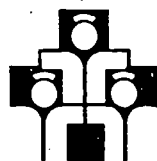
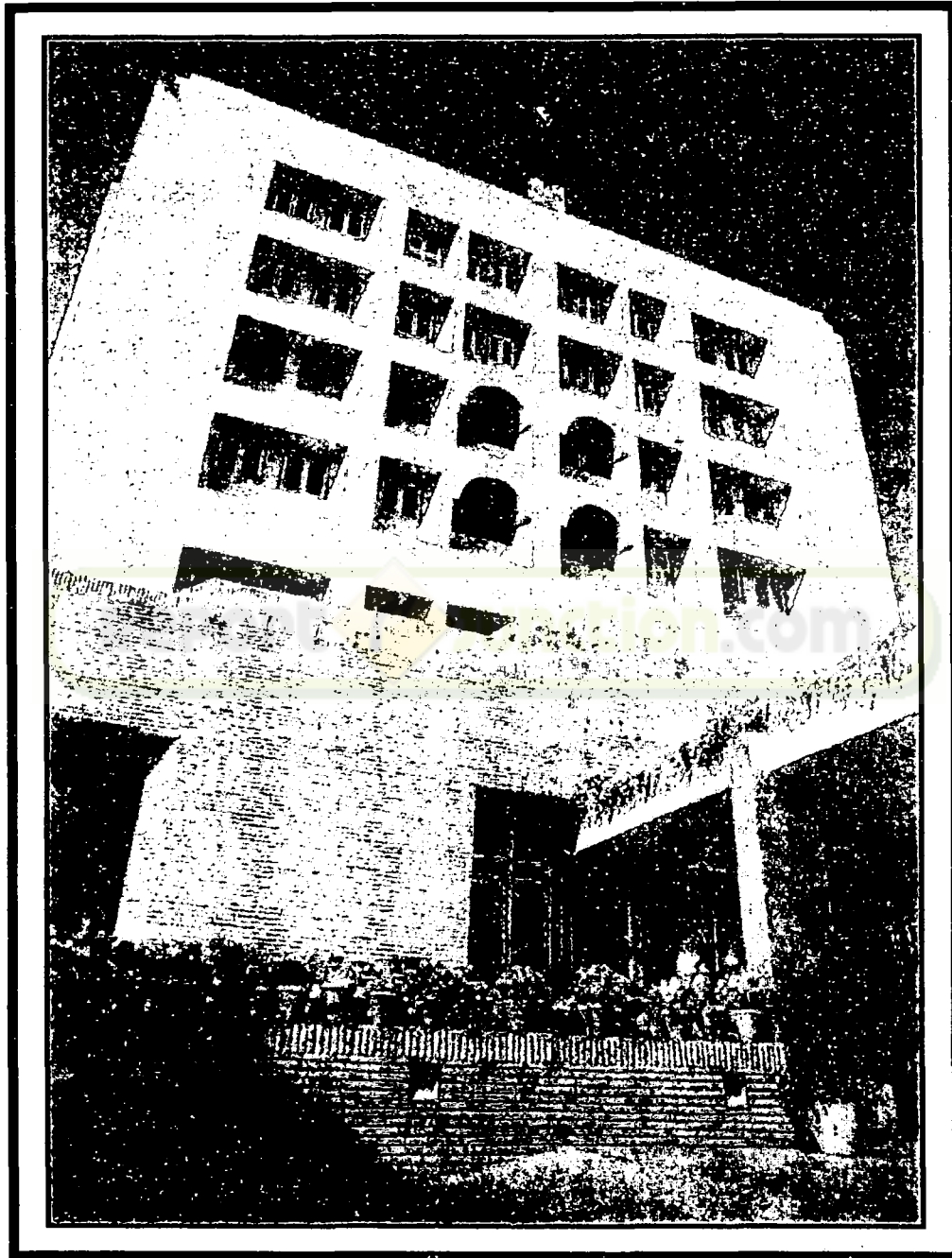
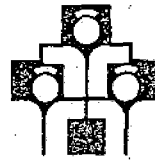


19th Annual Report *2007-2008*



Regency Hospital Ltd.



