

# **DHANVANTRI** **JEEVAN REKHA LTD.**

NUMBER ONE, SAKET, MEERUT. Tel.: 2648151, 2648152

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## **THIRTEENTH ANNUAL REPORT**

**DHANVANTRI JEEVAN REKHA LIMITED****NOTICE**

Notice is hereby given that the 13<sup>th</sup> Annual General Meeting of the members of M/s DHANVANTRI JEEVAN REKHA LIMITED will be held on Saturday the 30<sup>th</sup> day of September, 2006 at Western U. P. Chamber of Commerce & Industry, Bombay Bazar, Meerut Cantt. at 11.00 A.M. to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2006 and the Profit & Loss Account for the year ended on that date along with the Report of the Directors and Auditors thereon.
2. To reappoint Director in place of Ms. Shalini Sharma, who retires by rotation, and being eligible offers herself for re-appointment.
3. To reappoint Director in place of Ms. Priyanka Sharma, who retires by rotation, and being eligible offers herself for re-appointment.
4. To reappoint Director in place of Mr. Premjit S. Kashyap, who retires by rotation and being eligible offers himself for re-appointment.
5. To reappoint M/s Vipin Nagar & Co., Chartered Accountants, Meerut as Auditors to hold the office until the conclusion of the next Annual General Meeting and to fix their remuneration

**For & on Behalf of the Board of Directors**

**Place : Meerut**

**Date : 05.09.2006**

**Sd/-  
(Dr. S.P. Gupta)  
CHAIRMAN**

**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 and a proxy need not be a member of the company. Proxies, in order to be effective, must reach the registered office of the company not less than 48 hours before the meeting.
2. Members are requested to bring their Annual Report alongwith them as extra copies will not be supplied due to high cost of paper & printing.
3. A member desirous of obtaining any information on accounts of the company at the Annual General Meeting is requested to forward such queries to the company at least ten days prior to the meeting enabling the Management to keep the information ready.
4. The company's Register of Members and Share Transfer Book will remain closed on 29.09.2006 and 30.09.2006.

**DHANVANTRI JEEVAN REKHA LIMITED**  
Registered Office : Number One, Saket, Meerut, U.P.

## **DIRECTORS' REPORT**

Dear Members,

Your Directors have the pleasure in presenting the 13<sup>th</sup> Annual Report of the company together with Financial Statements for the year ended on 31<sup>st</sup> March 2006.

### **FINANCIAL & OPERATIONAL REVIEW :**

### **FINANCIAL RESULTS :**

(Rs in Lacs)

S.No.	Financial Heads	Year ended 31.03.2006	Year ended 31.03.2005
1.	Operating Income	269.46	201.21
2.	Other Income	4.35	4.76
3.	Gross Profits before depreciation & interest	65.87	47.40
4.	Interest	14.85	14.19
5.	Gross Profits after interest but before depreciation	51.02	33.21
6.	Depreciation	46.49	39.47
7.	Provision for Taxation	0.38	—
8.	Deferred Tax Provision	(0.05)	(0.38)
9.	Profit after Tax	4.20	(5.88)
10.	Proposed Dividend	Nil	Nil
11.	Corporate Dividend Tax thereon	Nil	Nil
12.	Balance after taxation carried over to the Balance Sheet	4.20	(5.88)

During the year under review there was an increase of about 90% in the hospital receipts including those from its fully operational Cath Lab and CCU. It has registered an overall growth of 34% in its operation by achieving a turnover of Rs. 269.46 Lac as against Rs.201.21 Lac in 2004-05. The Company has also succeeded in earning Net Profits after Tax (PAT) of Rs. 4.20 Lac as against the loss of Rs. 5.88 Lac in the previous year ending 31.03.2005.

### **FUTURE OUTLOOK**

Your Company has not only succeeded in stabilizing its hospital operations but has also been able to made its name known in the field of Cardiology by providing high end Consultancy and surgery in Meerut and adjoining area of West U.P. The expansion on the adjoining plot by way of increase in the bed capacity of the hospital and addition of some more specialty departments is in its last phase of approval from the Board of Directors. The Company foresees to commence its expansion activities in the current year.

## DHANVANTRI JEEVAN REKHA LIMITED

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### DIVIDEND :

In view of insufficient profits and expansion of operational activities proposed by the Company, the Directors do not propose any dividend for the year 2005-06.

### AUDITORS :

M/s Vipin Nagar & Co., Meerut, auditors of the company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. They have also furnished a certificate to the company stating that their appointment if made, will be within the limits laid down under section 224 (1B) of The Companies Act, 1956.

