



DHANVANTRI
JEEVAN REKHA LTD.

TWENTIETH ANNUAL REPORT

NOTICE

Notice is hereby given that the 20th **Annual General Meeting** of the members of **M/s DHANVANTRI JEEVAN REKHA LIMITED** will be held on Friday the 27th day of September, 2013 at I.M.A. Hall Near P L Sharma Memorial, Bachcha Park, Meerut(UP) at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2013 and the Profit & Loss Account for the year ended on that date along with the Report of the Directors and Auditors thereon.
2. To reappoint Director in place of Ms Priyanka Sharma, who retires by rotation, and being eligible offers herself for re-appointment.
3. To reappoint Director in place of Mrs. Meenakshi Elhence, who retires by rotation, and being eligible offers herself for re-appointment.
4. To reappoint Director in place of Mr. Abhimanyu Arora, who retires by rotation and being eligible offers himself for re-appointment
5. To appoint Auditors to hold the office until the conclusion of the next Annual General Meeting and to fix their remuneration

For & on Behalf of the Board of Directors

Place: Meerut
Date: 10.08.2013

Sd/-
(Dr. S.P. Gupta)
CHAIRMAN

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 a proxy need not be a member of the company. Proxies, in order to be effective, must reach the registered office of the company not less than 48 hours before the meeting.
2. Members are requested to bring their Annual Report alongwith them as extra copies will not be supplied due to high cost of paper & printing.
3. A member desirous of obtaining any information on accounts of the company at the Annual General Meeting is requested to forward such queries to the company at least ten days prior to the meeting enabling the Management to keep the information ready.
4. The company's Register of Members and Share Transfer Book will remain closed on 23.09.2013 to 27.09.2013

DIRECTORS' REPORT

Dear Members

Your Directors have the pleasure in presenting the 20th Annual Report of the company together with Financial Statements for the year ended on 31st March 2013.

FINANCIAL & OPERATIONAL REVIEW:

FINANCIAL RESULTS:

S. No.	Financial Heads	(Rs in Lacs)	
		Year ended 31.03.2013	Year ended 31.03.2012
1.	Operating Income	575.25	456.67
2.	Other Income	19.24	14.91
3.	Gross Profits before depreciation & interest	168.05	110.14
4.	Interest	2.31	1.14
5.	Gross Profits after interest but before depreciation	165.74	109.01
6.	Depreciation	64.47	52.87
7.	Profit Before Tax	101.27	56.14
8.	Provision for Taxation (net)	28.40	13.89
9.	Deferred Tax Provision	(11.17)	-
10.	Profit after Tax	84.04	42.26
11.	Balance after taxation carried over to the Balance Sheet	84.04	42.26

During the year under review the revenue of the company has increased to Rs. 575 Lac registering a growth of 26% as against the revenue of Rs. 457 Lac for the previous year ended on March 31, 2012. The Pre Tax Profit has increased by 80%, while the Post Tax Profits of Rs. 84.04 Lac for the year ended March 31, 2013 have registered increase by 99% in comparison of Rs. 42.26 Lac in the previous year ended on 31.03.2012.

The management has taken a number of steps to improve the performance of the Company. The company has incurred capital expenditure to the tune of Rs. 21.50 Lac in upgrading its Medical Equipment and purchase of Ventilator, Cardiac Monitors increase in bed strength in ICU, major repairs and renewals to the hospital buildings to face-lift the entire environment was taken up during the year to upgrade the hospital and diagnostic facilities provided by the Company.

FUTURE OUTLOOK

The management is focusing its attention to further strengthen its infrastructure and other facilities. The present capacity of the hospital is almost fully utilized, in view of the same the Company had acquired the land for expansion of hospital which is situated adjacent to the existing hospital building. We contemplate that this expansion will require a capital outlay to the tune of Rs. 600 Lac. This will be funded through Bank Loan and internal accruals of the Company

DIVIDEND:

Keeping in view the requirement of resources for up-gradation of the hospital facilities, it is proposed to skip the payment of dividend.

