

DHANVANTRI

JEEVAN REKHA LTD.

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FIFTEENTH ANNUAL REPORT

DHANVANTRI JEEVAN REKHA LIMITED

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the members of M/s **DHANVANTRI JEEVAN REKHA LIMITED** will be held on Saturday the 27th day of September, 2008 at Chamber of Commerce & Industry U.P., Chamber Bhawan, 194 Delhi Road, Opp. Roadways Bus Stand, Meerut at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2008 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 Dr. G.P. Elhence, who retires by rotation, and being eligible offers himself for re-appointment.
3. To reappoint Director in place of Dr. S.P. Mithal, who retires by rotation, and being eligible offers himself for re-appointment.
4. To reappoint Director in place of Dr. Virendra Singh Phull, who retires by rotation and being eligible offers himself for re-appointment.
5. To declare Dividend on Equity Shares.
6. 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 : 23.08.2008

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 from 25.09.2008 to 27.09.2008.

DHANVANTRI JEEVAN REKHA LIMITED

Registered Office: Number One, Saket, Meerut, U. P.

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the 15th Annual Report of the company together with Financial Statements for the year ended on 31st March 2008.

FINANCIAL & OPERATIONAL REVIEW:

FINANCIAL RESULTS:

(Rs in Lacs)

S.No.	Financial Heads	Year ended 31.03.2008	Year ended 31.03.2007
1.	Operating Income	253.23	282.52
2.	Other Income	4.02	5.77
3.	Gross Profits before depreciation & interest	79.32	71.07
4.	Interest	9.97	15.43
5.	Gross Profits after interest but before depreciation	69.35	55.64
6.	Depreciation	47.95	47.25
7.	Provision for Taxation	2.20	0.94
8.	Deferred Tax Provision	(2.59)	1.05
9.	Profit after Tax	21.78	6.40
10.	Proposed Dividend	16.39	Nil
11.	Corporate Dividend Tax thereon	2.79	Nil
12.	Balance after taxation carried over to the Balance Sheet	2.60	6.40

During the year under review, the turnover of the company has marginally gone down to Rs. 253 Lac as against Rs. 283 Lac in 2006-07. But the Net Profits after Tax (PAT) of the company increased by 6.34% to Rs. 21.78 Lac in comparison of Rs. 6.40 Lac in the previous year ended on 31.03.2007 due to the efforts and hard work put in by the Directors and all the employees of the company by taking appropriate cost cutting measures to achieve the higher profit target.

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 Company is exploring the possibility of opening Para Medical Courses for nursing staff, technicians and other related specialties. The Company foresees to commence its expansion activities in the current year.

DIVIDEND:

The Directors take the pleasure to propose dividend @4% on equity shares for the financial year 2007-08.

DHANVANTRI JEEVAN REKHA LIMITED

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 Dr. G.P. Elhence, Dr. S.P. Mithal and Dr. Virendra Singh Phull, 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 2007-08 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 2008

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

DHANVANTRI JEEVAN REKHA LIMITED**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 31.03.2008 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 31.03.2008 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

Sd/-

(Dr. S. P. GUPTA)

Chairman

Place : Meerut

Date : 23.08.2008

DHANVANTRI JEEVAN REKHA LIMITED

CORPORATE GOVERNANCE

Company's Philosophy on Code of Governance

The Company aims at achieving transparency, accountability and equity in all facets of its operations, and in all interactions with shareholders, employees, government, lenders and other constituents. Corporate governance to the company is not just a compliance issue but central guiding principle for everything it does. It's a way of thinking, way of conducting business and a way to steer the organization to take on challenges for now and for the future. The Company believes in monitoring its performance regularly and with utmost transparency to ensure ethical governance at all levels within the organization.

The Compliance Report is prepared and given below in conformity with the mandatory requirements of listing agreement with the Stock Exchanges.

BOARD OF DIRECTORS

As on March 2008, the Company's Board of Directors consists of ten Directors. Of these, two are Executive Directors, eight 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. There is no Nominee Director on the Board of the Company. 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 memberships held	Number of Committee Chairmanship held	Number of Outside Directorship held
	Held	Attended		(Excluding Private Companies, Foreign Companies and Section 25 Companies)		
Executive Directors						
Dr. V.S. Phull	7	7	Yes	None	None	1
Dr. G.P. Elhence	7	7	Yes	None	None	None
Non-Executive Directors						
Dr. S.P. Gupta	7	7	Yes	None	None	None
Dr. S.P. Mithal	7	7	Yes	None	None	None
Dr. S.K. Khatri	7	7	Yes	None	None	2
Ms. Shalini Sharma	7	-	No	None	None	None
Mrs. Meenakshi Elhence	7	5	Yes	None	None	1
Non-Executive and Independent Directors						
Mr. Premjit S. Kashyap	7	7	Yes	None	None	None
Mr. Abhimanyu Arora	7	7	Yes	None	None	None
Ms. Priyanka Sharma	7	-	No	None	None	None

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BOARD MEETINGS

During 2007-08 the Board of Directors met 7 times on 25.04.2007, 29.06.2007, 28.07.2007, 30.08.2007, 25.10.2007, 20.12.2007, 30.01.2008.

