

**A D S  
DIAGNOSTIC  
LIMITED**

**ANNUAL REPORT-2020**

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## COMPANY INFORMATION

<b>BOARD COMPOSITION</b> <b>Mr. Ravi Kohli</b> , Non Executive Independent Director & Chairman of Board <b>Dr. Gautam Sehgal</b> , Managing Director <b>Mr. Sunil Jasuja</b> , Independent Director <b>Mr. Girish Sareen</b> , Independent Director <b>Dr. (Mrs.) Versha Sehgal</b> <b>Dr. Vivek Sehgal</b> <b>Mrs. Radhika Sehgal</b>	<b>STATUTORY AUDITOR</b> <b>V. N. PUROHIT &amp; CO.</b> Chartered Accountants 214, New Delhi House, 27, Barakhamba Road, New Delhi - 110001
<b>REGISTERED &amp; CORPORATE OFFICE</b> 114, Sant Nagar, East of Kailash, New Delhi-110065 Tel: 011-41620434, 41622193 Fax: 011-41665880, 011-29245300 E-mail: <a href="mailto:adsmmedical@rediffmail.com">adsmmedical@rediffmail.com</a> <b>CORPORATE IDENTITY NUMBER</b> L85110DL1984PLC018486	<b>INTERNAL AUDITOR</b> M/s. AST & Associates, Chartered Accountants, New Delhi
<b>LISTED ON</b> Bombay Stock Exchange Limited	<b>BANKERS</b> Bank of India, D-142, East of Kailash, New Delhi - 110065
<b>E-MAIL</b> <a href="mailto:adsmmedical@rediffmail.com">adsmmedical@rediffmail.com</a>	<b>STAKEHOLDERS' RELATIONSHIP COMMITTEE</b> <b>Mr. Sunil Jasuja</b> , Chairman <b>Mr. Ravi Kohli</b> <b>Mr. Girish Sareen</b>
<b>WEBSITE</b> <a href="http://adsmmedical.com">adsmmedical.com</a>	<b>NOMINATION AND REMUNERATION COMMITTEE</b> <b>Mr. Girish Sareen</b> , Chairman <b>Mr. Ravi Kohli</b> <b>Mr. Sunil Jasuja</b>
<b>CFO &amp; COMPANY SECRETARY</b> <b>Mr. N.L. Gayari</b>	<b>AUDIT COMMITTEE</b> <b>Mr. Ravi Kohli</b> , Chairman <b>Mr. Girish Sareen</b> <b>Mr. Sunil Jasuja</b>



## NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty Fifth Annual General Meeting of the Members of ADS Diagnostic Limited will be held on Tuesday, the 29<sup>th</sup> September, 2020, at 03:30 P.M. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following business:

### ORDINARY BUSINESS:-

- 1 To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2020, together with the Reports of the Board of Directors and the Auditors thereon.
- 2 To appoint a Director in place of Mrs. Radhika Sehgal (DIN: 00034317), who retires by rotation and, being eligible, offers herself for re-appointment.
- 3 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 Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the Company hereby ratifies the appointment of M/s V. N. Purohit & Co. Chartered Accountants (Registration No. 304040E), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Next AGM of the Company to be held in the year 2021, to conduct the audit for the financial year 2020-21 at such remuneration plus GST, out-of-pocket, travelling expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS:-

- 4 To re-appoint Mr. Girish Sareen (DIN:00937770) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act 2013("the Act") read with Schedule IV to the Act (including any statutory modifications or reenactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Girish Sareen (DIN:00937770), who holds office of Independent Director up to 29<sup>th</sup> September,2020 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Girish Sareen for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of four consecutive years commencing from 1st October, 2020 upto 30th September 2024.

- 5 To re-appoint Mr. Ravi Kohli (DIN:01012554) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act 2013("the Act") read with Schedule IV to the Act (including any statutory modifications or reenactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Ravi Kohli (DIN:01012554), who holds office of Independent Director up to 29<sup>th</sup> September,2020 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Ravi Kohli for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 1st October, 2020 upto 30th September 2025.

