind set is such that Ayurvedic treatment takes more time to heal people are afraid to start it.

**Internal control systems and their adequacy:**

The internal controls of the company are adequate for its nature and size.

**Cautionary Statement:**

The statements made above may be construed as forward looking statements within the meaning of the applicable laws and regulations. Actual performance of the Company may vary substantially depending upon the business structure and model from time to time.

For and behalf of the Board  
**For Veerhealth Care Limited**

Sd/-  
Bhavin Shah  
(Director)

Sd/-  
Yogesh Shah  
(Director)

Sd/-  
Jayant Shah  
(Director)

Place : - Mumbai  
Date : - 30<sup>th</sup>May, 2014

## INDEPENDENT AUDITOR'S REPORT

To The Members of  
**Veerhealth Care Limited (Formerly Known as Niyati Industries Limited)**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Veerhealth Care Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- (c) The Balance Sheet, The Statement of Profit and Loss, and The Cash Flow Statement dealt with by this Report are in agreement with the books of account

- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
- (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For Jayesh R. Shah & Co.**

Chartered Accountants

Firm's Registration Number 104182W

Sd/-

**Jayesh Shah**

Proprietor

Membership Number 033864

**Place : - Mumbai**

**Date : - 30<sup>th</sup> May, 2014**

**Annexure referred to in paragraph (1) under "Report on Other Legal and Regulatory Requirements" of Independent Auditors Report of even date.**

- (i)(a) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of available information.
- (b) According to the information and explanation, the fixed assets have been physically verified by the management once in a year which in our opinion is reasonable, having regards to the size of the Company and nature of its business. No material discrepancies have been noticed on such verifications.
- (c) In our opinion, the Company has not disposed off a substantial part during the year and the going concern status of the Company is not affected.
- (ii)(a) As per the information furnished, the inventories have been physically verified by the management during the year at reasonable intervals, having regard to the nature of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business;
- (c) The Company has maintained proper records of inventories. As explain to us, no material discrepancies have been noticed on physical verification of inventories as compared to book records.
- (iii)(a) As per the information furnished, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the Register, maintained under Section 301 of the Companies Act, 1956;
- (b) The rate of interest and other terms and conditions in respect of the unsecured loans given by the Company to its employees and others, are in our opinion, prima facie not prejudicial to the interest of the Company;
- (c) In respect of such loans given by the Company, where stipulations have been made, they have generally repaid the principal amounts as stipulated and have been regular in payment of interest, where applicable;
- (d) In respect of such loans given by the Company, there are no overdue amounts more than Rs. 1,00,000/-.
- (e) As per the information furnished, the Company has not taken any loans secured or unsecured to companies, firms or other parties covered in the Register, maintained under Section 301 of the Companies Act, 1956; Consequently, the requirements of Clauses (iii) (f & g) of paragraph 4 of the Order are not applicable.
- (iv). In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventories, fixed assets and for sale of goods & services.
- Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.



- (v).(a) Based on the procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that the transactions made in pursuance of contracts or arrangements, that need to be entered in to the register maintained under Section 301 of the Companies Act,1956 have been so entered ;
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contract/arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs.5,00,000/- or more in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company..
- (vi).According to the information and explanation given to us, the Company has not accepted any deposits during the year from the public within the meaning of the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. Hence, Clause (vi) of the order is not applicable to the Company.
- (vii).In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
- (viii).As per the information provided, the Company is not covered under Section 209(1)(d) of the Companies Act, 1956, hence not required to maintain cost records.
- (ix).(a) According to the information and explanation given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance Fund, Income-tax, Sales-tax, wealth tax, service tax, Custom Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the records of the Company and the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty, PF, ESIC and any other statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2014. for a period of more than six months from the date they become payable.
- (b)According to the records of the Company and information and explanation given to us and record verified by us there are no outstanding dues of Sales-tax, Custom Duty, Excise Duty, Income tax, wealth tax, service tax, cess which have not been deposited, with the appropriate authorities on account of disputes.
- (x).The accumulated losses of the Company is Rs. 7615261/-. The Company has not incurred cash losses during the financial year covered by the audit and in the immediate preceding financial year.
- (xi). Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of its dues to any banks or financial institutes and debenture holders.
- (xii). In our opinion and according to the explanations given to us and based on our examination of the records, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii). In our opinion, the Company is not a chit fund/nidhi/mutual benefit fund/society. Therefore the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- (xiv). The Company has maintained proper records of transactions in respect of dealing and trading in shares, securities, debentures and other investments and timely entries have generally been made therein. All shares, debentures, and other securities have been held by the Company in its own name.
- (xv). According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi).According to the records verified us, we are of the opinion that the Company has not obtained any term loan during the year.
- (xvii). On the basis of our examination of the Balance Sheet and Cash Flow statement, we are of the opinion that the fund raised on short term basis have not been used for long term investments,. The Company has not raised long term funds during the year and hence, the use of such funds for short-term investments does not arise.
- (xviii). 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 during the year.
- (xix). The Company has not issued any debentures during the year.
- (xx). The Company has not raised any money by way of public issue during the year.
- (xxi). On the basis of our examination and according to the information and explanations given to us, no material fraud, on or by the Company, has been noticed or reported during the year under audit.