Regency Hospital Ltd.

BOARD OF DIRECTORS

Shri R. L. SRIVASTAVA

Dr. ATUL KAPOOR

Dr. RASHMI KAPOOR

Dr. S. C. ARYA

Shri ANIL KHEMKA

Shri ESHWAR RAMAN KARRA

- Chairman
- Managing Director
- Whole Time Director
- Director
- Director
- Nominee Director

AUDITORS

M/s. JAIN DHINGRA & ASSOCIATES

Chartered Accountants

KANPUR

MAIN BANKERS

Kotak Mahindra Bank Ltd.

REGISTERED OFFICE

A-2, SARVODAYA NAGAR,

KANPUR - 208005

HOSPITAL

A-2, SARVODAYA NAGAR,

KANPUR - 208 005

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Regency Hospital Ltd.

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of REGENCY HOSPITAL LIMITED will be held on Monday, 15th September, 2008, at 10.00 A.M. at the Registered Office of the Company at A-2, Sarvodaya Nagar, Kanpur-208005 to transact the following business:-

1. To receive, consider and adopt the Audited Profit and Loss Account for the Financial year ended 30th June, 2008, Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. S.C. Arya, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Anil Khemka, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT Shri Eshwar Raman Karra, who was appointed as Additional Director of the Company and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 from a Member signifying his intention to propose his candidature for the office of the Director, be and is hereby appointed as Director of the Company."

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to provisions of Section 269, 198, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Dr. Atul Kapoor as Managing Director of the Company for a further period of five years with effect from 1st September, 2008 on the following terms and conditions as approved by the Remuneration Committee.

a) SALARY

Rs. 2,00,000/- (Rupees Two Lacs) only per month.

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PERQUISITES

- I. The Managing Director shall be entitled to perquisites like furnished accommodation or House Rent Allowance in lieu thereof, together with reimbursement of expenses for furnishing and maintenance of residential accommodation, utilisation of gas, electricity, water, reimbursement of medical expenses and leave travel concession for self and family club fees, payment towards personal accident insurance and mediclaim and all other payments in the nature of perquisites and allowances as agreed, subject to an overall ceiling of Rs. 6,00,000/- per annum without restriction to any sub-limit on individual perquisite.

EXPLANATION

"Family here means the spouse, dependent children and dependent parents of the Managing Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

Use of Company's Car for official purpose and Telephone at residence (including payment for local calls and long distance official call(s)), shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

- II. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.
- III. Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites to the extent the same are not taxable under the Income-Tax Act, 1961.
- IV. The Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

MINIMUM REMUNERATION

RESOLVED FURTHER THAT where in any Financial Year during the currency of tenure of Managing Director, the Company has no profits or its profits are inadequate, Dr. Atul Kapoor, Managing Director shall be entitled to remuneration by way of salary and perquisites as specified supra, as minimum remuneration, subject to such approvals, as may be necessary.



Regency Hospital Ltd.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to complete all necessary formalities and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to provisions of Section 269, 198, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Dr. Rashmi Kapoor as Whole-time Director of the Company for a period of five years with effect from 1st September, 2008 on the following terms and conditions as approved by the Remuneration Committee.

a) SALARY :

Rs.1,50,000/- (Rupees One Lac Fifty Thousand only) per month.

b) PERQUISITES :

- I. The Whole-time Director shall be entitled to perquisites like furnished accommodation or House Rent Allowance in lieu thereof, together with reimbursement of expenses for furnishing and maintenance of residential accommodation, utilisation of gas, electricity, water, reimbursement of medical expenses and leave travel concession for self and family, club fees, payment towards personal accident insurance and mediclaim and all other payments in the nature of perquisites and allowances as agreed, subject to an overall ceiling of Rs. 6,00,000/- per annum without restriction to any sub-limit on individual perquisite.

EXPLANATION

"Family here means the spouse, dependent children and dependent parents of the Whole-time Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

Use of Company's Car for official purpose and Telephone at residence (including payment for local calls and long distance official call(s), shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

- II. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.