- 6 To increase the borrowing power of the Company:

To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

"RESOLVED THAT in supersession of all the resolutions passed in that behalf by the company and pursuant to clause (d) of sub-section (1) of section 293 and all other applicable provisions, if any, of the Companies Act, 1956 and the Articles of Association of the Company, the consent be and is hereby accorded to the Board of the Directors for borrowing for and on behalf of the company, from time to time, any sum or sums of moneys, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, but so that total amount up to which moneys to be so borrowed under the said clause (d) of sub-section (1) of section 293 shall not at any time exceed Rs. 2000.00 Lakhs. (Rupees Two Thousand Lakhs only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution."

By Order of the Board of Directors

New Delhi, July 07, 2020

Sd/-

N.L. Gayari  
CFO & Company Secretary  
Membership No. -F02956



#### NOTES:-

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.adtdiagnosticlimited.net](http://www.adtdiagnosticlimited.net). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. [www.evotingindia.com](http://www.evotingindia.com)).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on 21/09/2020 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Company/Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting at the AGM.
9. The facility for e-voting will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting prior to the AGM, may attend the meeting but will not be entitled to cast their votes once again.
10. 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.
11. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
12. Members, who wish to obtain information on the Company or view the Financial Statements, may visit the Company's corporate website or send their queries at least 10 days before the AGM to the Company Secretary at the Registered Office of the Company.
13. 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.
14. The Register of Members and Share Transfer Books of the Company shall remain closed from **23-09-2020 to 29-09-2020** (both days inclusive)
15. 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.
16. Members are required to bring their admission slips to the AGM. Duplicate admission slips and / or copies of the Report and Accounts will not be provided at the AGM venue.



## VOTING INSTRUCTIONS

### Voting through electronic means:

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The instructions for shareholders voting electronically are as under:

- The voting period begins on 26/09/2020 (09:00 a.m. IST) and ends on 28/09/2020 (05:00 p.m. IST.) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22/09/2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- Click on Shareholders.
- Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction</li> </ul>

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



- 18 Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- 19 Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 20 In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. The Skyline Financial Services Private Limited, Registrar and Share Transfer Agent, of the Company will be providing VC/OAVM Services.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz, [adsmedical@rediffmail.com](mailto:adsmedical@rediffmail.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futrex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.



New Delhi, July 07, 2020

By Order of the Board of Directors

Sd/-

N.L. Gayari  
CFO & Company Secretary  
Membership No. -F02956

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")**

**Item Nos. 4**

It is proposed to approve the Re-appointment Mr. Girish Sareen as Independent Director of the Company under provisions of Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to hold office for 4 (Four) consecutive years commencing with effect from 1<sup>st</sup> October 2020. Mr. Girish Sareen was re-appointed as Independent Director of the Company by the Board of Directors with effect from 1<sup>st</sup> October, 2020 and is not liable to retire by rotation, which was subject to the approval of the Members.

Mr. Girish Sareen is not disqualified from being appointed as Independent Director in terms of provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has given his consent to act as Director. The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Mr. Girish Sareen for the office of Director of the Company.

The Company has also received declaration from Mr. Girish Sareen that he meets with the criteria of independence as prescribed under Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Girish Sareen possesses appropriate skills, experience and knowledge to discharge his functions and duties effectively, The Board considers that Mr. Girish Sareen continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Girish Sareen as an Independent Director.

In the opinion of the Board of Directors, Mr. Girish Sareen, fulfills the conditions specified in the Act and the Rules made there under and he is independent of the Management. A copy of the letter of appointment of Mr. Girish Sareen as an independent director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during the normal business hours on working days up to the date of the AGM.

Mr. Girish Sareen is interested in the resolution set out respectively at Item Nos. 4 of the Notice with regard to his appointment. The relatives of Mr. Girish Sareen may be deemed to be interested in the resolutions set out respectively at Item Nos. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board of Directors of the Company, therefore, recommends passing of the resolution at item No. 4 of the Notice for approval by the members as an ordinary resolution.

None of the Directors, Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise in the special resolution except to the extent of their shareholding in the Company.

**Item no 5**

It is proposed to approve the Re-appointment Mr. Ravi Kohli as Independent Director of the Company under provisions of Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to hold office for 5 (Five) consecutive years commencing with effect from 1<sup>st</sup> October 2020. Mr. Ravi Kohli was re-appointed as Independent Director of the Company by the Board of Directors with effect from 1<sup>st</sup> October, 2020 and is not liable to retire by rotation, which was subject to the approval of the Members.