**For Jayesh R. Shah & Co.**  
Chartered Accountants  
Firm Registration No.104182W

**Sd/-**  
**Jayesh Shah**  
Proprietor  
Membership No. 033864  
**Place : - Mumbai**  
**Date : - 30<sup>th</sup> May, 2014**

<b>VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)</b>			
<b>Balance Sheet as at 31st March, 2014 (Amount in "000")</b>			
Particulars	Note No	As at 31/03/2014	As at 31/03/2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	69342	68988
(b) Reserves and Surplus	3	58067	58540
(c) Money Received against share warrants	4		0
<b>(2) Share application money pending allotment</b>	5	0	0
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	6	0	0
(b) Deferred tax liabilities (Net)	7	41	13
(c) Other Long term liabilities	8	0	0
(d) Long term provisions	9	110	66
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	10	0	0
(b) Trade payables	11	924	17028
(c) Other current liabilities	12	577	158
(d) Short-term provisions	13	103	0
<b>Total</b>		129166	144792
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	14		
(i) Tangible assets		48986	1524
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments	15	0	10
(c) Deferred tax assets (net)	16	0	0
(d) Long term loans and advances	17	32500	30000
(e) Other non-current assets	18	447	548
<b>(2) Current assets</b>			
(a) Current investments	19	0	40
(b) Inventories	20	954	5035
(c) Trade receivables	21	809	17129
(d) Cash and cash equivalents	22	-108	3698
(e) Short-term loans and advances	23	45578	86809
(f) Other current assets	24	0	0
<b>Total</b>		129166	144792
<b>Notes Financial Statements and Significant Accounting Policies</b>			
<b>The note No. 1 to 53 forms an integral part of these Financial Statements</b>			
As per our Report of Even date Attached For Jayesh R. Shah & Co. Chartered Accountants Firm Regn. No. 104182W		For and on behalf of the Board	
Sd/- Jayesh Shah Proprietor M.No. 033864 Place: Mumbai Date: 30th May, 2014	Sd/- Bhavin Shah Executive Director	Sd/- Yogesh Shah Director	
	Sd/- Jayant Shah Director		

<b>VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)</b>			
<b>Statement of Profit and Loss for the year ended 31st March, 2014 (Amount in "000")</b>			
Particulars	Note No	2013-14	2012-13
I. Revenue from operations	25	29882	27748
II. Other Income	26	5374	3853
<b>III. Total Revenue (I + II)</b>		<b>35256</b>	<b>31601</b>
<i>IV. Expenses:</i>			
Cost of materials consumed	27	0	0
Purchase of Stock-in-Trade	28	27217	32558
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	29	4081	-2801
Other Manufacturing Expenses	30	28	0
Employee benefit expense	31	2246	1132
Financial costs	32	0	4
Depreciation and amortization expense	14	169	169
Other expenses	33	1126	484
<b>Total Expenses</b>		<b>34867</b>	<b>31546</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	388	54
VI. Exceptional Items	34	0	0
VII. Profit before extraordinary items and tax (V - VI)		388	54
VIII. Extraordinary Items	35	0	0
IX. Profit before tax (VII - VIII)		388	54
X. Tax expense:			
(1) Current tax		103	29
(2) Deferred tax		28	-37
		131	-8
XI. Profit (Loss) from the period from continuing operations	(IX - X)	257	63
XII. Profit / (Loss) from discontinuing operations	36	0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit / (Loss) from Discontinuing operations (XII - XIII)		0	0
XV. Profit / (Loss) for the period (XI + XIV)		257	63
XVI. Earning per equity share:			
(1) Basic		0.004	0.002
(2) Diluted		0.004	0.002
<b>Notes Financial Statements and Significant Accounting Policies</b>			
<b>The note No. 1 to 53 forms an integral part of these Financial Statements</b>			
As per our Report of Even date Attached For Jayesh R. Shah & Co. Chartered Accountants Firm Regn. No. 104182W		For and on behalf of the Board	
Sd/- Jayesh Shah Proprietor M.No. 033864 Place: Mumbai Date: 30th May, 2014		Sd/- Bhavin Shah Executive Director	Sd/- Yogesh Shah Director
		Sd/- Jayant Shah Director	

