



ANNUAL REPORT

1998-99

REQUEST TO MEMBERS

1. Members queries relating to the accounts may please be forwarded to the Company so as to reach the Registered Office of the Company on or before 11th September, 1999.
 2. Since the Cost of paper has increased considerably, it would not be possible to distribute copies of the Annual Report at the meeting. Members are therefore, requested to bring with them the Annual Report being despatched to them.
 3. Members / their representatives are requested to bring the Attendance Slip duly filled in for attending the meeting.
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BOARD OF DIRECTORS

DR. ARJUN D. SEHGAL
Chairman and Managing Director

DR. (MRS.) VERSHA SEHGAL,
Executive Director (Operations)

SH. O. P. VAISH

SH. DHANRAJ SONDIHI

SH. S. K. BHAYANA

DR. TRIPTA DUTTA

- DR. VIVEK SEHGAL

DR. GAUTAM SEHGAL

**COMPANY SECRETARY CUM
FINANCE CONTROLLER**

SH. N. L. GAYARI

BANKERS

Bank of India

AUDITORS

M/s. T. R. CHADHA & CO.
CHARTERED ACCOUNTANTS
B-30, CONNAUGHT PLACE
NEW DELHI-110001.

REGISTERED OFFICE :

B-22, KAILASH COLONY
NEW DELHI-110048
INDIA
TEL. : 6443053 FAX : 6475300.

ADMN. OFFICE

B-29, KAILASH COLONY
NEW DELHI-110048
INDIA.



NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Fourteenth Annual General Meeting of the Company will be held on Friday, the 17th September, 1999 at 11:00 A.M. at Sikand Hall, Delhi Tuberculosis Association, 9, Institutional Area, Lodhi Road, New Delhi - 110 003 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited statement of accounts for the year ended 31st March, 1999 together, with Directors and Auditor's Report thereon.
2. To appoint a Director in place of Dr. Vivek Sehgal who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Dr. Gautam Sehgal who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of the Fourteenth Annual General Meeting till conclusion of the next annual general meeting and to fix their remuneration.

SPECIAL BUSINESS

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

RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 311 read with Schedule XIII 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, the company hereby re-appoint Dr. Arjun D. Sehgal as Managing Director of the Company to hold the said office for a period of three years commencing from 1st January, 2000 on the following terms and conditions.

REMUNERATION

1. Salary : Rs. 15,000/- (Rupees Fifteen Thousand only) per month with an annual increment of Rs. 1,000/- p.a.

PERQUISITES

Category A

- (i) Housing : Rent Free Accommodation up to sixty percent of salary over and above ten percent payable by the Managing Director. In case of no accommodation is provided house rent allowance to the extent of 60% of the salary.
- (ii) Club Fees : Fees of clubs subject to a maximum of two clubs excluding admission and life membership fees.
- (iii) Personal Accident Insurance : Premium not to exceed Rs. 1,000/- per annum.



NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

Category B

- (i) Contribution to Provident Fund and Superannuation Fund as per rules of the Company.
- (ii) Gratuity not exceeding one half month's salary for each completed year of services. Subject to a ceiling of Rs. 3,50,000/-.

Category C

- (i) Free Telephone facilities at residence for official purposes.

"RESOLVED further that, where in any financial year the Company has no profits or its profits are inadequate, the Board of Directors be and are hereby authorised to pay to Dr. Arjun D. Sehgal the same remuneration as above, as minimum remuneration."

"RESOLVED further that the Board of Directors be and are hereby authorised to make or accept any variations in the above said remunerations as per limits specified under Section II of Part II of Schedule XIII of the Companies Act, 1956, including any statutory modification or enactment thereof."

- 6. To consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution.

"RESOLVED that pursuant to the Provisions Sections 198, 269, 309, 311 read with Schedule XIII 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 the Company hereby re-appoint Dr. (Mrs.) Versha Sehgal as the whole time Director of the Company with the designation, Executive Director (Operations) for a period of three years with effect from 1st January, 2000 on the following terms and conditions."

REMUNERATION

- 1. Salary : Rs. 13,000/- (Rupees Thirteen Thousand only) per month with an annual increment of Rs. 1,000/- p.a.

Category A

- (i) Housing : Rent Free Accommodation up to sixty percent of salary over and above ten percent payable by the Executive Director.



NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

In case of no accommodation is provided house rent allowance to the extent of 60% of the salary.

- (ii) Club Fees : Fees of clubs subject to a maximum of two clubs excluding admission and life membership fees.
- (iii) Personal Accident Insurance : Premium not to exceed Rs. 1,000/- per annum.

Category B

- (i) Contribution to Provident Fund and Superannuation Fund as per rules of the Company.
- (ii) Gratuity not exceeding one half month's salary for each completed year of services. Subject to a ceiling of Rs. 3,50,000/-

Category C

- (i) Free Telephone facilities at residence for official purposes.

"RESOLVED further that, where in any financial year the Company has no profits or its profits are inadequate, the Board of Directors be and are hereby authorised to pay to Dr. (Mrs.) Versha Sehgal the same remuneration as above, as minimum remuneration."

"RESOLVED further that the Board of Directors be and are hereby authorised to make or accept any variations in the above said remunerations as per limits specified under Section II of Part II of Schedule XIII of the Companies Act, 1956, including any statutory modification or enactment thereof."

Regd. Office :
B-22, Kailash Colony
New Delhi - 110 048

By ORDER OF THE BOARD
For ADS DIAGNOSTIC LIMITED

Dated : 25th May, 1999

N. L. GAYARI
Company Secretary cum
Finance Controller



NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

NOTES

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of himself and the proxy need not be a member, Proxy in order to be effective, must be received by the company not less than 48 hours before the meeting. A blank proxy form is enclosed.
2. The Register of Member and Share Transfer Books of the Company shall remain closed from 7th September to 17th September, 1999 (both days inclusive).
3. Members are requested to intimate the change of address, if any.
4. This notice may be treated as the compliance u/s 302 of the Companies Act, 1956.

ANNEXURE TO NOTICE

- Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

Item 5. Dr. Arjun Dev Sehgal is one of the founder directors and a promotor of the Company has been re-appointed as Managing Director of the Company for a period of 3 years by the shareholders in their Annual General meeting held on 27th September, 1997 with the salary of Rs. 12,000/- per month with an annual increment of Rs. 1,000/- which term expires on 31st December, 1999.

Dr. A. D. Sehgal is one of the renowned Neuro Surgeons and under his leadership the Company has made rapid growth and today our Diagnostic Centre is rated to be one of the best managed centre in the country.

Considering his contribution, involvement, and the cost of living, the proposed salary is much less than what he deserves.

The Board of Directors recommend that Dr. A. D. Sehgal be re-appointed as Managing Director of the Company and be paid the remuneration as set out in the proposed resolution for a period of three years with effect from 1st January, 2000.

The Directors Dr. (Mrs.) Versha Sehgal, Dr. Vivek Sehgal and Dr. Gautam Sehgal may be deemed to be interested in the resolution to the extent they are relatives within the meaning of the Companies Act, 1956.



NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

Item 6. Dr. (Mrs.) Versha Sehgal is also one of the founder directors and she is one of the renowned gynecologists in the country. She is also acting as consultant to various Foreign Missions and Embassies.

Dr. (Mrs.) Versha Sehgal has been re-appointed as the Executive Director (Operations) by the shareholders in their Annual General Meeting held on 27th September, 1997 with the salary of Rs. 10,000/- per month with an annual increment of Rs. 1,000/-. The said term expires on 31st December, 1999.

She has in fact efficiently managed the Centre and the Company fully utilised her technical expertise. She takes very active part in the day to day administration of the centre.

So looking at the contribution she is making in the successful running of the centre the salary proposed in the above resolution is much less than what she actually deserves. But keeping the interest of the Company she has readily accepted the salary proposed in the above resolution. The Board therefore recommend her re-appointment as Executive Director (Operations) and be paid the remuneration as set out in the proposed Resolution for a period of three years with effect from 1st January, 2000.

Dr. A. D. Sehgal, Dr. Vivek Sehgal and Dr. Gautam Sehgal may be deemed to be interested in the resolution to the extent they are relatives within the meaning of the Companies Act, 1956.