Mr. Ravi Kohli is not disqualified from being appointed as Independent Director in terms of provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has given his consent to act as Director. The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Mr. Ravi Kohli for the office of Director of the Company.

Shri Ravi Kohli is not disqualified from being Re-appointed as Directors in terms of Section 164 of the Act and have given his consent to act as Director.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Shri Ravi Kohli for the office of Director of the Company.

The Company has also received declaration from Shri Ravi Kohli that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Ravi Kohli Fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Ravi Kohli is independent of the management.



Brief resume of Shri Ravi Kohli, nature of their expertise in specific functional areas and 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.

Copy of the draft letter for appointment of Shri Ravi Kohli as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

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

Shri Ravi Kohli is interested in the resolution set out respectively at Item Nos. 5 of the Notice with regard to his appointment.

The relatives of Shri Ravi Kohli may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board of Directors of the Company, therefore, recommends passing of the resolution at item No. 5 of the Notice for approval by the members as an ordinary resolution.

None of the Directors, Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise in the special resolution except to the extent of their shareholding in the Company.

#### **Item No.6**

The company needs funds to meet its operational and financial obligations considering that it is expanding its business of sales and service of medical equipments:

Pursuant to the provisions of section 293 (1)(d) and other provisions of the Companies Act, 1956, the company needs the approval of its shareholders for borrowing in excess of aggregate of its paid up capital and free reserves. In view of the above it is proposed to authorize the Board to borrow moneys upto **Rs. 2000.00 Lakhs (Rupees Two Thousand Lakhs only).**

None of the Directors are interested in the resolution.

The Board recommends the resolution for the approval of the shareholders.

#### **DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE AGM (PURSUANT TO REGULATIONS 26(4) AND 36(3) OF THE LISTING REGULATIONS AND SECRETARIAL STANDARDS - 2 ON GENERAL MEETINGS)**

Name of Director	Mrs. Radhika Sehgal
Director Identification Number (DIN)	00034317
Date of Birth	24-08-1971
Date of first appointment	25/05/2004
Qualifications	Has done her B.A. (Hon.) from Delhi University, she is also on the Board of two Private Limited companies, she has more than 20 years of experience in the field of Business
Terms and conditions of appointment/ re-appointment	Appointed as Executive Director liable to retire by rotation.
Details of remuneration last drawn (2019-20)	NIL
No. of Board Meetings attended during the year	3
<b>No. of shares held in the Company:</b>	
(a) Own	20,000
(b) For other persons on a beneficial basis	
List of Companies in which Directorship held as on 31.03.2020 (excluding foreign, private and Section 8 Companies).	NIL
Chairperson/ Member of the Mandatory Committees of the Board of the Companies on which he/ she is a Director as on 31.03.2020.	NIL



## DIRECTOR'S REPORT

### **DEAR MEMBERS,**

Your Directors are pleased to present the Thirty-Fourth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2020.

### **FINANCIAL HIGHLIGHTS**

PARTICULARS	2019-20 (Rs.),000	2018-19 (Rs.),000
Operating Income	143,314	91,287
Profit before Interest & Depreciation	13,050	16,938
Less: a) Interest	4,150	4,265
b) Depreciation	2,703	1,597
<b>Profit Before Exceptional and Extraordinary item and Tax</b>	<b>6,197</b>	<b>11,076</b>
Exceptional Item		
Net Profit / (Loss) before Taxation	6,197	11,076
Provision for Income Tax	1,495	2,277
Add: Short Provision for Income Tax for Previous years		
Less: Provision for Deferred Tax	(11)	308
<b>Net Profit / (Loss) after Taxation</b>	<b>4,712</b>	<b>8,492</b>
Add: Other Comprehensive Income	215	226
Total Comprehensive income attributable to equity holders	4,928	8,718
Less: Balance of Profit/ Loss Brought forward from previous years	7,686	(1,030)
Add: MAT Credit	425	
Less: Dividend paid for Previous Year	2,379	0
<b>Balance carried to Balance Sheet</b>	<b>10,660</b>	<b>7,686</b>

### Results of Business Operations and the State of Company's Affairs

The operational income of the Company has increased from Rs. 912.87 Lakhs to Rs. 1,433.14 Lakhs registering a Positive growth of 57 % in the current year. The income from trading and servicing has increased from Rs. 756.54 Lakhs to Rs. 1,270.51 Lakhs for the current year, while Distribution Commission has decreased from Rs. 51.07 Lakhs to Rs. 5.97 Lakhs for the current year. Overall income has increased by Rs. 520.27 Lakhs, during the year under review.

