



ANNUAL REPORT

2010 - 2011

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 19-07-2011.
 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 with them the Attendance Slip duly filled in for attending the meeting.
-

BOARD OF DIRECTORS:

DR. GAUTAM SEHGAL
Managing Director

DR. (MRS.) VERSHA SEHGAL

DR. VIVEK SEHGAL

MR. RAVI KOHLI

MR. ANIL MITHAL

MR. GIRISH SAREEN

MRS. RADHIKA SEHGAL

MR. N. L. GAYARI
Vice President - Finance &
Company Secretary

BANKERS:

Bank of India
D-142, East of Kailash
New Delhi 110065

AUDITORS:

M/s KHATTAR KHANNA & ASSOCIATES
CHARTERED ACCOUNTANTS
M-261, GREATER KAILASH - II
NEW DELHI - 110048

REGISTERED OFFICE:

B-22, KAILASH COLONY
NEW DELHI -110048
INDIA
TEL: 011- 41633126
FAX: 011-29245300

CORPORATE OFFICE:

114, SANT NAGAR
EAST OF KAILASH
NEW DELHI - 110065
TEL: 011-41620434, 41622193
FAX: 011-26448906

NOTICE OF TWENTY SIXTH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Company will be held on Friday the 29th July, 2011, at 11.30 A.M. at Sikand Hall, Delhi Tuberculosis Association, 9 Institutional Area, Lodhi Road, New Delhi 110003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited statement of accounts for the year ended 31st March, 2011 together with Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Ravi Kohli who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Girish Sareen who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of the Twenty Sixth Annual General Meeting till conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED that in partial modification of resolution No. 5 passed at the Annual General Meeting of the Company held on 16-07-2010 and pursuant to the provisions of section 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956, the remuneration of Dr. Gautam Sehgal, Managing Director of the Company be and is hereby increased as per details given hereunder during the remaining part of his tenure w.e.f. 01.06.2011,

Salary:- Rs. 1,25,000/- (Rupees One Lac Twenty Five Thousand only), Per Month.
HRA:- Rs. 75,000/- (Rupees Seventy Five Thousand only), Per Month."

"FURTHER RESOLVED that the remuneration payable to Dr. Gautam Sehgal shall not exceed Rs. 2 Lacs per month in the aggregate."

"FURTHER RESOLVED that remuneration paid to Dr. Gautam Sehgal as above shall be the minimum remuneration payable to him in the absence or inadequacy of profit during the currency of his tenure."

ANNEXURE TO NOTICE

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

Item 5.

Dr. Gautam Sehgal had been re-appointed as Managing Director w.e.f. 01.06.2010 for a period of 03 (Three) Years and his remuneration was fixed as Rs. 1,65,000/- (Rupees One Lac Sixty Five Thousand only) with power to the Board to modify/alter the same in accordance with provisions & the Act

The Board in consultation with the remuneration committee has increased Dr. Gautam Sehgal's remuneration to Rs. 2,00,000/- (Rupees Two Lacs only), in its meeting held on 30.05.2011.

The Board of Directors recommends the resolution as set out above for your approval.

The above may be treated as an abstract of the revision of terms of appointment of Dr. Gautam Sehgal under section 302 of the Act.

None of the Directors except Dr. Gautam Sehgal, Dr. (Mrs.) Versha Sehgal, Dr. Vivek Sehgal and Mrs. Radhika Sehgal are concerned or interested in the resolution.

Inspection

Memorandum and Articles of Association of the company and other document if any, are available for inspection at corporate office of the company between 10:30 A.M. and 12:30 P.M. on all working days except Sunday and Holidays.

By ORDER OF THE BOARD
For ADS DIAGNOSTIC LIMITED

Place: New Delhi
Dated: 30th May, 2011.

N. L. Gayari
Vice President - Finance &
Company Secretary

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 Members and Share Transfer Books of the Company shall remain closed from 25-07-2011 to 29-07-2011 (both days inclusive).
3. Members are requested to intimate the change of address, if any.