<b>VEERHEALTH CARE LIMITED ( FORMERLY NIYATI INDUSTRIES LIMITED)</b>			
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Amount in "000")</b>			
		As at 31/03/2014	As at 31/03/2013
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit after tax	257	63
	<u>Adjustments for :</u>		
	Depreciation / Amortisation	169	169
	Share Issue Expenses written off	0	0
	Right Issue Expenses written off	0	0
	Prior year adjustment	0	0
	Other Income	-5374	-3853
	Operating Profit before Working Capital Changes	-4947	-3621
	<u>Adjustments for :</u>		
	(Increase) / Decrease in Long term loans and advances	-2500	-30000
	(Increase) / Decrease in Other non current assets	101	-548
	(Increase) / Decrease in Inventories	4081	-2801
	(Increase) / Decrease in Trade Receivable	16320	-17129
	(Increase) / Decrease in short term loans and Advances	41231	-36436
	(Increase) / Decrease in Other Current Assets	0	0
	(Increase) / Decrease in Current Investments	40	-2
	Increase / (Decrease) in other long term liabilities	0	0
	Increase / (Decrease) in Long term provisions	45	34
	Increase / (Decrease) in Current Liabilities		
	Increase / (Decrease) in Short Term Borrowings	0	0
	Increase / (Decrease) in Trade Payables	-16103	16985
	Increase / (Decrease) in Other Current Liabilities	419	13
	Increase / (Decrease) in Short Term Provisions	103	0
	Cash generated from Operations	43736	-69884
	Deferred Tax Adjustment	28	37
	Net Cash (used) / from Operating Activities	<b>38760</b>	<b>-73542</b>
<b>B</b>	<b>Cash flow from Investing Activities</b>		
	Sale / (Purchase) of Fixed Assets	-47630	
	Sale / (Purchase) of Non Current Investments	10	
	Increase / (Decrease) in Share Capital	355	32000
	Increase / (Decrease) in Reserve	-674	40000
	Increase / (Decrease) of Long Term Borrowings		
	Loss on Sale of Leased Assets		
	Interest & Other Income	5374	3853
	Net Cash (used in) / from Investing Activities	<b>-42566</b>	<b>75853</b>
<b>C</b>	<b>Cash flow from Financial Activities</b>		
	Dividend Paid	0	0
	Interest Paid	0	0
	Net Cash (used in) / from Financing Activities	0	0
	Net changes in cash & cash equivalents ( A + B + C )	-3806	2311
	Cash & cash equivalents - Opening Balance	3698	1387
	Cash & cash equivalents - Closing Balance	<b>-108</b>	<b>3698</b>
	<b>For Jayesh R. Shah &amp; Co.</b>	<b>For and on behalf of the Board</b>	
	Chartered Accountants		
	Firm Regn. No. 104182W		
	<b>Sd/-</b>	<b>Sd/-</b>	
	<b>Jayesh Shah</b>	<b>Bhavin Shah</b>	<b>Yogesh Shah</b>
	<b>Proprietor</b>	<b>Executive Director</b>	<b>Director</b>
	<b>M. No. 033864</b>		
	<b>Place : Mumbai</b>	<b>Sd/-</b>	
	<b>Date: 30th May, 2014</b>	<b>Jayant Shah</b>	
		<b>Director</b>	