AUDITORS:

M/s K.K. Jain & Co., Delhi, auditors of the company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. They have also furnished a certificate to the company stating that their appointment if made, will be within the limits laid down under section 224 (1B) of The Companies Act, 1956.

CORPORATE GOVERNANCE:

The Company has complied with the guidelines prescribed by the Stock Exchanges on Corporate Governance. The Company has constituted Audit Committee, Share Transfer Committee and Investors' Grievances Redressal Committee. The details of compliance made by the Company along-with a certificate from the Auditors and Management Discussion and Analysis are as per Annexure - "A" and "B" respectively forming part of this report.

DIRECTORS:

Pursuant to section 256 of The Companies Act, 1956 Dr. Ms. Priyanka Sharma, Mrs, Meenakshi Elhence and Mr. Abhimanyu Arora, Directors of the company retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their reappointment. The information on the particulars of Directors seeking re-appointments as required under Clause 49 of the Listing Agreement executed with the Stock Exchanges, have been given under Corporate Governance (Annexure "A") of this report.

LISTING ON STOCK EXCHANGE:

The company's securities are listed on The Uttar Pradesh Stock Exchange Association Ltd., Kanpur, The Stock Exchange, Mumbai and The Stock Exchange Association Ltd., Delhi. The company has paid the listing fee for all the stock exchanges for the financial year 2012-13 and has complied with all the requirements of the listing agreement.

INFORMATION AS PER SECTION 217(1)(e) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 & FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH 2012**A. CONSERVATION OF ENERGY:**

Your company is not covered by the Schedule of industries under Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 requiring furnishing of information regarding conservation of energy. However, the company does lay a great deal of emphasis on conservation of energy in all phases of operation.

B. TECHNOLOGY ABSORPTION : Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

a) Foreign exchange Earnings : NIL

b) Foreign exchange Outgo : NIL

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

as required under section 217(2AA) of The Companies Act, 1956

Pursuant to the requirement U/s 217(2AA) of The Companies Act, 1956 with respect to Directors' Responsibility statement it is hereby confirmed:

- i) That in the preparation of accounts for the financial year ended on 31.03.2013 the applicable accounting standards have been followed along-with proper explanation relating to material departures;
- ii) That the Directors have selected such Accounting Policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the Profit or Loss of the company for the year under review;
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of The Companies Act, 1956 and for safeguarding the assets of the company and for preventing and detecting other irregularities;
- iv) That the Directors have prepared the accounts for the financial year ended 31.03.2013 on a going concern' basis.

PARTICULARS OF EMPLOYEES:

The provisions of Section 217 (2A) of The Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable, as there is no employee drawing remuneration beyond the stipulated amount provided in the said rules.

ACKNOWLEDGEMENT:

We are thankful to our Bankers, Govt. Bodies and Business Associates for the cooperation and assistance extended by them. The Board places on record their thanks to the shareholders and the patient public for the confidence reposed by them in the Company and their appreciation for the services and untiring efforts of the Doctors and Employees at all levels, which has helped the Company to run its affairs smoothly.

By Order of the Board of Directors

Sd/-
(Dr. S.P. GUPTA)
Chairman

Place: Meerut
Date: 10.08.2013

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The fundamental objective of Dhanvantri Jeevan Rekha Limited is enhancement of the long-term shareholder value while at the same time protecting the interests of other stakeholders and adopting a methodology which enhance effectiveness, better utilization of resources, transparent and harmonious relations between various interest groups.

