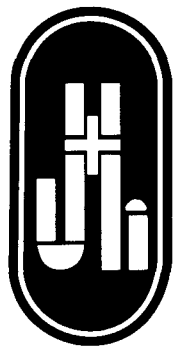


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24th

Annual Report

2012-2013



Jaipur Hospital

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

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BOARD OF DIRECTORS

Chairman
Managing Director
Directors

Shri Ganpat Rai Sharma
Dr. Shailendra Kumar Sharma
Dr. Karan Sharma
Shri.Subhash Chand Jain
Dr. Ashok Agarwal
Shri Madhur Krishna Khaitan
Ms. Avani Kanoi

Auditors

M/S Gopal Sharma & Company

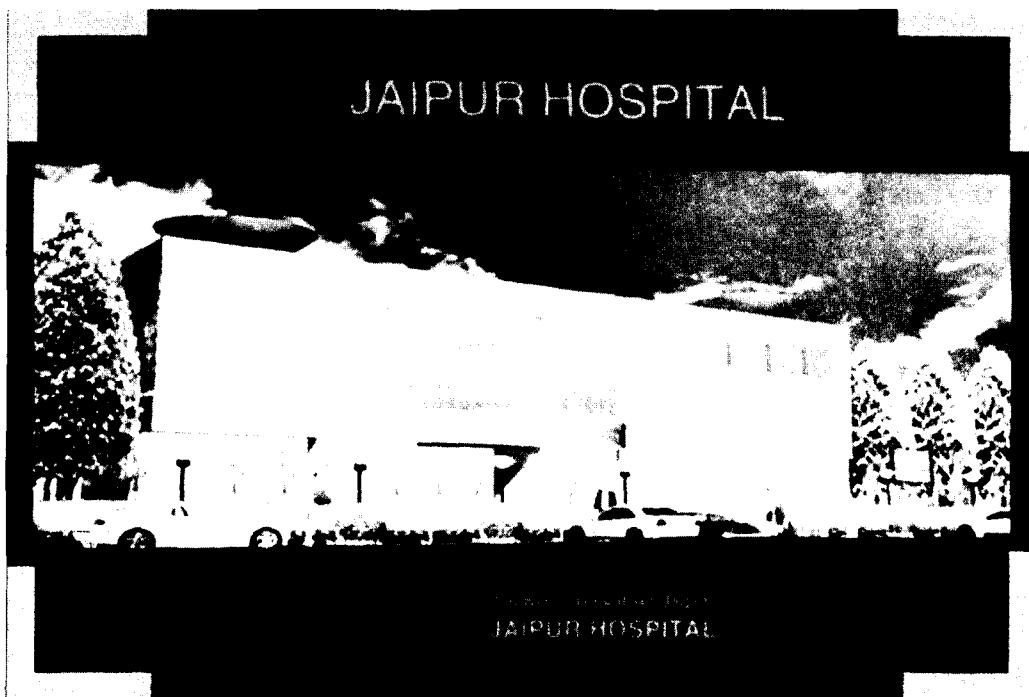
Company Secretary
Bankers
Registered Office

Bhavyata Soni
PNB, SBBJ & SBI
Jaipur Hospital,
Lai Kothi, Near S.M.S. Stadium
Tonk Road, Jaipur-302015
Phone: 2742557, 2742619, 2742266,
2740936, 2741465

Registrar and Transfer
Agent

M/s Beetal Financial & Computer Services
P. Ltd, Beetal House, 3rd Floor, 99,
Madangir, Behind Local Shopping Centre,
Near Dada Harshukh Das Mandir,
New Delhi-110062

24th Annual General Meeting
FRIDAY THE 27TH SEPTEMBER, 2013
AT SHARMA AGRICULTURE FARM
TAKIA KI CHOWKI, KALWAD RAOD,
JHOTWARA, JAIPUR
AT 3.00 PM



Major Achievements During the year :-

1. Final assessment was conducted by National Accreditation Board for Hospitals and Health Care Providers (NABH), NABH accreditation system is one of the methods for commitment to quality enhancement throughout the whole of the health care system in India. It involves all professional and service groups to ensure that high quality in health care is achieved, while minimizing the inherent risks associated with modern health care delivery. NABH accreditation will be a scarce jewel for the Company.
2. Performance of the organization against the stated mission is achieved by the increase in number of patients and number of surgeries from the last year.
3. After the new approvals now company is empanelled with 64 Institutions and TPAs namely, Jaipur Development Authority (JDA), Med save Health Care Limited, MD India Healthcare Services (TPA) (P) Ltd., Medicare TPA Services (I) Pvt.Ltd., Rajasthan Rajya Sahakari Bhoomi Vikas Bank Limited, Rajasthan State Pollution Control Board, Central Institute of Plastics Eng. & Technology, Mecon Limited, National Textile Corporation

