

DEVAKI HOSPITAL LIMITED

MD	✓		BKC	✓
GS	NA		DPY	AA
P.O	✓		DIV	NA
TR	NA		AC	✓
AGE	✓	✓	SHI	✓
YE	✓	✓		✓



Eighth Annual Report 1997-98



DEVAKI HOSPITAL LIMITED

ANNUAL REPORT 1997 - 98**BOARD OF DIRECTORS**

Mrs. Chitra Chockalingam, Chairperson & Managing Director

Dr.A Venugopal

Dr. C.R Sundararajan

Dr. Deepa Chockalingam

Mrs. Geetha Rajkumar Menon

Ms. Preetha Chockalingam

Dr. Alfred Rajan (Alternate Director to Ms.Preetha Chockalingam)

AUDITORSM/s.CHINNIAH & CO.,
Chartered Accountants**BANKERS**Indian Bank
Bank of Madura Ltd.,**REGISTERED OFFICE & HOSPITAL**148, Luz Church Road
Mylapore
Chennai-600004.**CONTENTS**

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DEVAKI HOSPITAL LIMITED

NOTICE

Notice is hereby given that the Eighth Annual General Meeting of the Shareholders of the Company will be held on Wednesday, the 23rd day of September 1998 at 11.00 a.m at Sri Venkata Auditorium, Bharatiya Vidya Bhavan, 37-39, East Mada St., Mylapore, Chennai-600 004 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 1998 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and the Auditors' thereon.
2. (a) To elect a Director in the place of Dr.A.Venugopal, who retires by rotation and being eligible, offers himself for re-election;
 (b) To elect a Director in the place of Dr.C.R. Sundararajan, who retires by rotation and being eligible, offers himself for re-election;
 (c) To elect a Director in the place of Dr.Deepa Chockalingam, who retires by rotation and being eligible, offers herself for re-election
3. To appoint Auditors and fix their remuneration. M/s Chinniah & Co.,Chartered Accountants retire at the conclusion of the Eighth Annual General Meeting and being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS**4. INCREASE OF AUTHORISED CAPITAL**

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 Article, 3, 50 & 51 of the Articles of Association of the Company read with Sec 94 of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs.5,00,00,000 (Rupees Five crores only) to Rs.10,00,00,000 (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore only) Shares of Rs.10/- each by creation of further 50,00,000 (Fifty lakhs only) Shares of Rs.10/- each".

"RESOLVED FURTHER THAT in pursuance of the aforesaid Resolution, the Consent of the Company be and is hereby accorded to the Board of Directors to classify the Authorised Share Capital into Equity or Preference Shares as and when they deem fit and expedient for the issue of further or right shares".

"RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company be and is hereby altered by deleting the existing Clause V and substituting in its place the following:

**NOTICE (Contd...)**

V. The Authorised Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore only) shares of Rs.10/- each be it Equity or Preference Shares, with such rights, privileges and conditions respectively attached thereto as may be, from time to time conferred by the Regulations of the Company with power by itself or through its Board of Directors wherever permissible to increase and /or reduce its capital from time to time and to divide the shares in the capital for the time being into several classes and to attach hereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf".

5. AMENDMENT TO ARTICLES OF ASSOCIATION

To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution

"RESOLVED THAT Article 3 of the Articles of Association of the Company be and is hereby altered by deleting the existing Clause 3 and substituting in its place the following Clause 3(a) to 3(b)

3(a) The Authorised Share Capital of the Company is Rs.10,00,00,000/-(Rupees Ten Crores only) divided into 1,00,00,000 (One Crore only) shares of Rs.10/- each, be it Equity or Preference Shares, capable of being increased in accordance with the Company's regulations and the legislative provisions for the time being in force in that behalf.

3(b) The Company in General Meeting is authorised either by itself or through the Board to alter the conditions of its Memorandum of Association as follows that is to say, it may from time to time.