<b>VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)</b>			
<b>Notes to the Financial Statements for the year ended 31st March, 2014 (Amount in "000")</b>			
Note No.	Particulars	As at 31/03/2014	As at 31/03/2013
<b>1</b>	<b><u>Significant Accounting Policies</u></b>		
(a)	<b><u>Basis of Accounting:</u></b> The financial statement are Prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on the accruals basis.Except in respect of assets classified as Non Performing Assets (NP)		
(b)	<b><u>Use of Estimates</u></b> The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those of estimated.		
(c)	<b><u>Revenue Recognition:</u></b>		
	(i) Sale of goods: Reveune from the sale of goods is recognized when significant risks and rewards in respect of ownership of the goods are transferred to the customer, as per the terms of the respective Sales Order.		
	(ii) Interest Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable		
	(iii) Dividend Dividend Income from investments are recognized when the right to receive payment established.		
(d)	<b><u>Fixed Assets</u></b> Fixed Assets are stated at cost, less accumulated depreciation and impairment losses. Cost includes all expenditure necessary to bring the assets to its working conditions for its intended use.		
(e)	<b><u>Depreciation and Amortisation</u></b> Depreciation is provided on the straight line method based as per the rate specified in Schedules XIV of the Companies Act, 1956.		
(f)	<b><u>Investments</u></b> Long-term investments are carried at cost. However, Provision is made to recognize, other than temporary, in the value of long-term investments. <b><u>Current Investments</u></b> ar carried at lower of cost and fair values, determined on individual basis.		
(g)	<b><u>Inventories</u></b> Inventories are at lower of cost and net realizable value. Stock of land is valued at lower of cost and net realizable value. Cost is determined on the weighted average basis, net realizable value is determined by management using technical estimates.		
(h)	<b><u>Borrowing Costs</u></b> Borrowing cost that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A quality asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are changed to revenue.		
(i)	<b><u>Retirement and other employee benefits</u></b> The Company has adopted the policy to provide for the Liability for gratuity and leave encashment benefits on actuarial valuation.		
(j)	<b><u>Provisions, Contingent liabilities and contingent Assets.</u></b> A Provision is recognized when the Company has a Present obligation as a result of past events and it is probable that an out flow of resources will be required to settle the obligation, in respect of which are reliable estimate can be made. Provisions are not discounted to their present value and are determined based on estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed by way of Notes to the account. Contingent assets are not recognized.		
(k)	<b><u>Provision for current and deferred tax</u></b> Provision for current income tax is made in accordance with the Income Tax Act,1961. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that original in oone period arecapable of reversal in one or more subsequently period.		

VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)			
Notes to the Financial Statements FOR THE YEAR ENDED 31ST March, 2014 (Amount in "000")			
Note No.	Particulars	As at 31/03/2014	As at 31/03/2013
(l)	<u>Impairments</u> Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount.		
(m)	<u>Earning Per Share</u> Basic earnings per Share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the Board of Directors. For the purpose of calculating diluted earnings per share, the net profit for period attributed to equity shareholders and the weight average number of share outstanding during the period adjusted for the effects of all dilutive potential equity shares. The number of equity shares are potential dilutive equity shares are adjusted for bonus as appropriate.		
(n)	<u>Share Issue Expenses</u> The share issue expenses is carried as an asset and is amortised over a period of 5 years		
<b>2</b>	<b><u>Share Capital</u></b>		
	<u>Authorised</u> 10,00,00,000 Equity shares of Rs. 1/- each (Previous year 10,00,00,000 Equity shares of Rs. 1/- each)	100000	100000
	<u>Issued, Subscribed and Paid up</u> 69342384 Equity shares of Rs. 1/- each fully paid up (Previous year 69578750 Equity shares of Rs.1/- each Less: Calls unpaid ( Other then Directors)	69342 0 69342	69579 591 68988
	236366 Equity shares of Rs.1/- each issued at premium of Rs.2.50 previously and call unpaid is forfeited during the year. Reconciliation of Share Capital- Equity Shares, Face Value of Rs. 1/-		
	<b>Shares outstanding at the beginning of the year</b>	69579	37579
	Shares issued during the year	0	32000
	Shares forfeited during the year	236	0
	<b>Shares outstanding at the End of the year</b>	69342	69579
	<b>Details of shares held by each share holders holding more than 5% shares</b>		
	Name	Number of Shares	%
	Yogesh Mahasukhlal Shah	8831	12.69
	Divyabala Mahasukhlal Shah	4640	6.67
<b>3</b>	<b><u>Reserves and Surplus</u></b>		
		As at 31st March, 2013	Addition during the year
		Deduction during the year*	As at 31st March, 2014
	Security Premium Reserve	58789	414
	General Reserve	7306	0
	Surplus in statement of profit and loss	-7556	257
		58540	731
	* Profit for the period	2014	2013
	Profit for the period	257	63
	Less: Dividend on Equity Shares	0	0
	Tax on Distributed Profits on Equity Shares	0	0
	Transfer to General Reserve	0	0
		257	63
	* Addition to profit include Rs.54403/- prior period adjustment		
<b>4</b>	<b>Money Received against share warrants</b>	0	0
<b>5</b>	<b>Share Application Money pending allotment</b>	0	0



