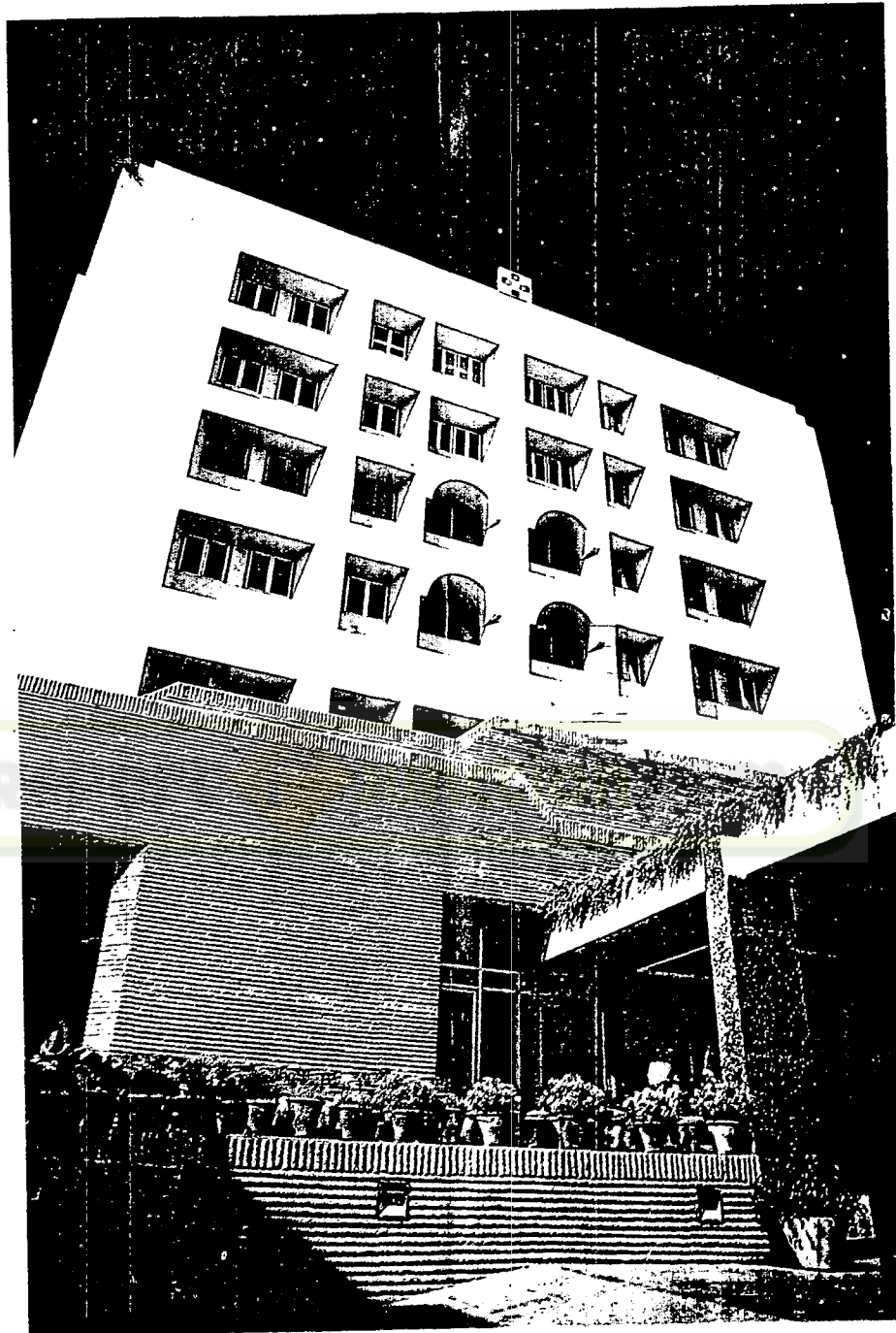


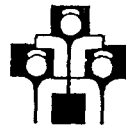
9th Annual Report 1996-97



Regency Hospital Ltd.