- 1) i) Increase its Share Capital by such sum, to be divided into shares of such amount, as may be specified in the resolution;
- ii) Indicate that the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as may be specified in the resolution sanctioning the increase of Share Capital, and if nothing is specified in the Resolution, as the Directors may determine and in particular such shares may be issued with a preferential or qualified right to dividends, to vote and in the distribution of assets of the company.
- iii) Indicate that except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, voting and otherwise:

2) Consolidate all or any of its Share Capital into shares of larger amount than its existing shares:

**DEVAKI HOSPITAL LIMITED****NOTICE (Contd...)**

- 3) Convert all or any of its fully paid-up shares into stock and reconvert any stock into fully paid-up shares of any denomination:
- 4) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision, the proportion between the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived:
- 5) Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled

6. FURTHER ISSUE OF SHARES UNDER SEC 81(1A) OF THE COMPANIES ACT 1956.

To consider and if thought fit to pass with or without modification the following resolution as 'Special Resolutions'

"RESOLVED THAT in accordance with the provisions of Sec 81,81(1A) and all other applicable provisions, if any, of the Companies Act 1956 and subject to the Foreign Exchange Regulation Act 1973 (including any statutory modification or re-enactments thereof, for the time being in force), and enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchange(s) where the shares of the Company are listed and subject to the approval of the Financial Institutions (FIs), Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other concerned authorities, if any, and to the extent necessary and such approvals, permissions and sanctions, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as the "Board") and/ or a duly authorised Committee thereof for the time being exercising the powers conferred by the Board, the Consent of the Company be and is hereby accorded to the Board to issue/offer Equity and /or Preference Shares and/or Convertible Debentures, (fully or partly) and / or Nonconvertible Debentures, all or any of the aforesaid with / without detachable or non-detachable warrants, and / or warrants of any nature, and/or secured premium, notes, and / or floating rate notes/ bonds and / or any other Financial Instruments (hereinafter for brevity's sake referred to as 'securities') as the Board, at its sole discretion may, at any time or times hereafter decide which securities, when issued or allotted would ultimately result in an increase in the paid up Share Capital of the Company, by an amount not exceeding Rs.10.00 Crores or such amount as may be stipulated under the Companies Act-as modified or re-enacted, to the Members, Shareholders, Non-Residents, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs), Companies, Other Entities, Authorities and to such other persons whether through Public Issue, Rights Issue, Private Placement, Exchange of Securities, Conversion of Loans or otherwise and for general corporate purpose including Capital Expenditure, Working Capital requirements, Strategic Investments, any Mergers, Amalgamations, Acquisitions, Reconstructions or Arrangements or any other Reorganisation as the Board may deem fit and/or by any one or more combination of the above modes/methods or otherwise and in one or more tranches, with or without voting rights in General Meetings/Class Meetings of the Company as may be permitted under the then prevailing laws, at such price or in such manner as the Board or Committee thereof may, in its absolute discretion, think fit, in consultation with the Lead Managers, Underwriters, Advisors and such other persons and



DEVAKI HOSPITAL LIMITED

NOTICE (Contd...)

on such terms and conditions including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption, the number of shares to be allotted on conversion / redemption / extinguishment of debts, exercise of rights attached with warrants, the ratio of exchange of shares and / or warrants and / or any other financial instrument, period of conversion, fixing of record date or book closure and related or incidental matters."

"RESOLVED FURTHER THAT such of these securities to be issued as are not subscribed may be disposed of by the Board or Committee thereof, to such person and in such manner and on such terms as the Board or Committee may, in its absolute discretion, think most beneficial to the Company, including offering or placing them with Banks / Financial Institutions / Investment Institutions / Mutual Funds / Foreign Institutional Investors or such other persons or otherwise as the Board or Committee thereof may in its absolute discretion decide:"

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution. the Board/Committee be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/ issue, allotment and utilisation of the proceeds of the issue of the Securities and further to do all such acts, deeds, matters and things and to finalise and execute all such deeds, documents and writings as may be necessary, desirable or expedient as it may deem fit".