<b>VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)</b>			
<b>Notes to the Financial Statements for the year ended 31st March, 2014 (Amount in "000")</b>			
Note No.	Particulars	As at 31/03/2014	As at 31/03/2013
<b>6</b>	<b>Long Term Borrowings</b>		
	Secured	0	0
	Unsecured	0	0
		<u>0</u>	<u>0</u>
<b>7</b>	<b>Deferred tax liabilities</b>		
	Deferred Tax Liabilities on account of Fixed Assets	75	33
	Deferred Tax Assets on account of Gratuity Provision	34	20
	Deferred Tax Liabilities ( Net )	<u>41</u>	<u>13</u>
<b>8</b>	<b>Other Long term liabilities</b>	<u>0</u>	<u>0</u>
<b>9</b>	<b>Long term provisions</b>		
	Provision for Gratuity	<u>110</u>	<u>66</u>
<b>10</b>	<b>Short-term borrowings</b>		
	Secured	0	0
	Unsecured	0	0
		<u>0</u>	<u>0</u>
<b>11</b>	<b>Trade payables</b>		
	Trade payables due to Micro, Small and Medium Ent.	0	0
	Trade Payable Others ( net of Advances )	924	17028
	Due from Related parties	0	0
	Others	0	0
		<u>924</u>	<u>17028</u>
<b>12</b>	<b>Other current liabilities</b>		
	Current maturities of long term debts	0	0
	Other payables-employees	0	0
	Trade deposits and Advances		
	Sales Tax, TDS and Withholding tax payable	-41	34
	Interest accrued and due		
	Interest accrued but not due		
	Unpaid matured deposits and interest accrued thereon		
	Other payables	619	124
		<u>577</u>	<u>158</u>
<b>13</b>	<b>Short-term provisions</b>		
	Dividends on Equity shares (Including Div.Dis.Tax		
	Income Tax and Wealth Tax	103	
	Employees benefits		
	Others ( Including provision for MTM on forward contracts)		
		<u>103</u>	<u>0</u>
<b>14</b>	<b>Fixed assets</b>	<u>48986</u>	<u>1524</u>
<b>15</b>	<b>Non-current investments</b>		
	(All unquoted unless otherwise specified)		
	<b>In shares of Listed Companies</b>		
	Name of the Company      No.      Face Value		
	Hindustan Org. Ltd.                      200                      10	0	10
		<u>0</u>	<u>10</u>
	<b>The market value of above investments is Rs.</b>	0	2
	<b>Deferred Tax Assets (Net)</b>	<u>0</u>	<u>0</u>
<b>17</b>	<b>Long term loans and advances</b>		
	Business-Deposits		
	Factory Deposits	20000	30000
	Office Deposits	12500	0
		<u>32500</u>	<u>30000</u>

VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)											
FIXED ASSETS :		Note - 14				(Amount in "000")					
DESCRIPTION	GROSS BLOCK				DEPRICIATION					NET BLOCK	
	AS AT 1.4.2013	ADD DURING THE YR.	DEDUC. DURING THE YR.	AS AT 31.3.2014	Up To 1.4.2013	On Op.Bal	On Add.	for the year 2013-14	Up To 31.3.2014	As at 31.3.2014	As at 31.3.2013
<b>OWNED ASSETS</b>											
Land at Shivakha Kutch	0	45000	0	45000	0	0	0	0	0	45000	0
Office Equipment	349	0	0	349	274	17	0	17	291	59	75
Furniture & Fixtures	0	1993	0	1993	0	0	0	0	0	1993	0
Computers	0	0	0	0	0	0	0	0	0	0	0
Plant & Machinerics	0	637	0	637	0	0	0	0	0	637	0
Car Valkswagon Vento	955	0	0	955	92	91	0	91	182	773	864
Car-Nissan Sunny XE	648	0	0	648	62	62	0	62	124	524	586
<b>Total</b>	<b>1952</b>	<b>47630</b>	<b>0</b>	<b>49583</b>	<b>428</b>	<b>169</b>	<b>0</b>	<b>169</b>	<b>597</b>	<b>48986</b>	<b>1524</b>
Previous Year	2084	0	0	2084	390	169	0	169	559	1524	1693

