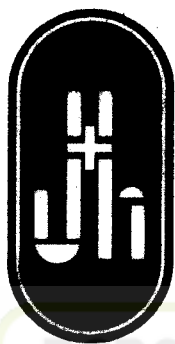


Fifteenth Annual Report 2003-2004



Jaipur Hospital

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**A UNIT OF
SHARMA EAST INDIA HOSPITALS
& MEDICAL RESEARCH LIMITED**

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SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

BOARD OF DIRECTORS

CHAIRMAN

SHRI GANPAT RAI SHARMA

MANAGING DIRECTOR

DR. SHAILENDRA KUMAR SHARMA

DIRECTORS

**SHRI SUBHASH JAIN
SHRI RAJESH SHARMA
SHRI J.N. PATHAK
DR. ASHOK AGARWAL**

COMPANY SECRETARY

SMT. MADHU RATHI

AUDITORS

**M/S. GOPAL SHARMA & CO.
CHARTERED ACCOUNTANTS
JAIPUR.**

BANKERS

PNB & SBBJ BANK

REGISTERED OFFICE

**JAIPUR HOSPITAL
LAL KOTHI, NEAR S.M.S. STADIUM
TONK ROAD, JAIPUR-302 015
PHONE : 2742557, 2742619, 2742266,
2740936, 2741465**

FIFTEENTH ANNUAL GENERAL MEETING

**SATURDAY THE 25TH SEPTEMBER, 2004
AT SHARMA AGRICULTURE FARM
TAKIA KI CHOWKI, KALWAD ROAD,
JHOTWARA, JAIPUR
AT 3.00 P.M.**



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NOTICE :

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of **Sharma East India Hospitals & Medical Research Limited** will be held as scheduled below :

DATE: 25TH SEPTEMBER, 2004

DAY : SATURDAY

TIME : 3.00 P.M.

PLACE : SHARMA AGRICULTURE FARM, TAKIA KI CHOWKI, KALWAD ROAD, JHOTWARA, JAIPUR,
to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004, the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and the Auditor's thereon.
2. To appoint a Director in place of Shri Ganpat Rai Sharma, who retires by rotation and is eligible, for reappointment.
3. To appoint a Director in place of Shri J.N.Phatak, who retires by rotation and is eligible, for reappointment.
4. To appoint Auditors to hold office from the conclusion of this annual General Meeting until the conclusion of the next annual general meeting and to fix their remuneration.

SPECIAL BUSINESS :

To consider and if thought fit to pass with or without modification, the following resolutions :-

5. As a Special Resolution :

"RESOLVED that pursuant to the provisions of section 198, 309, 310 and 311 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the Act, the Company hereby accords its approval to the payment of enhanced remuneration to Dr. Shailendra Kumar Sharma, Managing Director as set out in the Explanatory Statement which shall be payable, if approved, to him with effect from 1st July, 2004.

RESOLVED FURTHER that all other terms and conditions of the agreement shall remain the same as previously approved."

6. As a Special Resolution :

"RESOLVED that the Consent of the Company be and is hereby given to the Board of Directors of the Company for keeping the Register of Members together with Index of Members and copies of all the returns prepared under section 159 and 160 of the Companies Act, 1956 at the premises of the Share Transfer Agents, M/s Beetal Financial & Computer Services P. Ltd., New Delhi, or at the corporate office of the Company, as the case may be."

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

NOTES :

1. **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.**
2. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of item no. 5 & 6 as set out above is annexed hereto.
3. The Register of Members and Share Transfer Books will remain closed from 18th September, 2004 to 25th September 2004 both days inclusive.
4. Members are requested to notify the change in their address to the company and always quote their Folio Numbers in all correspondence with the company.
5. Pursuant to the provisions of section 205C of the Companies Act, 1956, dividend for the financial year ended 31st March 1996, which remained unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, has been transferred to the Investor Education and Protection Fund established by the Central Government under section 205 (C) of the Companies Act, 1956.

PLACE : JAIPUR

DATE : 29TH JULY, 2004

REGD. OFFICE :

JAIPUR HOSPITAL

LAL KOTHI, NEAR SMS STADIUM

TONK ROAD, JAIPUR-302 015

BY ORDER OF THE BOARD

(MADHU RATHI)

COMPANY SECRETARY

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ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

The Explanatory Statement Pursuant to section 173(2) of Companies Act, 1956 for item no. 5 & 6 is as under :

Item No. 5

Shareholders will kindly recall the 13th Annual General Meeting of the Company held on 28/09/02 in which Dr. Shailendra Kr. Sharma was appointed as Managing Director of the Company for a period of 5 years w.e.f. 16/3/02 on a remuneration of Rs. 15,000/- P.M. which was further increased to Rs. 25,000/- P.M. in the 14th Annual General Meeting held on 25/09/03. At the meeting of the Remuneration Committee held on 29th June, 2004 the committee was of the unanimous view that the remuneration package of the managing Director should be revised upwards as they are not being adequately compensated considering his valuable experience and expertise. The remuneration committee recommended the increase in remuneration from Rs. 25,000/- per month to Rs. 50,000/- per month w.e.f. 1/7/04. The recommendation was also accepted by the Board of Directors of the Company.

The Board of recommends the passing of the said resolution.