Report Junction

By Order of the Board
for DEVAKI HOSPITAL LIMITED

Chennai - 600 004

19th Aug. 1998.

CHITRA CHOCKALINGAM

Chairperson & Managing Director.

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself / herself and such Proxy need not be a Member of the Company. The instrument appointing the proxy, duly stamped and executed should be sent, so as to reach the Regd. Office of the Company at No. 148, Luz Church Road, Mylapore, Chennai-600 004, not less than 48 hours before the commencement of the Meeting in order to be valid.
2. The relevant explanatory statement pursuant to Sec.173(2) of the Companies Act, 1956 in respect of the Special Business set out in item Nos. 4,5,6 & 7 of the Notice is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 16th Sep 1998 to 23rd Sep 1998 (both days inclusive).
4. Members are requested to notify immediately any change in their address to the Registered Office of the Company.
5. Members / Proxies must bring the Original Attendance Slip sent herewith, duly filled in and signed and hand it over at the entrance of the Meeting Hall.
6. Members desirous of seeking clarification, if any, on the audited accounts may please send their requirements to the Regd. Office of the Company atleast a week in advance before the Meeting date by mentioning their Registered Folio No. and the No. of Shares held.
7. Members are requested to bring their copies of the Annual Report sent to them ,to the Meeting.



DEVAKI HOSPITAL LIMITED

EXPLANATORY STATEMENT PURSUANT TO SEC.173(2) OF THE COMPANIES ACT 1956.**ITEM NO. 4**

With the need to continuously update modernise and add-on to the infrastructural facilities of the Hospital, the Company is required to infuse more funds. With the closure of Wellington Hospital, the Renal Team of that Hospital have started utilising the facilities of our Hospital. The infrastructure in this area is also to be strengthened. Hence in order to meet the funds requirements, the Company is intending to approach Banks / Financial Institutions / Private Bodies / Trusts or other Agencies or Individuals in this regard by private placement or otherwise. As the capital is already Rs.4.95 Crores as against the Authorised Share Capital of Rs.5.00 Crores, it is proposed to increase the Authorised Share Capital to Rs.10.00 Crores from Rs.5.00 Crores. As the Capital Market is volatile, the Board feels that the Company should have the flexibility to issue any kind of share (equity and/or Preference) depending upon the market conditions. Hence the above resolution is proposed. The Board recommends to the Members consideration of the same. None of the Directors are interested or concerned in the resolution.

ITEM NO. 5 & 6

As explained for the Item no.4, increase of capital requires alteration of the Capital Clause of the Memorandum and Articles of Association. It is therefore recommended that the relevant Clauses be changed as proposed in the resolutions. None of the Directors are interested or concerned in the resolutions.

ITEM NO. 7

As a sequel to the subject specified in Item no.4 viz. increase of Authorised Capital, the Consent of the Members of the Company is being sought as per Sec 81(1A) of the Companies Act 1956 for the offer, issue and allotment of shares (equity and/or preference of Rs.10/- each at a price with or without premium and other terms to be determined by the Board in accordance with the guidelines issued or to be issued by the institutions and any other appropriate Authorities. The Board of Directors be authorised to determine the issue price of the shares as per the guidelines in force at the time of issue.

Further Issue of Shares requires the approval of the shareholders by a Special Resolution under Sec. 81 (1A) of the Companies Act 1956. Hence a Special Resolution for the consent of the Members under Item No. 7 of the Notice is now required to be passed.

Your Directors recommend the Resolution for your approval.

None of the Directors of the Company is interested or concerned in the Resolution.

By Order of the Board
for **DEVAKI HOSPITAL LIMITED**

CHITRA CHOCKALINGAM
Chairperson & Managing Director.

Chennai - 600 004
19th Aug 1998.