The Overall income has increased due to winning of tender for procurement of medical equipment by the Govt. The company has earned profit of Rs. 47.12 Lakhs after tax as against the profit of Rs. 84.92 Lakhs in Previous Year. The profit after Tax has decreased due to Foreign Exchange Loss of Rs. 54 Lakhs in this year. The Directors are hopeful to achieve further growth in the year 2020-21, as the company has undertaken new projects/Tenders.

### Number of meetings of the Board

Four (4) meetings of the Board were held during the year and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Dividend

Dividend could not be recommended by the board of directors as the payment from debtors majorly govt. hospitals not receive, cash flow doesn't permit to declared dividend for the current financial year.

### Directors' Responsibility Statement

Pursuant to Section 134, the board of directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.  
Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Listing

Shares of your Company continue to be listed on Bombay Stock Exchange Limited, Mumbai, and the listing fee will be paid for the year 2020-2021 in the month of September, 2020.

### Directors

The Board of Directors of the Company is duly constituted. In accordance with the provisions of Section 152 of the Act, Mrs. Radhika Sehgal, Director of the Company, retires by rotation and being eligible, offer himself for re-appointment. The Board recommended her re-appointment. Further, brief profile and other details of Mrs. Radhika Sehgal are provided in the Notice of the Annual General Meeting.



#### Independent Directors

The terms and conditions of appointment of independent directors are as per Schedule IV of the Act Pursuant to the Provisions of Section 134(3)(d) read with Section 149(6) the declaration by the independent Directors that they meet the criteria of independence has been received. During the year under review, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company.

#### Board Evaluation

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has devised a policy on the evaluation of performance of board of Directors, Committee and Individual Directors. Accordingly, the Chairman of the Nomination and Remuneration Committee obtained from all the board members duly filled in evaluation templates for evaluation of the Board as a whole, evaluation of the committees and peer evaluation. The summary of the evaluation reports were presented to the respective Committees and the Board for their consideration. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

#### Auditors

The Auditors, M/s V.N. Purohit & Co., Chartered Accountants, New Delhi, hold office till the conclusion of the ensuing Annual General Meeting and are recommended for ratification of appointment. They have submitted a certificate in accordance with the applicable provisions of the companies Act 2013, confirming their eligibility and willingness for re-appointment.

#### Policy on Directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(1) & (3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the directors' report.

#### Audit committee and Vigil Mechanism

The details pertaining to composition of audit committee and vigil mechanism are included in the Corporate Governance Report, which forms part of this report.

#### Auditors' report and secretarial auditors' report

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as an annexure which forms part of this report.

#### Particulars of loans, guarantees and investments

There was no Loan, Guarantees or Investments made by the Company under Section 186 of the Companies Act, 2013, during the year under report and hence the said provision is not applicable.

#### Transactions with related parties

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013, during the year under report. The details of transactions with the Company and related parties are given for information under notes to Accounts.

#### Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of annual return is attached to this report in the prescribed Form MGT-9.

#### Corporate Social Responsibility

Provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company.

#### Reserves

No amount is proposed to transfer/carry to any reserve.

#### Change in the Nature of the Business

There is no change in the nature of the Business of the Company during the year under report.

#### Material Changes

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate till the date of this report.

#### Conservation of Energy, Technology Absorption, Foreign Exchange 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.

#### Risk Management

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

#### Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Directors state that the company has zero tolerance on sexual harassment at workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### Significant and Material orders passed by the Regulators or Courts or Tribunals

No significant or material orders were passed by any Regulator or Courts or Tribunals which impact the going concern status and Company's operations in future.

#### Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

#### Managerial Remuneration and Particulars of Employees

The information pertaining to particulars of employees as Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in the Annexure forming part of this Report.

#### Deposits

The Company has not accepted any deposits under Section 73 of Companies Act, 2013, during the financial year under report.