

Twentieth Annual Report 2008-2009



**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

MANAGING DIRECTOR

DIRECTORS

AUDITORS

**COMPANY SECRETARY
BANKERS**

REGISTERED OFFICE

SHRI GANPAT RAI SHARMA

DR. SHAILENDRA KUMAR SHARMA

MRS. MAYA SHARAM

SHRI KARAN SHARMA

MRS. MADHULIKA SHARMA

SHRI MONIKA SHARMA

SHRI SUBHASH JAIN

SHRI RAJESH SHARMA

SHRI J.N. PATHAK

DR. ASHOK AGARWAL

**M/S. SHARMA BHURAT & ASSOCIATES
CHARTERED ACCOUNTANTS
JAIPUR.**

**ANUPRIYA SAXENA
PNB, SBBJ & SBI BANK**

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

TWENTIETH ANNUAL GENERAL MEETING

**TUESDAY THE 29TH SEPTEMBER, 2009
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 Twentieth Annual General Meeting of the members of **Sharma East India Hospitals & Medical Research Limited** will be held as schedule below :

DATE : 29TH SEPTEMBER, 2009

DAY : TUESDAY

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, 2009, 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 Dr. Ashok Agarwal, who retires by rotation and is eligible, for reappointment.
3. To appoint a Director in place of Sh. J.N. Pathak, who retires by rotation and is eligible, for reappointment.
4. To appoint Gopal Sharma & Company, Chartered Accountants as Auditors of the company in place of retiring auditors M/s Sharma Bhurat & Associates, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize Board of Directors fix their remuneration.

"RESOLVED THAT M/s Gopal Sharma & Company, Chartered Accountants, H-1, Chitrangan Marg, C-Scheme, Jaipur be and are hereby appointed Auditors of the Company to hold office the Conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on Such remuneration as shall be fixed by the Board of Directors of the Company in place of retiring auditors M/s Sharma Bhurat & Associates, who have not offered themselves for re-appointment."

SPECIAL BUSINESS :

1. To Consider and, if thought fit to pass, with or without modifications the following Resolution as an ordinary Resolution

Increase in borrowing powers of the company :

"RESOLVED THAT the consent of the company be and is hereby accorded to the board of Directors of the Company (hereinafter referred to as "the Board", Which term shall include any committee constituted by the Board or any person & authorised by the Board to exercise the power conferred on the board by this resolution) in terms of Section 293 (I) (d) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof), to borrow, for the purpose of the Company's business, any sum or sums

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

of money from time to time at its discretion in accordance with the Memorandum and Article of Association of the Company notwithstanding that sum or sums of money together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from time to time from the Company's Banker in the ordinary course of business) may exceed the aggregate of all sums borrowed by the Board from time to time and remaining outstanding shall not exceed, at any point to time, Rs 20 Crores (Rupees Twenty Crores only) over and above the aggregate of the paid up capital and free reserves of the Company.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate and finalize all the terms and conditions of all such moneys to be borrowed from time to time as to interest, repayment, securities etc. as it may consider fit in the interest of the Company and to execute all agreements, deeds, undertakings, etc. and to do all such acts, deeds, matters, and things as it may, in its absolute discretion deem fit, necessary, desirable or expedient for giving effect to this resolution,"

BY ORDER OF THE BOARD

DATE : 27TH JULY, 2009

Registered Office :

Jaipur Hospital
Lal Kothi, Near S. M. S. Stadium
Tonk Road, Jaipur-302015

COMPANY SECRETARY



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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 of the Company.**
2. **The Instrument Appointing A Proxy must be Deposited at the Company's Registered office not less than 48 Hours before the Commencement of the Meeting.**
3. The Register of Members and Share Transfer Books will remain closed from 22nd September, 2009 to 29th September, 2009 both days inclusive.
4. Members who hold shares in dematerialized form are requested to bring their CLIENT ID & DP ID Number for easy identification at the meeting.
5. Members are requested to lodge the transfer, transmission of shares at the registered office or to the Registrar & Transfer Agent M/s Beetal Financial & Computer Services P. Ltd., Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062 and to inform any change in their address immediately so as to enable the Company to do future communications at their correct address.
6. Shareholders are requested to please bring their attendance slips together with their copies of Annual report at the meeting.
7. At the ensuing AGM, Dr. Ashok Agarwal & Shri J.N. Pathak shall retire by rotation and being eligible for reappointment and offer themselves for re-appointment.
8. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act. 1956 in respect of the business, under item No. 4 under the Head ordinary Business.

EXPLANATORY STATEMENT :

The Company's current Auditors M/s Sharma Bhurat & Associates has given notice to the company about their unwillingness to be re-appointed as Statutory Auditors of the Company in next Annual General Meeting.

A proposal has been received of M/s Gopal Sharma & Associates Chartered Accountants, Jaipur for appointment as Auditors of the Company to conduct the statutory audit from the ensuing Annual General Meeting subject to the approval of the Shareholders. A certificate has been received from them to be the effect that their appointment if made, will be within the prescribed limits u/s 224 (1B) of the Companies Act, 1956.