<b>VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)</b>			
<b>Notes to the Financial Statements for the year ended 31st March, 2014 (Amount in "000")</b>			
Note No.	Particulars	As at 31/03/2014	As at 31/03/2013
<b>18</b>	<b>Other non-current assets</b>		
	Staff Advances	25	20
	Share Issue Expenses ( Preferential)	422	528
		<u>447</u>	<u>548</u>
<b>19</b>	<b>Current investments</b>		
	<b>In mutual Fund</b>		
	Name                      No.                      Face Value		
	Reliance Liquid Fund      40.108	0	40
		<u>0</u>	<u>40</u>
	<b>The market value of above investments is Rs.</b>	<u>0</u>	
<b>20</b>	<b>Inventories</b>		
	Stock in Trade ( In respect of goods mfg.	954	
	Stock in Trade ( In respect of goods traded-shares		5035
		<u>954</u>	<u>5035</u>
<b>21</b>	<b>Trade receivables</b>		
	<b>Secured</b>	0	0
	<b>Unsecured</b>		
	Over 6 months-Good	0	0
	Others	809	17129
		<u>809</u>	<u>17129</u>
	Less : Provision for doubtful debts	<u>0</u>	<u>0</u>
		<u>809</u>	<u>17129</u>
<b>22</b>	<b>Cash and cash equivalents</b>		
	Cash in hand and as Imprest	61	213
	Cheques/ Drafts in hand	0	0
	On Current Account	-169	3484
	On Dividend Account		
	On Deposit Account		
	As Margin money		
		<u>-108</u>	<u>3698</u>
<b>23</b>	<b>Short-term loans and advances</b>		
	Loans and Advances to Related Parties	0	0
	<b>Loans and Advances to Others</b>		
	Business Advances	25840	30561
	Other Advances	479	20143
	<b>Deposits</b>		
	Intercorporate Deposits	18286	35310
	Other Deposits		
	Deposits/Balances with Excise/VAT authorities	0	0
	Advance payment of Income Tax/Wealth Tax/TDS	972	795
	MAT credit entitlement	0	0
		<u>45578</u>	<u>86809</u>
<b>24</b>	<b>Other current assets</b>		
	Other current assets	0	0
<b>25</b>	<b>Revenue from operations</b>		
	Sales of Goods	26515	21491
	Sales of Shares	3367	6257
	Other Operating Income	0	0
		<u>29882</u>	<u>27748</u>
	Less:      Excise Duty	<u>0</u>	<u>0</u>
	Net Sales	<u>29882</u>	<u>27748</u>
	<b>Particulars of Sale of Products</b>		
	Sale of Pharma Items	26515	21491
	Dealings in Shares	3367	6257

<b>VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)</b>			
<b>Notes to the Financial Statements for the year ended 31st March, 2014 (Amount in "000")</b>			
Note No.	Particulars	As at 31/03/2014	As at 31/03/2013
<b>26</b>	<b>Other Income</b>		
	Interest from Others	5004	3804
	Dividend	48	49
	Brokerage	262	0
	Share forfeit profit	59	0
		<u>5374</u>	<u>3853</u>
<b>27</b>	<b>Cost of materials consumed</b>	<u>0</u>	<u>0</u>
<b>28</b>	<b>Purchase of Stock-in-Trade</b>		
	Shares	0	11181
	Pharma items	27217	21377
		<u>27217</u>	<u>32558</u>
<b>29</b>	<b>Change in Inventories of finished goods, WIP and Stock in Trade</b>		
	Stock at close-Pharma Items	954	0
	Stock at close-Shares	0	5035
		<u>954</u>	<u>5035</u>
	Stock at commencement-Pharma Items	0	0
	Stock at commencement-Shares	5035	2234
		<u>5035</u>	<u>2234</u>
		<u>4081</u>	<u>-2801</u>
<b>30</b>	<b>Other Manufacturing Expenses</b>	<u>28</u>	<u>0</u>
<b>31</b>	<b>Employee benefit expense</b>		
	Salaries, Wages, Bonus, Gratuities & Allowances	2155	1101
	Contribution to Provident & Superannuation Fund	45	0
	Staff Welfare Expenses	46	32
		<u>2246</u>	<u>1132</u>
<b>32</b>	<b>Financial costs</b>		
	Interest expenses on overdrafts and other borrowings	0	0
	Bank Charges	0	4
		<u>0</u>	<u>4</u>
<b>33</b>	<b>Other expenses</b>		
	Rent	0	0
	Rates & taxes	0	0
	Insurance	40	37
	Advertisement publicity & sales promotion	22	6
	Travelling & other incidental expenses	191	80
	Office maintenance	55	42
	Vehicle running & maintenance & Conveyance	91	0
	Printing & stationery	23	26
	Communication expenses	67	73
	Staff recruitment & training	0	0
	Donation	0	0
	Auditors remuneration As auditors	85	65
	for tax audit	15	15
	for certification/limited review	50	40
	out of pocket expenses	0	0
	Legal, professional & consultancy charges	190	14
	Frieght & f forwarding (including ocean freight)	0	0
	Director's sitting fees	0	0
	Director's commission	0	0
	Listing Fees	89	46
	Miscellaneous expenses	37	39
	Share Transfer Exp.	37	0
	Share issue expenses w/Off	106	0
	Foreign exchange fluctuation loss/(gain)	0	0
	Discount & claims to customers and other selling expenses	24	0
	VAT/CST/Ser Tax paid	3	0
	Commission on sales	0	0
	Loss/(gain) on sale/disposals of fixed assests/intangibles	0	0
		<u>1126</u>	<u>484</u>

VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)				
Notes to the Financial Statements for the year ended 31st March, 2014 (Amount in "000")				
Note No.	Particulars	As at 31/03/2014		As at 31/03/2013
34	VI. Exceptional Items	0		0
35	VIII. Extraordinary Items	0		0
36	XII. Profit/(Loss) from discontinuing operations	0		0
37	<u>Value of Imports on CIF basis in respect of :</u>	<b>2013-14</b>		<b>2012-13</b>
	Raw Material	Nil		Nil
	Componets and Spare Parts	Nil		Nil
	Capital Goods	Nil		Nil
38	Expenditure in Foreign Currency on account of:			
	a) Royalty, know how, professional, consultation fees, interest and other matters	Nil		Nil
	b) Travelling	Nil		Nil
39	Dividend Remitted in foreign currency	Nil		Nil
40	<u>Earning in foreign exchange</u>			
	FOB Value of exports	0	0	0
	Royalty, know how Professional and consultancy fees	0	0	0
	Interest and dividends	0	0	0
	Other Income	0	0	0
41	<u>Value of Imported and Indigenous material consumed &amp; percentage there of</u>			
		Value	%	Value
	Value of Imported material consumed	0	0	0
	Value of Indigenous material consumed	0	0	0
	Total	0	0	0
42	<u>Payment to Auditors</u>			
	a) As Auditor :	85		65
	b) As Advisor, or in any other capacity			
	i) Taxation matters ( Tax Audit)	15		15
	ii) Company Law matters;	-----		-----
	iii) management services	-----		-----
	c) In any other manner- Certification/Limited Review	50		40
43	<u>a) Employees Retirement Benefits:</u>			
	As required by the mandatory accounting standard -15 regarding "Accounting for Retirement Benefits in the Financial Statements of Employer", the Company has provided the liability as per the report of actuary valuation as on 31st March, 2014.			
44	<u>Segment Reporting as required by Accounting Standard 17</u>			
				%
	Sale of Goods	26515	88.73	12734
	Sale/Trading in shares	3367	11.27	6257
		29882	100%	18991
				67.05
				32.95
				100%
45	<u>Related parties disclosure in accordance with the accounting standard 18</u>			
	List of Related Parties : Enterprise owned or significantly controlled by the Directors of the Company:			
	The name of the Company/Firm	Director	Capacity	
		Interested		
	1 Nutan Plastics Works	Jayant S. Shah	Proprietor	
	2 Rishabh Fin-trade Limited	Jayant S. Shah	Director	
	3 Tarpan Finance & Investments Pvt. Ltd.	Jayant S. Shah	Director	
	4 Shruti Power Projects Pvt. Limited	Bhavin Shah	Director	
	5 Veer Energy & Infrastructure Limited	Yogesh M. Shah	Managing Director	
	6 Shruti Power Projects Pvt. Limited	Yogesh M. Shah	Director	
	7 Krupa Windtech Pvt. Ltd.	Yogesh M. Shah	Director	
	8 Ruchi Windfarm Pvt. Ltd.	Yogesh M. Shah	Director	
	9 M/s. Arpan Housing Company	Yogesh M. Shah	Proprietor	
	10 Krupa Y. Shah	Yogesh M. Shah	Daughter	