### CORPORATE GOVERNANCE :

The Company has complied with the guidelines prescribed by the Stock Exchanges on Corporate Governance. The Company has constituted Audit Committee, Share Transfer Committee and Investors' Grievances Redressal Committee. The details of compliance made by the Company along-with a certificate from the Auditors and Management Discussion and Analysis are as per Annexure - "A" and "B" respectively forming part of this report.

### DIRECTORS :

Pursuant to section 256 of The Companies Act, 1956 Ms. Shalini Sharma, Ms. Priyanka Sharma and Mr. Premjit S. Kashyap Directors of the company retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their reappointment. The information on the particulars of Directors seeking re-appointments as required under Clause 49 of the Listing Agreement executed with the Stock Exchanges, have been given under Corporate Governance (Annexure "A") of this report.

### LISTING ON STOCK EXCHANGE :

The company's securities are listed on The Uttar Pradesh Stock Exchange Association Ltd., Kanpur, The Stock Exchange, Mumbai and The Stock Exchange Association Ltd., Delhi. The company has paid the listing fee for all the stock exchanges for the financial year 2005-06 and has complied with all the requirements of the listing agreement.

### INFORMATION AS PER SECTION 217(1)(e) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 & FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH 2006

#### A CONSERVATION OF ENERGY:

Your company is not covered by the Schedule of industries under Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 requiring furnishing of information regarding conservation of energy. However, the company does lay a great deal of emphasis on conservation of energy in all phases of operation.

#### B. TECHNOLOGY ABSORPTION : Not Applicable

## DHANVANTRI JEEVAN REKHA LIMITED

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- |                              |       |
|------------------------------|-------|
| a) Foreign exchange Earnings | : NIL |
| b) Foreign exchange Outgo    | : NIL |

### RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS as required under section 217(2AA) of The Companies Act, 1956

Pursuant to the requirement U/s 217(2AA) of The Companies Act, 1956 with respect to Directors' Responsibility statement it is hereby confirmed:

- i) That in the preparation of accounts for the financial year ended on 31.03.2006 the applicable accounting standards have been followed along-with proper explanation relating to material departures;
- ii) That the Directors have selected such Accounting Policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the Profit or 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 provision of The Companies Act, 1956 and for safeguarding the assets of the company and for preventing and detecting other irregularities;
- iv) That the Directors have prepared the accounts for the financial year ended 31.03.2006 on a 'going concern' basis.

### PARTICULARS OF EMPLOYEES :

The provisions of Section 217 (2A) of The Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable, as there is no employee drawing remuneration beyond the stipulated amount provided in the said rules.

### ACKNOWLEDGEMENT :

Your Directors take this opportunity to place their sincere appreciation for the faith, guidance and support by the Medical Professionals, Business Associates, Company's Bankers and the shareholders during the year under review.

The Directors also wish to sincerely appreciate the dedication and commitment of each staff member during the year under review. They also place on record their appreciation of the contributions made by every member of the DJRL family.

**By Order of the Board of Directors**

Place : Meerut

Date : 05.09.2006

Sd/-  
**(Dr. S. P. GUPTA)**  
Chairman

## DHANVANTRI JEEVAN REKHA LIMITED

## CORPORATE GOVERNANCE

## Company's Philosophy on Code of Governance

Your Company is committed to good corporate governance. The Company respects the rights of its shareholders to information on the performance of the Company and it is its endeavor to maximize the long-term value to the shareholders of the Company. The Compliance Report is prepared and given below in conformity with the mandatory requirements of listing agreements of listing agreement with the Stock Exchanges.

## BOARD OF DIRECTORS

As on March 2006, the Company's Board of Directors consists of eleven Directors. Of these, two are Executive Directors, nine are Non-Executive Directors and four are non-executive and independent Directors. As the Chairman is a non-executive director, one-third Directors are independent Directors the composition is in consonance with clause 49. Details of the composition are given in Table 1.

TABLE 1 DETAILS ABOUT COMPANY'S BOARD OF DIRECTORS/ATTENDANCE RECORD

Director	Number of Board Meetings		Attendance at Last AGM	Number of Committee membership	Number of Committee Chairmanship	Number of Outside Directorship
	Held	Attended			(Excluding Private Companies, Foreign Companies and Section 25 Companies)	
<b>Executive Directors</b>						
Dr. V.S. Phull	12	10	Yes	None	None	1
Dr. G.P. Elhence	12	11	Yes	None	None	None
Mr. Davendra Singh***	12	8	Yes	None	None	None
<b>Non-Executive Directors</b>						
Dr. S.P. Gupta	12	12	Yes	None	None	None
Dr. S.P. Mittal	12	12	Yes	None	None	None
Dr. S.K. Khatri	12	11	Yes	None	None	2
Ms. Shalini Sharma	12	—	No	None	None	None
Mrs. Meenakshi Elhance	12	10	Yes	None	None	1
<b>Non-Executive and Independent Directors</b>						
Mr. Premjit S. Kashyap	12	12	Yes	None	None	None
Mr. Abhimanyu Arora	12	12	Yes	None	None	None
Ms. Priyanka Sharma	12	—	No	None	None	None
Mr. Deepak Kapoor	12	10	Yes	None	None	3