Further Shri Ganpat Rai Sharma, chairman being father of Dr. Shailendra Kumar Sharma and Shri Rajesh Sharma being brother-in-law of Dr. Shailendra Kumar Sharma may be deemed concerned or interested in the said resolution.

Except above none of the other directors of the Company is in any way concerned or interested in the said resolution.

This alongwith the relevant resolution may be treated as an abstract of revised term of remuneration as required to be disclosed to the members pursuant to section 302 of the Companies Act, 1956.

Item No. 6

Pursuant to the provisions of section 163 of the Companies Act, 1956, the Register and Index of Members, if maintained at a place other than the registered office, requires the approval of the Members by special resolution. Since the company has appointed M/S Beetal Financial & Computer Services P. Ltd., 321-S, Chirag Delhi, (Nr. Shahid Bhagat Singh College) New Delhi as share transfer agents, your directors propose to maintain the Register and Index of Members etc., at M/s Beetal Financial & Computer Services P. Ltd. or at the Corporate Office of the Company in case the share related work is handled on in-house bases.

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

None of the director is concerned or interested, in the resolution.

The Board of Directors recommends this resolution for your approval.

PLACE : JAIPUR
DATE : 29TH JULY, 2004

BY ORDER OF THE BOARD

REGD.OFFICE :
JAIPUR HOSPITAL
LAL KOTHI, NEAR SMS STADIUM
TONK ROAD, JAIPUR-302 015

(MADHU RATHI)
COMPANY SECRETARY





FIFTEENTH ANNUAL REPORT 2003-2004

DIRECTOR'S REPORT

Dear Shareholders,

The Directors are pleased to present their Fifteenth Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2004.

	(Rs. in Lacs)	
	For the year ended on	
	31.03.2004	31.03.2003
Professional Receipts & Other Income	312.47	314.61
Profit before Interest,		
Depreciation & Tax	38.25	47.61
Less : Interest	1.05	3.47
Operating Profit	37.20	44.14
Less : Depreciation	31.73	41.25
Net Profit Before Tax	5.47	2.89
Less : Provision for Taxation		
Current Tax	2.02	NIL
Deferred Tax(net)	(0.71)	1.84
Net Profit after Tax	4.16	1.05
Add : Profit brought forward from Previous Year	1.35	25.19
	5.51	26.24
Less : Provision for Deferred Taxation relating to previous year	NIL	24.89
Surplus carried forward to Balance Sheet	5.51	1.35

2. PERFORMANCE OF THE COMPANY :

The operational results of the company during the year under review remained satisfactory.

Availability of trained nursing staff is a prerequisite for efficient performance in hospital. We have affiliated ourselves to Jaipur Hospital School of Nursing & Medical Training Centre, from where we are getting necessary nursing staff at present.

3. DIVIDEND :

In view of paucity of funds and to conserve the available resources for better utilisation in the Company, your Directors do not recommend any payment of dividend for the year 2003-2004.

4. FUTURE PROSPECTS :

Your Company is planning to set-up a Dental and B.Sc. Nursing College in Jaipur through a associate trust and necessary steps are in progress.

5. FIXED DEPOSITS :

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

6. CORPORATE GOVERNANCE :

The Company has implemented the Corporate Governance requirements. Management Discussion and analysis and a report on compliance of Corporate Governance is enclosed as Annexures to Director's Report.

7. REPAYMENT TO FINANCIAL INSTITUTION :

Your Company has been regular in payment of interest and repayment of principal loan installments to the financial institutions during the year under review and has claimed and received interest incentive to the extent of 2% of the interest rate during the year from RIIICO under good borrower scheme.

8. DIRECTORS :

Shri. Ganpat Rai Sharma and Shri J.N. Phatak, retires by rotation and are eligible for reappointment.

9. DIRECTOR'S RESPONSIBILITY STATEMENT U/S 217(2AA) :

The Board of Directors Report :

- (i) That in the preparation of Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to the material departures.
- (ii) The directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the directors had prepared the Annual Accounts on a going concern basis.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO :

Since the Company is engaged in service activities and has no activity pertaining to manufacturing hence furnishing of details pertaining to Conservation of Energy and Technology Absorption are not applicable as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988. There were no foreign exchange earnings and outgoing during the year.

11. AUDITORS AND AUDITOR'S REPORT :

The Statutory Auditors M/s Gopal Sharma & Co., Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for reappointment.

The notes to Accounts referred to in the Auditors Report are self-explanatory and therefore do not need any further comment.

**FIFTEENTH ANNUAL REPORT 2003-2004**

12. PERSONNEL :

The Company has not paid any remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975, read with section 217(2A) of the Companies Act, 1956. Hence no information is required to be appended to this report in this regard.

13. ACKNOWLEDGEMENT :

The Directors would like to express their grateful appreciation for the assistance and co-operation received from the Rajasthan State Industrial Development & Investment Corporation Limited (RSIDCO), SBBJ Bank, Punjab National Bank and other Banks, Investors, Shareholders for their continuing support during the year under review.

Your Directors wish to place on record their deep sense of appreciation for the devoted services of Consultant Doctors and entire staff at all levels of the Company for its success.

BY ORDER OF THE BOARD

PLACE : JAIPUR
DATE : 29TH JULY, 2004

(DR. SHAILENDRA KUMAR SHARMA)
MANAGING DIRECTOR

(GANPAT RAI SHARMA)
CHAIRMAN

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