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CS	<input type="checkbox"/>	ENT	<input type="checkbox"/>
RO	<input type="checkbox"/>	DIV	<input type="checkbox"/>
THA	<input type="checkbox"/>	AC	<input type="checkbox"/>
AME	<input checked="" type="checkbox"/>	S-I	<input checked="" type="checkbox"/>
ME	<input type="checkbox"/>		<input type="checkbox"/>





Regency Hospital Ltd.

BOARD OF DIRECTORS

Shri A. R. KAPOOR	—	<i>Vice Chairman</i>
Dr. ATUL KAPOOR	—	<i>Managing Director</i>
Dr. RASHMI KAPOOR	—	<i>Whole Time Director</i>
Dr. S. C. ARYA	—	<i>Director</i>
Shri ANIL KHEMKA	—	<i>Director</i>
Shri K. SRINIVASAN	—	<i>Nominee Director (IFCI)</i>

AUDITORS

M/s. JAIN DHINGRA & ASSOCIATES
Chartered Accountants,
KANPUR

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MAIN BANKERS

PUNJAB NATIONAL BANK

REGISTERED OFFICE

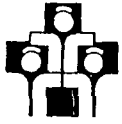
117/N/11, A-ONE MARKET,
KAKADEO, KANPUR-208 025

HOSPITAL

A-2, SARVODAYA NAGAR,
KANPUR-208 005

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Regency Hospital Ltd.

NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the Members of REGENCY HOSPITAL LIMITED will be held on Tuesday, the 31st March, 1998 at 10.00 A.M. at A-2, Sarvodaya Nagar, Kanpur-208 005 to transact the following business :

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 30th September, 1997, Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Rashmi Kapoor. Director who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Registered Office :
117/N/11, A-One Market,
Kakadeo, Kanpur - 208 025
Dated : 5th March, 1998

By order of the Board
Dr. ATUL KAPOOR
Managing Director

NOTES :

1. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a Member of the Company.**
Proxy in order to be effective must be deposited at the Registered Office of the Company not less than Forty Eight Hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 30th March, 1998 to Tuesday, the 31st March, 1998 (both days inclusive).
3. Members seeking any information with regard to Accounts are requested to inform the Company atleast ten days before the meeting so as to enable the Management to keep the information ready.
4. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.
5. Please quote your folio number in all correspondence with the Company.

Ninth Annual Report

DIRECTORS' REPORT

To
The Members of
REGENCY HOSPITAL LIMITED

Your Directors have pleasure in presenting herewith the Ninth Annual Report and audited Statement of Accounts of the Company for the Financial Year ended 30th September, 1997.

FINANCIAL RESULTS

The summarised financial performance of the Company for the financial year ended 30th September, 1997 as compared to previous year is as under :

	(Rs. in lacs)	
	1996-97	1995-96
Total Income	538.52	493.97
Profit/(Loss) before Interest and Depreciation	36.05	32.50
Less : Interest and financial charges	286.93	284.31
Gross Profit / (Loss)	(250.88)	(251.81)
Less : Depreciation	148.76	147.03
Profit/(Loss) before Tax	(399.64)	(398.84)
Provision for Tax	—	—
Net Profit/(Loss)	(399.64)	(398.84)
Add : Misc. Expenses written off and prior year adjustments	4.87	10.23
Add : Loss brought forward from previous year	492.84	83.77
Total loss carried to Balance Sheet	(897.35)	(492.84)

OPERATIONS

Although your Hospital has recorded a marginally increased revenue during the year under review, the operations suffered mainly on account of high incidence of interest and depreciation charges and lower capacity utilisation of super specialities viz. Cardiac Surgery and Nephrology Units as envisaged at the time of appraisal of project. However, the performance of the Company should not be viewed with much concern as the corporate Hospital of this size normally involves a gestation period of four to five years. You will be pleased to note that since commissioning of all facilities in July, 1995, the total revenue has recorded five fold increase from Rs. 103.04 lacs to Rs. 538.52 lacs and so far 265 Heart and By Pass Surgeries and numerous Kidney Transplant and Knee replacement operations have been successfully performed. In addition, the hospital has been effectively treating patients in all other specialities and has established tremendous credibility in the market for high class treatment.