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- III. Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites to the extent the same are not taxable under the Income-Tax Act, 1961.
- IV. The Whole-time Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

MINIMUM REMUNERATION

RESOLVED FURTHER THAT where in any Financial Year during the currency of tenure of Whole-time Director, the Company has no profits or its profits are inadequate, Dr. Rashmi Kapoor, Whole-time Director shall be entitled to remuneration by way of salary and perquisites as specified supra, as minimum remuneration, subject to such approvals, as may be necessary.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to complete all necessary formalities and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 61 of the Companies Act, 1956, the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed 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 "the Board", which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution), consent of the Company be and is hereby accorded to the Board to delist the Equity Shares of the Company from the Ahmedabad, Jaipur and Calcutta Stock Exchanges.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary to give effect to the aforesaid resolution."

Registered Office:
A-2, Sarvodaya Nagar,
Kanpur-208005

Dated: 24th July, 2008

By Order of the Board

(Dr. Atul Kapoor)
Managing Director



Regency Hospital Ltd.

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 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. An Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956 in respect of Item Nos. 5 to 8 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday 11th September, 2008 to Monday 15th September, 2008 (both days inclusive).
4. In terms of Clause 49 of the Listing Agreement information on Directors retiring by rotation seeking re-appointment at this Annual General Meeting is as under:

Particulars	Dr. S.C. Arya	Shri Anil Khemka	Shri Eshwar Raman Karra
Date of Birth and Age	09.02.1939 Age: 69 Years	18.11.1956 Age: 51 Years	08.06.1968 Age: 40 Years
Appointed on	16.10.1989	15.03.1995	30.01.2008
Qualifications	M.B.B.S, M.D	Chartered Accountant	Finance & Administration
Expertise in specific functional areas	Medical	Finance	M.B.A
Directorship held in other Public Companies (excluding Foreign Companies)	NIL	Indcoat Shoe Components Ltd.	NIL
Memberships / Chairmanships of committees across public Companies.	Audit Committee Remuneration Committee.	Audit Committee Remuneration Committee	NIL

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ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No.5:

The Board of Directors of the Company at its meeting held on 30th January, 2008 appointed Shri Eshwar Raman Karra as the Nominee Director of Kotak Mahindra Bank Limited. In terms of provisions of Section 260 of the Companies Act, 1956, Shri Eshwar Raman Karra holds office upto the date of this Annual General Meeting. The Company has received a Notice under Section 257 of the Companies Act, 1956 alongwith requisite deposit from a Member proposing the candidature of Shri Eshwar Raman Karra as a Director of the Company. Shri Eshwar Raman Karra is presently working as the Executive Vice president of Kotak Mahindra Bank Ltd. and has vast and varied experience in finance and administrative matters and his continuance on the Board will immensely benefit the Company. The Board recommends the resolution for acceptance.

None of the Directors of the Company except Shri Eshwar Raman Karra himself may be considered as concerned or interested in the resolution.

ITEM NO. 6 & 7

Dr. Atul Kapoor and Dr. Rashmi Kapoor were appointed as the Managing Director and Whole-time Director respectively of the Company for a period of Five years w.e.f 1st September, 2003 and their appointments and terms and conditions thereof had been approved by the Central Government vide Letter No. 1/276-277/2003-CL VII dated 07.01.2004. Dr. Atul Kapoor, M.B.B.S, M.S, the Managing Director of the Company has around 27 years of experience in Medical Profession and has been associated with the Company since its incorporation. Dr. Rashmi Kapoor, M.B.B.S, M.D. the Whole-time Director of the Company has also around 27 years of experience in Medical Profession and has been associated with the Company since its incorporation. Both of them have played significant role in turning around the Company. It is now proposed to re-appoint Dr. Atul Kapoor and Dr. Rashmi Kapoor as the Managing Director and Whole-time Director respectively of the Company for a further period of Five years w.e.f 1st September, 2008 on the same terms and conditions which had earlier been approved by the Remuneration Committee and also by the Central Government.