<b>VEERHEALTH CARE LIMITED (FORMERLY NIYATI INDUSTRIES LIMITED)</b>			
<b>Notes to the Financial Statements for the year ended 31st March, 2014 (Amount in "000")</b>			
Note No.	Particulars	As at 31/03/2014	As at 31/03/2013
	Key Managerial Person Mr. Bhavin Shah	Executive Director	
	<b>Transaction with Related Party</b>		
	Veer Energy & Infrastructure Limited	Purchase of Land	45000
	Ms. Krupa Y. Shah	Salaries Paid	195
	Details of outstandings with Related Party at the end of the year		
		31-3-2014	31-3-2013
	Veer Energy & Infrastructure Limited	0	30000
<b>46</b>	<u>Earning per Share as required by AS-20</u>		
	Profit after Tax	257	63
	Basic No. of Shares at the end of the year	69342	69579
	No. of Shares at the beginning of the year	69579	43979
	Basic EPS	0.004	0.001
	Diluted EPS	0.004	0.001
<b>47</b>	There are no pending capital commitments.		
<b>48</b>	<u>Contingent Liabilities</u>		
	There are no contingent liabilities as on the date of the balance sheet.		
<b>49</b>	The Company has no liability under Micro, Small and Medium Enterprises Development Act, 2006 ( the Act) and hence disclosure regarding:		
	(a) Amount due and outstanding to suppliers as the end of accounting year;		
	(b) Interest paid during the year;		
	(c) Interest payable at the end of the accounting year, and		
	(d) Interest accrued and unpaid at the end of the accounting year, has not been provided.		
<b>50</b>	The Company is required to appoint a whole time Company Secretary as per the requirements of Section 383A of the Companies Act, 1956. The Company has advertised for the proper candidate, but could not get proper candidate, hence Company is getting work done from Practising Company Secretary on consulting basis. The Company is in process trying to appoint a whole time Company Secretary.		
<b>51</b>	During the year under report, the Company has forfeited the 236366 partly paid up equity shares of the face value of Rs.1/- the last call of which was unpaid.		
<b>52</b>	The Company has diversified its operation in to Ayurvedic Pharma products manufacturing during the year and has planned its manufacturing activities at Ahmedabad. This factory will have state of art facilities and would comply with the GMP norms. The Company has already applied for the manufacturing licence and on receipt would apply for Brand Registration. The Company is hopeful to start its manufacturing operations from the second quarter of 2014-15.		
<b>53</b>	Previous year figures have been regrouped & rearranged wherever necessary.		
	As per our report of even date attached	<b>For and on Behalf of the Board</b>	
	<b>For JAYESH R SHAH &amp; CO.</b>		
	<b>Chartered Accountants</b>		
	<b>Firm Regn.No.104182W</b>		
	Sd/-	Sd/-	
	<b>Jayesh Shah</b>	<b>Bhavin Shah</b>	<b>Yogesh Shah</b>
	<b>Proprietor</b>	Executive Director	Director
	Membership No.033864		
		Sd/-	
		<b>Jayant Shah</b>	
		Director	
	Place : Mumbai		
	Date : 30th May, 2014		

<p><b>VEERHEALTH CARE LIMITED</b> 629-A, 1st Floor, Gazdar House, J.S.S. Marg, Near Kalbadevi Post Office, Mumbai- 400002</p> <p><b>ATTENDANCE SLIP</b> 22<sup>ND</sup> ANNUAL GENERAL MEETING ON 12<sup>th</sup> September, 2014 at 6, New Nandu, Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai- 400093</p>	
<p>PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING PLACE.</p> <p>Joint Shareholder may obtain additional Attendance Slips on request</p>	
NAME ADDRESS OF THE SHAREHOLDER	L.F. NO.
<p>I hereby record my presence at 22<sup>nd</sup> ANNUAL GENERAL MEETING of the company at 6, New Nandu, Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai- 400093</p> <p>SIGNATURE OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING</p>	
IF SHAREHOLDER, PLEASE SIGN HERE	IF PROXY. PLEASE SIGN HERE
<p>NOTE: The copy of Annual Report may please be brought to the meeting Place.</p>	
<p>(TEAR HERE)</p> <p>VEERHEALTH CARE LIMITED</p> <p><b>PROXY FORM</b></p>	
<p>REGISTERED OFFICE:</p> <p>L.F. NO. _____</p> <p>I / WE _____ OF _____</p> <p>Being a member/members of VEERHEALTH CARE LIMITED hereby appoint _____</p> <p>OF _____</p> <p>Or failing him/her _____ OF _____</p> <p>As my/our proxy to vote for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the Company to be held at as witness my / our hand(s) this _____ day of _____</p>	
<p><b>(SIGNATURE OF THE SHAREHOLDER)</b></p> <p>NOTE: The Proxy form must be returned so as to reach the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting.</p>	

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**Mumbai Office:**

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Nr. Kalbadevi Post Office,

J. S. S. Road, Mumbai – 400002

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