One of the partners of M/s Gopal Sharma & Company is Shri Ashwani Sharma, who is son of Shri Ganpat Rai Sharma, Chairman of the Company and brother of Dr. Shailendra Kumar Sharma, Managing Director of the Company, Husband of Smt. Madulika Sharma and in laws of Smt. Maya Sharma, Smt. Monika Sharma and Shri Karan Sharma.

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

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9. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the business under Item No. I under the Head Special Business :

EXPLANATORY STATEMENT :

As per section 293 (1) (d) of the Companies Act, 1956 borrowing (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by Board beyond the aggregate of the paid up capital of the Company and its free reserves requires approval, from the Shareholders of the Company. With a view to meet the requirements of the Company would be required funds from time to time by the way of Loans. Having regard to the proposal seeking Member's approval Board is of the view that the limit of aggregate borrowing will be Twenty Crores. The use of the increased borrowing limit will be made depending upon the business exigencies and accordance with sound financial policies.

The Directors recommends the Resolution for member's approval

None of the Directors is any way concerned or interested in this resolution proposed; to be passed except he is Directors of the Company.

PLACE : Jaipur

DATE : 27TH JULY, 2009

Registered Office :

Jaipur Hospital

Lal Kothi, Near S. M. S. Stadium

Tonk Road, Jaipur-302015

BY ORDER OF THE BOARD

COMPANY SECRETARY



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DIRECTOR'S REPORT

To

TheMembers,

Your Directors are delighted in presenting the Twentieth Annual Report on the business and operations of your company together with Audited Accounts and Cash Flow Statement for the year ended on 31st March, 2009.

1. FINANCIAL RESULTS

The financial results for the year ended 31st March 2009 are summarized below :

	(Rs. in Lacs) (Rs. in Lacs)	
	For the year ended on	
	<u>2008-2009</u>	<u>2007-2008</u>
Professional Receipts & Other Income	747.95	535.84
Profit before Interest,		
Depreciation & Tax	169.13	110.04
Less : Interest	91.33	50.74
Operating Profit	77.80	59.30
Less : Depreciation	71.61	48.16
Net Profit before Tax	6.19	11.14
Less : Provision for Taxation:		
Current Tax	2.37	3.40
Deferred Tax(Net)	4.18	(4.33)
Net Profit after Tax	(0.36)	12.07
Add : Profit brought-forward from Previous Year.	35.15	23.08
Surplus carried forward to Balance Sheet	34.79	35.15

2. REVIEW OF OPERATION :

During the year under review, your company has registered an overall increase of 40% in the professional and other receipts i.e. Rs. 747.95 Lacs in comparison to Rs. 535.84 Lacs in the previous year. Inspite of the stiff competition in the medical industry affecting the operations of your Company, the Company has performed satisfactory performance by maintaining almost same profit level of the previous year before Interest, Depreciation and Taxes. Further, your Company is continuously making efforts to enhance the operations and also trying to hold its grip over upcoming opportunities in Medical & Health Industry.

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3. DIVIDEND:

In view of marginal funds, the Board of Directors does not recommend payment of dividend for the year under review.

4. FUTURE PROSPECTS:

During the year under review the hospital unit re-equipped with all latest facilities with available high-tech equipments and expertise of the all the specialties and maintained high status in the line. In addition your company has successfully started Fourth batch of Physiotherapy College, third batch of B.Sc Nursing College through a trust having same management, due to this your hospital will get highly qualified Nursing Staff. Your company has started a complete cardiac department through JAIPUR HEART INSTITUTE.

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 there under.

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. DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Dr. Ashok Agarwal and Shri J.N Pathak, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 274 (1) (g) of the Companies Act, 1956

8. 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, 1956 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.



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

Since the Company is engaged in serving 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.

10. AUDITORS AND AUDITOR'S REPORT:

M/s Sharma Bhurat & Associates, Chartered Accountants, Jaipur retire at the ensuing Annual General Meeting have shown their inability to hold office as Auditors of the company. A proposal has been received of Gopal Sharma & Company, Chartered Accountant Jaipur for appointment as Statutory Auditor subject to the approval of shareholders. The Company has received the certificate from them that their re-appointment, if made, would be within the limits prescribed u/s 224(1B) of the Companies Act, 1956. The notes to accounts referred to in the Auditors Report are selfexplanatory and therefore do not need further comment.

11. 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.

12. ACKNOWLEDGEMENT:

The Board expresses its grateful thanks for the assistance and co-operation extended by Punjab National Bank and other Banks, various departments of State and Central Governments and other Associations.

Your Directors wish to convey their gratitude and appreciation to all the employees of the company for their valuable contributions during the year. They also wish to place on record their appreciation to the Company's Customers, Investors, Shareholders, Bankers, Suppliers, Distributors and other business associates for their cooperation and support.

Last but not the least Directors wish to place on record their deep sense of appreciation for the devoted services of Consultant Doctors and entire Nursing staff at all levels of the Company for its success.

BY ORDER OF THE BOARD

PLACE: JAIPUR
DATE: 27TH JULY, 2009

(DR. SHAILENDRA KUMAR SHARMA)
MANAGING DIRECTOR

(GANPAT RAI SHARMA)
CHAIRMAN