



Mark of Excellence



# Regency Hospital Ltd.

## *23rd Annual Report*

### *2011-2012*





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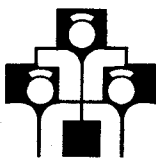
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End of Report



# *Regency Hospital Ltd.*

## **BOARD OF DIRECTORS**

Mr. R. L. SRIVASTAVA

Dr. ATUL KAPOOR

Dr. RASHMI KAPOOR

Mr. ANIL KUMAR KHEMKA

Dr. SHYAM SWARUP AGARWAL

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

## **AUDITORS**

M/s. JAIN DHINGRA & ASSOCIATES

Chartered Accountants

KANPUR

## **CHIEF FINANCIAL OFFICER**

Mr. SANTOSH KUMAR GUPTA

## **COMPANY SECRETARY**

Ms. KAMINI GUPTA

## **BANKERS**

BANK OF BARODA, KANPUR

ALLAHABAD BANK, KANPUR

## **REGISTERED OFFICE**

A-2, SARVODAYA NAGAR,

KANPUR - 208005

## **HOSPITAL**

A-2, SARVODAYA NAGAR,

KANPUR - 208 005

## **REGISTRAR AND SHARE TRANSFER AGENT**

**Skyline Financial Services (P) Ltd.**

D-153/A, 1st Floor, Okhala Industrial Area, Phase-1,

New Delhi-110020



## NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of **REGENCY HOSPITAL LIMITED** will be held on Saturday, September 29, 2012 at 11.00 A.M. at the Registered Office of the Company at A-2, Sarvodaya Nagar, Kanpur-208005 to transact the following business:-

1. To consider and adopt the audited Balance Sheet as at March 31, 2012, the Statement of Profit & Loss Account for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Kumar Khemka, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Jain Dhingra & Associates, Chartered Accountants (Registration No. 000987C), retiring Auditors of the Company who are eligible for re-appointment for the period commencing from the conclusion of this annual general meeting till the conclusion of next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS :

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

"**RESOLVED THAT** pursuant to the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the 'Act') including any statutory modification(s) or re-enactment thereof for the time being in force and in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time (hereinafter referred to as 'SEBI ICDR Regulations'), enabling provisions of the Memorandum and Articles of Association of the Company and the Regulations, Guidelines or Clarifications, if any, prescribed or issued by any authority and the Listing Agreement entered into by the Company with the Stock Exchange(s) where the Shares of the Company are listed and subject to all necessary approvals, permissions and sanctions as may be required from any Governmental or regulatory authority and / or all other Institutions and bodies and subject to such condition(s) and modification(s) 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 called 'the Board' which term shall be deemed to include any Committee which the Board may constitute to exercise its powers conferred by this resolution), the consent and approval of the Company be and is hereby accorded to the Board (with powers to delegate all, or any of the powers hereby conferred to any duly authorized committee thereof) to create, offer, issue and allot on preferential basis, at its sole and absolute discretion, 10,48,000 (Ten Lacs Forty Eight Thousand only) Equity Shares of Rs. 10/- each at a premium of Rs. 40/- or the price as determined as on 'Relevant Date' in accordance with the 'SEBI ICDR Regulations', whichever is higher, and on such other terms and conditions as may be decided and deemed appropriate by the Board in its absolute discretion to the following shareholders:-

Name of Allottee (Promoter Group)	No. of shares
Dr. Atul Kapoor (HUF)	285300
Dr. Atul Kapoor	200000
Dr. Rashmi Kapoor	300000
Mrs. Soni Kapoor	258700
Mr. Abhishek Kapoor	4000
<b>Total</b>	<b>10,48,000</b>



**"RESOLVED FURTHER THAT** the "Relevant Date" for the purpose of computing the price for issue and allotment of Equity Shares shall be August 28, 2012."

**"RESOLVED FURTHER THAT** the Equity Shares shall be allotted within a period of fifteen (15) days from the date of passing of this resolution provided that where the allotment of Equity Shares is pending on account of pendency of any approvals for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of fifteen (15) days from the date of such approval or such other extended period as may be permitted under SEBI ICDR Regulations as amended from time to time.

**"RESOLVED FURTHER THAT** the Equity Shares so issued and allotted shall rank in all respects pari-passu with the existing Equity Shares of the Company."

**"RESOLVED FURTHER THAT** the entire pre issue shareholding of the above allottees, if any shall be under lock-in from the relevant date upto a period of six months from the date of preferential allotment or such other period as may be applicable under the applicable 'SEBI ICDR Regulations' as amended from time to time."

**"RESOLVED FURTHER THAT** the Equity Shares so issued and allotted as above, shall be subject to the lock-in SEBI ICDR Regulations' as amended from time to time."