## NOTE :

\*\*\*Mr. Davendra Singh retired from the directorship of the Company at the time of last Annual General Meeting held on 29.09.2005. He was present in the eight Board Meetings held upto the date of last A.G.M.

**DHANVANTRI JEEVAN REKHA LIMITED****BOARD MEETINGS**

During 2005-06, the Board of Directors met 12 times on 29.04.05, 10.05.2005, 23.05.2005, 30.05.2005, 04.06.2005, 05.06.2005, 27.06.2005, 28.07.2005, 26.08.2005, 24.09.2005, 31.10.2005 and 25.02.2006

The longest gap between any two Board Meetings did not exceed the period of 3 months.

**DIRECTORS' ATTENDENCE RECORD AND DIRECTORSHIPS**

Details are given in Table 1.

**AUDIT COMMITTEE**

The Audit Committee was set up as per the provisions of section 292 A of the Companies Act, 1956 and clause 49 of the Listing Agreement of the Stock Exchange(s). As on March 2006, the committee had three Non-Executive and Independent Directors in accordance with the prescribed guidelines. The Company Secretary of the company shall act as the Secretary of the committee. The role and terms of reference of the Audit Committee covers the areas mentioned under clause 49 of the Listing Agreement with the Stock Exchanges besides other terms as may be referred by the Board of Directors.

**TABLE 2 DETAILS OF THE AUDIT COMMITTEE**

Director	Category	No. of meetings held	No. of meetings attended
Mr. Deepak Kapoor	Chairman	7	7
Mr. Abhimanyu Arora	Member	7	5
Dr. S.K. Khatri	Member	7	7
Mr. Pankaj Gupta	Company Secretary	7	7

The composition, functions and procedures of the Audit Committee are in conformity with the requirements of Clause 49 II of the Listing Agreement and that of Section 292A of the Companies Act, 1956.

**Date of Meeting :**

The Audit Committee met six times in the year under review – 05.04.2005, 08.05.2005, 28.06.2005, 08.08.2005, 31.08.2005, 24.10.2005 and 23.01.2006. The attendance record of the members of the Committee is given in Table 2.

**REMUNERATION**

The directors' remuneration policy of your Company confirms with the provisions under the Companies Act, 1956. Remuneration of the Non-Executive Directors is determined by the Board of Directors.

The details of payment of sitting fees, professional fees to the Non Executive Directors during the year 2005-2006 are given below :



**DHANVANTRI JEEVAN REKHA LIMITED****TABLE 3 REMUNERATION TO EXECUTIVE DIRECTORS**

Executive Directors	Remuneration	Board Meetings	Professional Fees	Total
1. Dr G. P. Elhence	Nil	11,000	22,275	33,275
2. Mr. Davendra Singh	Nil	8,000	-	8,000

**TABLE 4. REMUNERATION PAID TO MANAGING DIRECTOR  
FOR THE YEAR 2005-2006 IS AS UNDER**

Name	Remuneration	Board Meetings	Professional Fees	Total
1. Dr. V.S. Phull	Nil	10,000	-	10,000

**TABLE 5. REMUNERATION PAID TO NON- EXECUTIVES DIRECTORS**

Non-Executive Directors	Board Meetings	Committee Meetings	Professional Fees	Total
1. Dr. S .P. Mithal	12,000	-	-	12,000
2. Dr. S. P. Gupta	12,000	-	16,380	28,380
3. Dr. S. K. Khatri	11,000	3,500	500	15,000
4. Mr. Abhimanyu Arora	12,000	2,500	-	14,500
5. Mr. Premjit Singh Kashyap	12,000	-	-	12,000
6. Ms. Shalini Sharma	-	-	-	-
7. Mrs. Meenakshi Elhence	10,000	-	-	10,000
8. Ms. Priyanka Sharma	-	-	-	-
9. Mr. Deepak Kapoor	10,000	3,500	-	13,500

**SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

The Committee is authorised to redress shareholders complaints like delay in transfer, non-receipt of securities. Balance Sheet, Dividend or Interest etc. The composition is stated hereunder. There are no pending complaints at the end of the financial year.