CURRENT OUTLOOK

The Hospital is fully equipped and geared-up to provide treatment of national and international standards in super speciality branches of Cardiology, Cardiac Surgery, Urology, Nephrology, Neurology, Neuro Surgery, advanced Orthopaedics, Plastic and Cosmetic Surgery, Gastroenterology, intensive care and coronary care facilities, besides all general specialities. Your Directors are taking all possible steps to increase the current occupancy level particularly the improvement in capacity utilisation of super specialities. You will be pleased to note that recently the hospital has been approved by the Central Government for rendering open heart surgery and bypass surgery services to their employees in and around Kanpur covering approximately six lacs beneficiaries. The aforesaid recognition is in addition to hospital's empanelment with other Public and Private Sector undertakings and is bound to improve the current capacity utilisation of Super Speciality facilities. In addition the Hospitals' Unique Health Insurance



Regency Hospital Ltd.

Scheme in association with National Insurance Company Limited is gaining wide Public acceptance and over 1000 members have since been enrolled. Your hospital has also submitted its application for permission under Section 17 (i) of the Income-Tax-Act, 1961 for tax relief in treatment of Corporate Sector employees which is under final stage of consideration.

The aforesaid measures undertaken by the Directors are expected to have a positive impact on the performance of the Company in future.

FINANCE

As mentioned in our last report that your Company had submitted a detailed proposal to the Financial Institutions for reschedulement of Term loans and waiver of additional interest, liquidated damages etc. You will be pleased to note that the approval of proposal from IFCI and ICICI has since been received and the same from IDBI is awaited.

DIRECTORS

In terms of the provisions of Section 256 of the Companies Act, 1956, read with Articles of Association of the Company, Dr. Rashmi Kapoor retires from the Board by rotation and she is eligible for re-appointment. During the year the Industrial Finance Corporation of India Ltd. (IFCI), the lead financial institution nominated Shri K. Srinivasan as their Nominee Director on the Board of Directors of the Company.

AUDITORS

M/s. Jain Dhingra & Associates, Chartered Accountants, Kanpur, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and they are eligible for re-appointment. The observations made by the auditors in their report read with notes to the accounts are self explanatory and do not call for any further information.

PERSONNEL

The relations with personnel throughout the year under review have remained cordial. As none of the employees of the Company was in receipt of remuneration in excess of the limits prescribed, particulars of the employees under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended are not required to be given.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Although operations of the Company are not energy intensive, steps are being taken to conserve energy in all possible areas. Particulars of Conservation of Energy in the prescribed format and Technology Absorption as required under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company. There had been no earnings and expenditure in foreign exchange during the year under review.

ACKNOWLEDGEMENTS

Your Directors are pleased to place on record their sincere thanks to the Financial Institutions, Banks and various Government Authorities for the support and co-operation extended to the Company and place on record their appreciation for the sincere and devoted services rendered by all employees of the Company and are especially grateful to you for your reposing trust and confidence in the Company.

Registered Office :

117/N/11, A-One Market,
Kakadeo, Kanpur-208 025.

Dated : 5th March, 1998

For and on behalf of the Board

Dr. ATUL KAPOOR

Managing Director

A. R. KAPOOR

Vice Chairman

Ninth Annual Report

AUDITORS' REPORT

To
The Members of
REGENCY HOSPITAL LIMITED

We have audited the attached Balance Sheet of REGENCY HOSPITAL LIMITED as at 30th September, 1997 and Profit and Loss Account for the year ended on 30th September, 1997 annexed thereto and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government in terms of Sec. 227 (4A) of the Companies Act, 1956 we give in the Annexure a Statement on the matters specified in the paragraphs 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph-1 above we report that :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for purpose of our audit.
 - (b) In our opinion proper books of account required by law have been kept on our examination of the books.
 - (c) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
 - (i) In the case of the Balance Sheet of the state of affairs of the Company as at 30th September, 1997.
 - (ii) In the case of Profit and Loss Account, of the loss for the year ended on that date.

For JAIN DHINGRA & ASSOCIATES
Chartered Accountants
R. N. DHINGRA
Partner

Place : Kanpur
Date : 05.03.1998