**"RESOLVED FURTHER THAT** the Equity Shares so issued and allotted as above, shall be listed and traded on all the Stock Exchange on which the existing equity shares of the Company are listed."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to above resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, at its discretion, deem necessary or desirable for such purpose, including without limitation and to entering into any arrangement or agreements for listing, trading, depository services and such other arrangements and agreements as may be necessary, and also to seek listing of the equity shares so issued with any stock exchange with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard to any such issue, offer or allotment of Equity Shares and in complying with any regulations, as it may in its discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authorities of this resolution."

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

By Order of the Board

**(KAMINI GUPTA)**  
Company Secretary

Kanpur, August 14, 2012



**Notes:**

1. The relevant Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956 in respect of Item Nos. 4 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE 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 48 Hours before the commencement of the Meeting.
3. Corporate members intending to send their authorized representative to attend the Meeting are requested to sent to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Members are requested to bring their attendance slip along with their copy of Annual Report of the meeting.
5. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all the working days, between 11.00 A.M. and 1.00 P.M. upto the date of the Meeting.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 24, 2012 to Saturday, September 29, 2012 (both days inclusive).
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrar and Share Transfer Agent, M/s Skyline Financial Services (P) Limited, New Delhi.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members requested to submit the Pan to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agent (RTA), for consolidation into a single folio.
11. In terms of Clause 49 of the Listing Agreement information on Directors seeking appointment at this Annual General Meeting is as under:

Particulars	Mr. Anil Kumar Khemka
Date of Birth and Age	November 18, 1956, Age: 55 Years
Appointed on	March 15, 1995
Qualifications	Chartered Accountant
Expertise in specific functional areas	Finance
Directorship held in other Public Companies (excluding Foreign Companies)	Indcoat Shoe Components Limited
Memberships / Chairmanships of Committees across Public Companies.	NIL

## ANNEXURE TO THE NOTICE

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

The Company requires adequate capital to meet the needs of growing business. While it is expected that the internal generation of funds would partially finance the need for capital and debt raising would be another source of funds, it is thought prudent for the Company to raise a part the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws. The Board of Directors proposes to issue and allot 10,48,000 (Ten Lacs Forty Eight Thousand) Equity Shares to the Promoter of the Company on preferential basis. The proceeds of the issue are proposed to be utilized to part finance the long term working capital requirements and other general corporate purposes. The proposed preferential issue is in accordance with the Regulation for preferential issue contained in Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendments thereto from time to time.

## Disclosure in terms of Regulation 73(1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 :

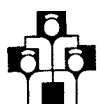
## (i) The objects of the Preferential Issue:

Funds mobilised through proposed issue are intended to be utilised to part finance the expansion project of oncology hospital and general corporate purposes as may be required from time to time.

## (ii) Proposal of the Promoters/Directors/Key Management Personnel to subscribe to the offer:

The following Promoter Group do intend to subscribe to the above mentioned preferential allotment of shares to the extent of 10,48,000 Equity Shares being 10.07% of the post issue of capital of the Company:

Name of Allottee (Promoter Group)	No. of shares
Dr. Atul Kapoor (HUF)	285300
Dr. Atul Kapoor	200000
Dr. Rashmi Kapoor	300000
Mrs. Soni Kapoor	258700
Mr. Abhishek Kapoor	4000
<b>Total</b>	<b>10,48,000</b>



(iii) Pre- Issue and Post- Issue Shareholding Pattern of the Company :

Shareholder Category	Pre-Allotment Shareholding (as on 06.08.2012)		Post-Allotment Shareholding*	
	No. of Equity Shares	%age to Total Equity Share Capital	No. of Equity Shares	% age to total Equity Share Capital
Promoter and Promoter Group	66,55,460	71.12	77,03,460	74.02
Mutual Funds	520	0.01	520	-----
Financial Institutions/ Banks	52,800	0.56	52,800	0.51
Bodies Corporate	68,204	0.73	68,204	0.66
Resident Individual Shareholders	25,81,684	27.58	25,81,684	24.81
<b>TOTAL</b>	<b>93,58,668</b>	<b>100.00</b>	<b>1,04,06,668</b>	<b>100.00</b>

\*The above share holding pattern may change from time to time depending upon the transfer of Shares by the existing Shareholders.

(iv) **Proposed Time within which the Preferential Issue shall be completed:**

The allotment of shares on preferential basis shall be completed within a period of fifteen days from the date of passing of the Special Resolution by the Shareholders. However, in the absence of requisite approvals or pendency of approval from any regulatory authority, if applicable, the allotment shall be completed within 15 days from the date of such approval(s).