**Composition of Shareholders Grievance Committee:**

1. Dr. S. P. Gupta - Chairman
2. Dr. V. S. Phull - Member
3. Mrs. Meenakshi Elhence - Member

**SHARE TRANSFER COMMITTEE**

A Share Transfer Committee has been constituted by the Board to approve transfer/transmission, dematerialisation/ rematerialisation, sub-division/consolidation, issue of duplicate share certificates etc. The Committee attends to the transfer and other formalities once in fortnight. Its composition is stated hereunder :



**DHANVANTRI JEEVAN REKHA LIMITED****Composition of Share Transfer Committee**

- 1 Ms. Shalini Sharma
- 2 Mr. Deepak Kapoor
- 3 Mr. P. K. Sharma

**GENERAL BODY MEETINGS**

The particulars of the last three Annual General Meetings of the Company are provided hereunder. All the resolutions set out in the respective notices were duly carried on by the shareholders.

**TABLE 7 LAST THREE ANNUAL GENERAL MEETINGS OF THE COMPANY**

<b>Nature of Meeting</b>	<b>Date and Time</b>	<b>Venue</b>
Tenth Annual General Meeting	26 <sup>th</sup> September, 2003 at 11.00 A.M.	Western U.P. Chambers of Commerce and Industry, Bombay Bazar, Meerut Cantt., Meerut
Eleventh Annual General Meeting	29 <sup>th</sup> September, 2004 at 11:00 A.M.	Western U.P. Chambers of Commerce and Industry, Bombay Bazar, Meerut Cantt., Meerut
Twelfth Annual General Meeting	28 <sup>th</sup> September, 2005 at 11.30 A.M.	Western U.P. Chambers of Commerce and Industry, Bombay Bazar, Meerut Cantt., Meerut

All the Resolutions including the Special Resolutions set out in the respective notices were passed by the shareholders.

**MANAGEMENT****A. Management Discussion and Analysis Report**

The information relating to Management Discussion and Analysis is set out in a separate section included in this Annual Report and it forms part of this Report.

**B. Disclosures****(i) Related Party Transaction**

The Company has not entered into any materially significant related party transactions with the Promoters, Directors or Management, their subsidiaries or relative etc. that may have potential conflict with the interest of the Company at large

Transactions with the related parties are disclosed in Note No. 5 of Schedule of Notes 15.

## DHANVANTRI JEEVAN REKHA LIMITED

### (ii) Compliance by the Company

The Company has complied with the requirements of Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years.

No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

### SHAREHOLDERS

#### Appointment and Re-appointment of Directors

Ms. Shalini Sharma, Ms. Priyanka Sharma and Mr. Premjit S. Kashyap who are Directors liable to retire by rotation, being eligible offer themselves for reappointment in the forthcoming AGM.

The brief resume of all the Directors liable to retire by rotation at the ensuing Annual General Meeting are given as under:

1. Ms. Shalini Sharma, aged 26 years, is a Law Graduate from UK and is working with a Law Firm since last two years.
2. Ms. Priyanka Sharma aged 25 years, is a BBA from Delhi and has two years experience in the field of business management.
3. Mr. Premjit S. Kashyap, aged 43 years, is a Chartered Accountant who has been in practice since August 1986. He specializes in consultancy matters related to Income Tax, RBI, SEBI, Company Law and Corporate Finance and representing the clients before Income Tax Authorities including Income Tax Appellate Tribunals, Central Board of Direct Taxes, and Commissioner of Income Tax.

#### Means of Communication

Quarterly, half yearly and Annual financial results are normally published in one English and one Hindi newspaper. As the results of the Company are published in the newspaper, half yearly reports are not sent to each household of shareholders.

Company's website is under construction

### GENERAL SHAREHOLDER INFORMATION

#### 1. Annual General Meeting

Date : 30<sup>th</sup> September 2006

Time : 11.00 A.M.

Venue : Western U.P. Chamber of Commerce & Industry, Bombay Bazar, Meerut Cantt.

#### 2. Financial Calendar

1 <sup>st</sup> Quarter	:	1 <sup>st</sup> April to 30 <sup>th</sup> June
2 <sup>nd</sup> Quarter	:	1 <sup>st</sup> July to 30 <sup>th</sup> Sept.
3 <sup>rd</sup> Quarter	:	1 <sup>st</sup> October to 31 <sup>st</sup> December
4 <sup>th</sup> Quarter	:	1 <sup>st</sup> January to 31 <sup>st</sup> March