(Delhi, Punjab, & Raj.)Ltd., Rajasthan Tours Pvt.Ltd, Central Sheep &Wool Research Institute, Central Bank of India, The Bank Officers'(Retired)Association, Rajasthan Sanskrit University, ITC Limited, Parivar Seva Sanstha, Hotel Jaipur Ashok, University of Rajasthan, Ashok Club, Airport Authority Of India, Hexacom India Limited, Dedicated Healthcare Services TPA (P) Ltd., Rashtriya Chemical & Fertilizers Limited, Rajasthan State Cooperative Marketing Federation Limited (RAJFED), Rajasthan State Mines & Minerals Limited, Tata Memorial Center Hospital (Tissue Bank), National Fertilizers Limited, Employees' State Insurance Corporation, Programs The Smile Train, Rajasthan State Industrial Development & Investment RIICO, Food Corporation Of India (FCI), Hindustan Petroleum Corporation Ltd, The Bank of Rajasthan Limited, Housing & Urban Development Co. Ltd , Ex-Servicemen Contributory Health Scheme (ECHS), The General manager Caim Dept. (RAJCOMP), Central Government Health Scheme, Rajasthan State Road Development & Construction Corporation Limited, Rajasthan Tourism Development Corporation Limited (RTDC), Alan kit Health Care Limited, Rajasthan State Seeds Corporation Limited, Family Health Plan Ltd., Rajasthan Energy Development Agency, Raksha TPA Pvt. Ltd., Rajasthan State Ware House Corporation, UCO Bank, Rajasthan Cooperative Dairy Federation Ltd., State Bank Of India, Rastriya Ispat Nigam Limited, State Bank of Bikaner & Jaipur, Paramount Health Services (P) Limited, Reserve Bank Of India, E-Meditek TPA Services Limited, Bank of India.

NOTICE:

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the members of Sharma East India Hospitals & Medical Research Limited will be held as per schedule below:

DATE: 27TH SEPTEMBER, 2013

DAY: FRIDAY

TIME: 3.00 PM

PLACE: SHARMA AGRICULTURE FARM, TAKIA KI CHOWKI, KALWAD ROAD, JHOTWARA, JAIPUR.

To transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Reports of the Auditors and the Directors and the Audited Accounts of the company for the year ended 31st March, 2013.
2. To appoint a Director in place of Shri. Subhash Jain, who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Shri Ashok Agarwal, who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Dr. Karan Sharma, who retires by rotation and is eligible for reappointment.
5. To appoint Auditor and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary resolution.

"RESOLVED THAT M/s Gopal Sharma & Co., Chartered Accountants, 307, Ocean Apartment, Kanti Chand Road, Bani Park, Jaipur be and is hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, to audit the accounts of the Company for the financial year 2013-2014, including audit of cash flow statements, on a remuneration as shall be fixed by the board of directors."

Date: 13.08.2013

BY ORDER OF THE BOARD

Registered Office

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

**Sd/-
Bhavyata Soni
(COMPANY SECRETARY)**

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 to be a member of the company.
The instrument appointing a proxy, in order to be effective, must be duly filled, stamped and signed and must reach the registered office of the Company not less than 48 hours before the commencement of the Annual General Meeting.
2. Corporate Members are requested to send to the Company a duly certified copy of the Board Resolution, pursuant to section 187 of the Companies Act, 1956, authorizing their representatives to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September 2013 to 27th September 2013, both days inclusive.
4. Proxies/Members are requested to bring the admission slip duly filled for attending the Meeting.
5. Members are requested to bring their copies of Annual Report.
6. Members are requested to quote the ledger folio or client ID & DPID in all the communications with the Company.
7. Members desiring any information as regards to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
8. Members holding shares in dematerialized form are requested to bring their Client ID & DP ID Number for easy identification at the meeting.
9. Members are requested to lodge the transfer, transmission of shares at the registered office or to the Registrar & Share Transfer Agent M/s Beetal Financial & Computer Services P. Ltd, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harshukh Das 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.
10. Members desirous of making a nomination in respect of their shareholding, as permitted by Section 109A of the Companies Act, 1956, are requested to write to the Share Transfer Agents of the Company for the prescribed format.
11. The Company's shares are listed on The Bombay Stock Exchange Limited.
12. Additional particulars of Directors retiring by rotation and eligible for re-appointment pursuant to Clause 49 of the Listing Agreement are mentioned separately in this Annual Report.
13. Members are requested to register their e-mail addresses by sending a written request duly signed by them to our R & T Agent M/s Beetal Financial & Computers Services (P) Ltd. Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Center, Near Dada Harsukhdas Mandir, New Delhi-110062, to enable the Company to send notices and other documents through e-mail in future.

Date: 13.08.2013**BY ORDER OF THE BOARD****Registered Office**

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

Sd/-
Bhavyata Soni
(COMPANY SECRETARY)

DIRECTOR'S REPORT

To,
The Members,

Your Directors are delighted in presenting the Twenty Fourth Annual Report on the business and operations of your Company together with Audited Annual Accounts and Cash Flow Statement for the year ended on 31st March, 2013.