(v) **The Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them and change in control, if any, consequent to preferential issue:**

Sl. No.	Name of the proposed Allottee	Category	Address	Pre-Allotment Shareholding (as on 06.08.2012)		Post-Allotment Shareholding*	
				No. of Equity Shares	%age to Total Equity Share Capital	No. of Equity Shares	%age to Total Equity Share Capital
1	Dr. Atul Kapoor (HUF) AEKPK0867M	Promoter Group	117/H-1/197, Pandu Nagar, Kanpur	1182523	12.64	1467823	14.10
2	Dr. Atul Kapoor AEKPK0867M	Promoter Group	117/H-1/197, Pandu Nagar, Kanpur	1598863	17.08	1798863	17.29
3	Dr. Rashmi Kapoor AEKPK0868E	Promoter Group	117/H-1/197, Pandu Nagar, Kanpur	2057953	21.99	2357953	22.66
4	Mrs. Soni Kapoor ADRPK7796B	Promoter Group	117/H-1/197, Pandu Nagar, Kanpur	649210	6.94	907910	8.72
5	Mr. Abhishek Kapoor AREPK3455C	Promoter Group	117/H-1/197, Pandu Nagar, Kanpur	168240	1.80	172240	1.66



**(vi) Pricing of the issue :**

The issue price of the Equity Shares to be allotted on preferential basis to the proposed allottees shall be the higher of Rs. 50/- or the price as determined in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

**(vii) Change in Control :**

The allotment would not result in any change in control over the Company or the management of the affairs of the Company and the existing Promoters/ Directors of the Company will continue to be in control of the Company.

**(viii) Auditors' Certificate :**

The price at which the Equity Shares would be issued to the proposed allottees cannot be exactly determined before issue of this notice to the shareholders as it depends on the average of the market prices prevailing in the proceeding 2 weeks or 6 months as per SEBI formula. Hence, the Auditors' Certificate required will be made available for inspection at the Corporate Office of the Company on any working day from Relevant date.

**(ix) Lock in proposal issue of shares :**

The Equity Shares proposed to be issued to above proposed allottees shall be locked for a period from the date of allotment on terms of Regulation 78 of 'SEBI ICDR Regulations', 2009 for preferential allotment contained in Chapter VII to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

The Directors recommend the above Special Resolution for approval of members.

None of the Directors of the Company may be deemed to be concerned or interested in the resolution.

**Registered Office :**

A-2, Sarvodaya Nagar,  
Kanpur-208005

Kanpur, August 14, 2012

By Order of the Board

**(KAMINI GUPTA)**  
Company Secretary



**DIRECTORS' REPORT**

To,  
The Members of  
**REGENCY HOSPITAL LIMITED**

Your Directors have pleasure in presenting herewith the Twenty Third Annual Report and audited Statement of Accounts of the Company for the year ended March 31, 2012.

**FINANCIAL RESULTS (STANDALONE) \***

Amount (Rs. in Lacs)

<b>PARTICULARS</b>	<b>For the Year ended 31st March, 2012</b>	<b>For the Year ended 31st March, 2011</b>
Total Income	5760.25	5220.41
Profit/(Loss) before Interest, Depreciation, Taxation and Extra Ordinary item	1109.11	1008.47
Less : Depreciation	391.99	337.23
Less: Finance Charges	328.55	356.95
Profit before Taxation and Extra ordinary Item	388.57	314.29
Less/(Add):Provision for Taxation:		
Current Tax	77.74	62.64
Deferred Tax (Assets)/ Liability	125.81	90.86
Mat Credit Entitlement	(77.74)	(62.63)
Profit After Tax	262.76	223.42
Add: Balance in Profit and Loss Account	821.14	597.72
Balance Carried forward to Balance Sheet	1083.90	821.14

\*The subsidiary company has been incorporated on June 10, 2011 and its operation has not yet been started.

**COMPANY PERFORMANCE**

The total income for the financial year under review was Rs.5760.25 Lacs as compared to Rs.5220.41 Lacs for the previous year financial year registering growth of 10.34% . The Profit before tax excluding extra-ordinary item was Rs.388.57 Lacs and Profit after tax of Rs.262.76 Lacs for the financial year under review as against Rs.314.29 Lacs and Rs.223.42 Lacs respectively for the previous financial year. The company has treated 12953 indoor patients in compare to 12324 indoor patients in 2010-11. A detailed analysis of performance for the year has been included in the Management Discussion and Analysis, which forms part of the Annual Report.

**GROWTH STRATEGY:**

We have great pleasure to inform that your company has already set up 75 Bedded Renal Sciences Centre at heart of the city which will be fully operational by September, 2012. This is first high tech Renal Sciences Centre in the state. The Company has