The additional information with respect to the Company and the Appointees is as under:

I. GENERAL INFORMATION:

- | | | |
|------|--|----------------------------------|
| (i) | Nature of Industry | Hospital and Diagnostic Services |
| (ii) | Date or expected date of
Commencement of commercial
Production | : The Company is in operation. |



Regency Hospital Ltd.

- (iii) In case of new Companies,
Expected date of commencement
of activities as per project approved
by financial institutions appearing
In the prospectus

: -N.A-

- (iv) Financial Performance based
on the given indicators for the
F.Y. ended 30.06.2008

(Rs. in Lacs)

Turnover	3361.64
Profit /Net (Loss)	83.73
Net worth (excluding Revaluation reserve)	1567.30
Book Value per Share (excluding revaluation reserve)	18.40

- (v) Export performance and net
Foreign exchange earnings

: NIL

- (vi) Foreign investment or
collaboration, if any

: NIL

II. INFORMATION ABOUT THE APPOINTEES:

Name	Background Details	Previous Remuneration	Proposed Remuneration	Job Profile
Dr. Atul Kapoor	Age 51 Yrs. M.B.B.S, M.S Having 27 years of experience in Medical Science.	Rs. 2,00,000/- p.m plus perquisites upto Rs. 6.00 Lacs p.a	Rs. 2,00,000/- p.m plus perquisites upto Rs. 6.00 Lacs p.a	(Managerial) [responsible for overall management of the affairs of the Company].
Dr. Rashmi Kapoor	Age 51 Yrs. M.B.B.S, M.D. Having 27 years of experience in Medical Science.	Rs. 1,50,000/- p.m plus perquisites upto Rs. 6.00 Lacs p.a	Rs. 1,50,000/- p.m plus perquisites upto Rs. 6.00 Lacs p.a	(Managerial) [responsible for Administrative and operational functions].

The details relating to comparative remuneration profile with respect to Industry being unavailable hence not provided. The Board is of the view that the proposed remuneration is in line with the prevailing Industry trends.

The Board is of the opinion that the aforesaid managerial personnel have requisite qualifications, expertise and experience for the job they are holding. Except for receiving remuneration, none of the managerial personnel as aforesaid has any pecuniary relationship with the company.

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III. OTHER INFORMATION:

(I) Reasons for inadequate Profit:

The Company was incorporated in the year 1987 with the object of setting-up of Hospital for dispensation of multi-disciplinary medical services. Being a Service Industry requiring a long gestation period, due to high incidence of interest and depreciation charges coupled with of technology obsolescence, the operations of the Company were badly affected and the Net-worth of the Company stood completely eroded. The Company has entered into One Time Settlement (OTS) with the Financial Institutions and the entire OTS Liability was taken over by Kotak Mahindra Bank Limited. On account of successful financial re-structuring, the financial performance of the Company improved and the Company has posted the Net Profit of Rs. 83.73 Lacs for the financial year ended 30th June, 2008.

(II) Steps taken or proposed to be taken for improvement:

After successful financial re-structuring, the Company has made a turnaround resulting in Net Profit for the financial year ended 30th June, 2008. In addition, the Management proposes to undertake the number of measures which inter-alia include the expansion of existing bed capacity, addition of newer medical facilities, installation of latest diagnostic equipments which are expected to improve the financial performance of the Company.

(iii) Expected increase in productivity and Profits in measurable terms:

It is only because of tremendous efforts put in by the Managing Director and Whole-time Director, the financial performance of the Company has improved significantly as reflected in financial turnaround. The expected increase in productivity in measurable term being indeterminable cannot be quantified.

IV. DISCLOSURES:

The Shareholders of the Company are duly informed of the remuneration package of Managerial Personnel and disclosures in this regard will be made in the Report of Corporate Governance under Clause 49 of the Listing Agreement.

None of the Directors of the Company except Dr. Atul Kapoor and Dr. Rashmi Kapoor being interested in their respective resolutions and related to each other, may be considered as concerned or interested in the resolutions.