**By ORDER OF THE BOARD
For ADS DIAGNOSTIC LIMITED**

**N. L. Gayari
Vice President - Finance &
Company Secretary**

Place: New Delhi
Dated: 30th May, 2011.

TO THE MEMBERS:

Your Directors have pleasure in presenting the Twenty Sixth Annual Report together with the audited accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS	2010-2011 (Rs.)	2009-2010 (Rs.)
Operating Income	36817661.93	34092894.48
Profit before Interest & Depreciation	5748384.00	6123314.42
Less: a) Interest	1313343.84	1508688.15
b) Depreciation	3493130.44	3586140.71
Net Profit / (Loss) before Taxation	941909.72	1028485.56
Provision for Income Tax	175000.00	175000.00
Fringe Benefit Tax	0.00	0.00
Provision for Deferred Tax	4266.00	1199651.00
Net Profit / (Loss) after Taxation	762643.72	(346165.44)
Add: Balance of Profit Brought Forward from previous years	(1074430.71)	(717512.27)
Less: Transfer to General Reserve	0.00	0.00
Add : Excess / (Short) Provision for Income Tax for Previous Years	(24840.00)	(10753.00)
Add: Gratuity Fund surplus on adoption of revised AS 15	0.00	0.00
Balance carried to Balance Sheet	(336626.99)	(1074430.71)

OPERATIONS:

The operational income of the Company has increased from Rs. 340.93 lacs to Rs. 368.18 Lacs, registering a growth of 8%, in the current year. Income from scanning business has decreased from Rs. 41.88 lacs to Rs. 17.12 Lacs during the year under review. The income from trading and servicing has increased from Rs. 188.44 Lacs to Rs. 294.23 Lacs for the current year. While Distribution Commission has decreased from Rs. 101.88 Lacs to Rs. 50.90 Lacs for the current year. Overall income has increased by Rs. 27.25 Lacs, during the year under review.

INCOME FROM NON DIAGNOSTIC BUSINESS:

The Company has won the tenders for supply of Medical Equipment and hence the income from sales and services has picked up resulting in profit before Tax of Rs. 9.42 lacs for the year under review. The Board of Directors are hopeful to win the tenders in the year 2011-12 by which performance of the company will improve further.

DIVIDEND:

Due to the past losses the Board expresses their inability to recommend any dividend for the year 2010-2011.

LISTING:

Shares of your Company continue to be listed on Bombay Stock Exchange Limited, Mumbai and the listing fee has been paid for the year 2011-2012 in the month of April, 2011.

DIRECTORS:

Mr. Ravi Kohli & Mr. Girish Sareen, Directors of the Company retire by rotation and being eligible, offer themselves for reappointment.

The Board recommends to the shareholders the re-appointments of the above-mentioned Directors.

THE DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT (AMENDMENT ACT), 2000

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i) That in the preparation of the accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation related to material departures;

- ii) That the Directors have selected sound accounting policies and applied them consistently and made adjustments and estimates that were reasonable and prudent so as to give a fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit and Loss of the Company for the year under review;
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2011 on a 'going concern' basis.

AUDITORS' REPORT AND RE-APPOINTMENT OF AUDITORS

The Auditors, M/s Khattar Khanna & Associates, Chartered Accountants, New Delhi hold office till the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. They have furnished a certificate to the effect that their re-appointment, if made, will be in accordance with Section 224 (1B) of the Companies Act, 1956.

The observation of Auditors and Notes on Accounts are self-explanatory.

EMPLOYEES PARTICULARS

The Provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1999 as amended by Amendment Rules, 2002 do not apply, as none of the employees of the Company was paid a salary of Rs. 2,00,000/- or more per month, if employed for part of the year or Rs. 24,00,000/- per annum, if employed through out the year.

FIXED DEPOSITS

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo is given in the Annexure forming part of this Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation and assistance extended by the Bankers, the Medical Professionals and the Staff.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Dr. GAUTAM SEHGAL
Managing Director

Dr. (Mrs.) VERSHA SEHGAL
Director

Place: New Delhi
Date : 30th May, 2011.