1. FINANCIAL RESULTS

	(₹ in Lacs)	
	<u>For the year ended on</u>	
	<u>2012-2013</u>	<u>2011-2012</u>
Professional Receipts & Other income	1286.71	1349.91
Profit before interest, Depreciation & Tax	230.97	215.22
Less : Interest	<u>90.50</u>	<u>108.24</u>
Operating Profit	140.47	106.98
Less: Depreciation	<u>59.67</u>	<u>60.95</u>
Net Profit before Tax	80.80	46.03
Less: Provision for Taxation		
Current Tax	23.77	12.55
Deferred Tax (Net)	<u>1.65</u>	<u>1.84</u>
Net Profit After Tax	55.38	31.64
Add: Profit brought forward from Previous Year	115.63	83.99
Surplus carried forward to Balance Sheet	<u>171.01</u>	<u>115.63</u>

2. REVIEW OF OPERATION:

Inspite of the stiff competition in the medical industry affecting the operations of your Company, your Company has performed satisfactorily by maintaining almost same profit level of the previous year before Interest, Depreciation and Taxes. Further your Company has been continuously making efforts to enhance the operations and also trying to hold its grip over upcoming opportunities in Medical & Health Industry. Net Profit after Tax has been increased by 75.03% as compared to the last year.

3. DIVIDEND:

In view of marginal funds, the Board of Directors doesn't recommend payment of dividend for the year under review.

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

2012-2013

4 DISCLOSURE OF MATERIAL CHANGES SINCE THE DATE OF BALANCE SHEET :

There is no material changes since the date of Balance Sheet regarding

- (a) Disposal of a substantial part of undertaking
- (b) Changes in Capital Structure of the Company
- (c) Serious break down
- (d) Alteration in wage structure arising out of trade union negotiations
- (e) Providing medical and health services.

5. DISCLOSURE OF COMPOSITION OF THE AUDIT COMMITTEE:

The constitution of audit committee is in confirmation with the requirements of Section 292(A) of the Companies Act, 1956 and also as per the requirements of Clause 49(II) (A) of the listing agreement. The Audit Committee of the Company consists of 5 Directors : Shri. Ganpat Rai Sharma, Shri. Ashok Agarwal, Shri. Subhash Chand Jain, Shri Madhur Krishna Khaitan and Mrs. Avani Kanoi all being Non-Executive. The Committee is chaired by Shri. Ashok Agarwal an Independent Director. All the members of the audit committee are financially literate and majority of them are having accounting or related financial management expertise.

6. OUTLOOK FOR 2013-14 :

The Company can look back with satisfaction at the last year performance as being ever improving. The Company is working towards sustaining this momentum in the current year also. During the year under review the hospital unit re-equipped with all latest facility with available high-tech equipments and expertise of all the specialties and maintained high quality service and status in the line. Your Company is running a successful Cardiac Department through JAIPUR HEART INSTITUTE. But the vision of management does not stop here itself. Constant exploration of new medical services, introduction of Hi-tech equipments which will benefit the patients would certainly drive the growth in the coming years. The Nursing College also started M.Sc nursing batch and only two colleges are recommended by the Rajasthan Government to provide the masters degree in nursing and one of them is our college.

7. ATTACHMENT OF THE COMPLIANCE CERTIFICATE OBTAINED FROM A COMPANY SECRETARY IN PRACTICE:

Your Company has employed a whole time Company Secretary. So company doesn't require to obtain Compliance Certificate from a Company Secretary in Practice.

8. FIXED DEPOSITS:

Your Company has not accepted any deposit within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules made there under are not applicable to the Company.

9. COMMENTS ON RESERVATIONS, QUALIFICATIONS OR ADVERSE REMARKS GIVEN IN THE AUDITORS REPORT:

During the year under review, there was no audit qualification made by the Auditor in their Report on the Company's financial statements. The Company continues to adopt best accounting practices to ensure a regime of un-qualified financial statements.

10. CORPORATE GOVERNANCE:

The Company has implemented the Corporate Governance requirements. Management

Discussion and analysis and a report on compliance of Corporate Governance are enclosed as Annexure to the Director's Report.

11. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mr. Ashok Agarwal, Dr. Karan Sharma and Mr. Subhash Chand Jain, 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 is disqualified for being appointed as Directors as specified in Section 274(1) (g) of the Companies Act, 1956.

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

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors based on the representation received from operating management confirm that:

- (i) In the Preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation to the material departures.
- (ii) Directors had in selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments 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 the period.
- (iii) Directors had taken proper and sufficient care, to the best of their knowledge and ability, 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) Directors had prepared the Annual Accounts on a going concern basis.

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

Since the Company is engaged in medical service sector 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 Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988. There were no foreign exchange earnings and outgoing during the year.

14. AUDITORS AND AUDITOR'S REPORT:

M/s Gopal Sharma and Company, Chartered Accountants, the statutory auditor of the Company holds office until the conclusion of the ensuing Annual General Meeting. The Observation and comments given by the Auditor in their report together with notes to Accounts are self explanatory and hence do not call for any further comments under Section 217 of the Companies Act, 1956.

The Board on the recommendation of the Audit Committee had proposed that M/s Gopal Sharma & Co., Chartered Accountants, Jaipur be re-appointed as the Statutory Auditors of the Company and to hold office till the conclusion of the next Annual General Meeting of the Company. M/s Gopal Sharma & Co., Chartered Accountants, Jaipur have forwarded their certificate to the