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

DIRECTORS' ATTENDENCE RECORD AND DIRECTORSHIPS

Details are given in Table 1.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Pursuant to the requirements of the Listing Agreement of Stock Exchange on Corporate Governance, the information about the Directors proposed to be appointed/ re-appointed is given hereunder.

Dr. G.P. Elhence, Dr. S.P. Mithal and Dr. V.S. Phull who are Directors liable to retire by rotation, being eligible offer themselves for re-appointment 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. Dr. G.P. Elhence, aged 78 years is an M.B.B.S., M.D. (Medicine) from K.G. Medical College, Lucknow and MRCP from Edinburg. He is a well-known Medical Practitioner in Meerut, having wide experience in the operations of the Hospital & Diagnostic center.
2. Dr. S.P. Mithal, aged 66 years obtained medical degree "SAAT EXAM" and M.D. (Virology) from Germany. He looks after his parental nursing home and also practices in Meerut as an Anaesthetist. He is having wide experience in management of hospitals.
3. Dr. V.S. Phull, aged 62 years, has done M.B.B.S. from Govt. Medical College, Amritsar and M.S. from LLRM Medical College, Meerut.

CODE OF CONDUCT

The Board of Directors of the Company has laid a Code of Conduct for Directors and the senior management. The Code of Conduct is posted on the company's website. All Directors and designated personnel in the senior management have affirmed compliance with the code for the year under review. A declaration to this effect duly signed by Dr. V.S. Phull, Managing Director, is annexed to this report.

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 2008, the committee had two Non-Executive and Independent Directors and one Non-Executive Director 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.

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TABLE 2: DETAILS OF THE AUDIT COMMITTEE

Director	Category	No. of meetings held	No. of meetings attended
Mr. P.S Kashyap	Chairman	4	4
Mr. Abhimanyu Arora	Member	4	4
Dr. S.K. Khatri	Member	4	4

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 292 A of the Companies Act, 1956.

Date of Meeting:

The Audit Committee met 4 times in the year under review –28.06.2007, 25.10.2007, 19.12.2007 and 16.02.2008.

The attendance record of the members of the Committee is given in Table 2.

Powers of Audit Committee:

- a) To investigate any activity within its terms of reference.
- b) To Seek information from any employee.
- c) To Obtain outside legal or other professional advise.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The terms of reference as stipulated by the Board to the Audit Committee include:

- a) Review of the Company's financial reporting process and disclosure of its financial information.
- b) Recommending the appointment and removal of external auditors, fixation of audit fee and Recommending payments for any other services
- c) Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on
 - (i) Changes in accounting policies and practices.
 - (ii) Major accounting entries involving estimates based on the exercise of judgment by the management.
 - (iii) Qualifications in the draft audit report.
 - (iv) Significant adjustments arising out of audit.
 - (v) The going concern assumption.
 - (vi) Compliance with accounting standards.
 - (vii) Compliance with stock exchange and legal requirements concerning financial statements.
 - (viii) Disclosure of any related party transactions.
- d) Reviewing with the management, the external and internal auditors the adequacy of internal control systems.

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- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f) Discussion with internal auditors of any significant findings and follow up there on.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with statutory auditors about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

The committee is in compliance with its requirements under this charter.

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 2007-2008 are given below:

TABLE 3: REMUNERATION TO EXECUTIVE DIRECTORS

Executive Directors	Remuneration	Board Meetings	Committee Meetings	Professional Fees	Total
1. Dr G. P. Elhence	-	14,000	-	4,870	18,870

TABLE 4: REMUNERATION PAID TO MANAGING DIRECTOR FOR THE YEAR 2007-2008 IS AS UNDER:

Name	Remuneration	Board Meetings	Committee Meetings	Professional Fees	Total
1. Dr. V.S. Phull	-	14,000	-	5,900	19,900

TABLE 5: REMUNERATION PAID TO NON- EXECUTIVES DIRECTORS:

Non-Executive Directors	Board Meetings	Committee Meetings	Professional Fees	Total
1. Dr. S .P. Mithal	14,000	-	-	14,000
2. Dr. S. P. Gupta	14,000	-	-	14,000
3. Dr. S. K. Khatri	14,000	-	-	14,000
4. Mr. Abhimanyu Arora	14,000	-	-	14,000
5. Mr. Premjit Singh Kashyap	14,000	-	-	14,000
6. Ms. Shalini Sharma	-	-	-	-
7. Mrs. Meenakshi Elhence	10,000	-	-	10,000
8. Ms. Priyanka Sharma	-	-	-	-

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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 is no pending complaint 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, dematerialization/ 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:

Composition of Share Transfer Committee

- 1 Ms. Shalini Sharma
- 2 Mr. Abhimanyu Arora
- 3 Mr. Premjit S. Kashyap
- 4 Dr. S.K. Khatri

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. 4 of Schedule of Notes 16.

(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.

(iii.) Disclosure of Accounting Treatment

In preparation of the financial statements for the year ended on 31.03.2008, there was no treatment different from that prescribed in the accounting standards that had been followed