Regd. Office :
B-22, Kailash Colony
New Delhi - 110 048

By ORDER OF THE BOARD
For ADS DIAGNOSTIC LIMITED

Dated : 25th May, 1999

N. L. GAYARI
Company Secretary cum
Finance Controller



DIRECTOR'S REPORT

TO THE MEMBERS

Your directors have pleasure in presenting the Fourteenth Annual Report together with audited accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

	1998-99	1997-98
Operating Income	2,54,11,933.31	2,35,62,542
Profit before interest and depreciation	63,31,685.92	57,49,087
Less : a) Interest	18,24,326.50	5,62,221
b) Depreciation	36,92,935.99	37,70,980
Net Profit before taxation	8,14,423.43	14,10,365
Provision for Taxes	1,00,000.00	1,50,000
Net Profit after taxation	7,14,423.43	12,60,365
Add : balance of profit/ (loss) brought forward from previous years.	1,15,96,826.55	1,05,91,540
Amount available for appropriation	1,23,11,249.98	1,18,51,906
Less Income Tax for earlier year	NIL	2,55,080
Balance carried to balance sheet.	1,23,11,249.98	1,15,96,826
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OPERATIONS

Your company has performed well during the year ended 31st March, 1999 inspite of competition, old MRI and depressed medical business. The overall income of your Company touched Rs. 254.11 lakhs as compared to Rs. 235.62 lakhs for the previous year, thus registering an increase of Rs. 18.49 lakhs during the year. However the net profit before the taxation has decreased to Rs. 8.14 lakhs as against Rs. 14.10 lakhs in the previous year registering a decrease of Rs. 5.96 lakhs. This is mainly because of increase in interest cost, cost of raw materials and other operative expenses. Your directors are pleased to inform you that a state of art technology CT costing Rs. 178 Lakhs has been commissioned in the last week of September 1997, is bringing more revenue and business is settling down comfortably. As reported in the last Director's report that the company also established a letter of credit for import of CT Scanner for Mathura CT Scan Centre for the total cost of the project is Rs. 70 Lakhs has been cancelled as the supplier had sold the equipment to another party. The Company is now negotiating with other parties for the equipment.

DIVIDEND

Due to paucity of profits your Director has not recommended any dividend as it is thought prudent to plough back the same for its expansion projects.

As per the recently enacted provisions of Section 205A of Companies Act, 1956 no amount lying in the unclaimed dividend account is eligible to be transferred to the "Investor Education and Protection Fund" established by the Central Government for this purpose.

Y2K COMPLIANCE

Your company has updated the hardware and software of secretarial accounting and is now in the process of upgrading Hardware & Software of accounting package before end of June 1999 with an Investment of Rs. 2 Lakhs.

LISTING

The Shares of your company are listed on The Delhi Stock Exchange Association Ltd. and The Stock Exchange, Mumbai. The Listing Fee in respect of both the Stock Exchanges has been paid for the year 1999-2000 in the month of April, 1999.

SHAREHOLDERS BENEFIT SCHEME

In order to continue the benefit to Shareholders the company has decided to extend the facility of free MRI, Color Doppler, Echo Cardio, X-Ray and ECG except cost of Medicines, films etc. used in the tests. The relatives and friends of Shareholders will be entitled to 25% concession on scanning charges of all tests except cost of material, films/professional charges and medicines etc. This scheme is valid till 30th September, 2000 and the concessional coupons are attached herewith.

DIRECTORS

Dr. Vivek Sehgal and Dr. Gautam Sehgal directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

The present term of Managing Director and Executive Director of the Company will expire on 31.12.99 and therefore necessary resolutions are being placed in the notice calling the ensuing Annual General Meeting, to obtain your approval for reappointment of Managing Director, Dr. Arjun D. Sehgal and Executive Director Dr. (Mrs.) Versha Sehgal for 3 years with effect from 01.01.2000.

AUDITOR'S REPORT AND RE-APPOINTMENT

The Auditors M/s. T. R. Chadha and Co., Chartered Accountants, New Delhi hold office till the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment.

Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956. The observations of Auditors and Notes on accounts are self-explanatory.

FIXED DEPOSITS

The Company has not accepted any deposits under Section 58A of Companies Act, 1956 during the financial year ended under review.

OTHER INFORMATION

The provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 do not apply as none of the employees of the Company was paid salary exceeding Rs.50,000/- per month if employed for part of the year or Rs. 6,00,000/- per annum if employed throughout the year.