BOARD OF DIRECTORS

The Board of Dhanvantri Jeevan Rekha Limited comprises of 10 Directors of which 2 are Executive. In terms of Clause 49 of the listing agreement 8 Directors are Non Executive of which 3 are Independent Directors. None of the Directors of the Company is a member in more than 10 Committees or Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement). The Board is primarily responsible for the over all management of Company's business. The composition of Board during the year is as under:

Non executive Directors/Independent Directors are committed to maintenance of high level of Corporate Governance and as such they do not have any material pecuniary relationship with the Company except as stated in the Corporate Governance Report. The following table 1 gives the composition, category, attendance of the Board of Directors and also the number of other Directorship/Chairmanship/Membership in Board Committees of public limited companies.

TABLE 1

Director	Number of Board Meetings		Attendance at Last AGM	Number of Committee memberships held in other companies	Number of Committee Chairmanship held in other companies	Number of outside Directorships held
	Held	Attended				
Executive Directors						
Dr. V.S. Phull	7	7	Yes	None	None	None
Dr. G.P. Elhence	7	7	Yes	None	None	None
Non-Executive Directors						
Dr. S.P. Gupta	7	7	Yes	None	None	None
Dr. S.P. Mittal	7	7	Yes	None	None	None
Dr. S.K. Khatri	7	7	Yes	None	None	1
Ms. Shalini Sharma	7	-	No	None	None	None
Mrs. Meenakshi Elhence	7	7	Yes	None	None	None
Non-Executive and Independent Directors						
Mr. Premjit S. Kashyap	7	7	Yes	None	None	None
Mr. Abhimanyu Arora	7	7	Yes	None	None	None
Ms. Priyanka Sharma	7	-	No	None	None	None

BOARD MEETINGS

During the year 2012-13 the Board of Directors met seven times on 12.05.2012, 13.07.2012, 04.08.2012, 25.08.2012, 14.11.2012, 24.11.2012 and 14.02.2013.

The longest gap between any two Board Meetings did not exceed the prescribed period of three months.

DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS

Details are given in Table 1.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Pursuant to the requirements of the Listing Agreement of Stock Exchange on Corporate Governance, the information about the Directors proposed to be appointed/ re-appointed is given hereunder.

Ms. Priyanka Sharma, Mrs, Meenakshi Elhence and Mr. Abhimanyu Arora who are Directors liable to retire by rotation, being eligible offer themselves for reappointment in the forthcoming AGM.

The brief resume of all the Directors liable to retire by rotation at the ensuing Annual General Meeting are given as under:

1. Ms. Priyanka Sharma aged 32 years, is a BBA from Delhi and has five years experience in the field of business management.
2. Mrs. Meenakshi Elhence W/o Dr. Anil Elhence R/o A-130 Shastri Nagar, Meerut, aged 46 years is an Arts Graduate, having six years working experience in the Company itself.
3. Mr. Abhimanyu Arora S/o Sh. Kishan Chand R/o A-153 Defence Colony, Meerut, aged 65 years is an art graduate managing his family business since last 43 years and holds a wide experience in managing the company's operations.

CODE OF CONDUCT

The Board of Directors of the Company has laid a Code of Conduct for Directors and the senior management. The Code of Conduct is posted on the company's website. All Directors and designated personnel in the senior management have affirmed compliance with the code for the year under review. A declaration to this effect duly signed by Dr. V.S. Phull, Managing Director, is annexed to this report.

AUDIT COMMITTEE

The Audit Committee was set up as per the provisions of section 292 A of the Companies Act, 1956 and clause 49 of the Listing Agreement of the Stock Exchange(s). As on March 2013, the committee had two Non-Executive and Independent Directors and one Non-Executive Director in accordance with the prescribed guidelines. The Company Secretary of the company shall act as the Secretary of the committee. The role and terms of reference of the Audit Committee covers the areas mentioned under clause 49 of the Listing Agreement with the Stock Exchanges besides other terms as may be referred by the Board of Directors. The minutes of the audit committee meeting are placed before and discussed by the Board of Directors

TABLE 2 DETAILS OF THE AUDIT COMMITTEE

Director	Category	No. of meetings held	No. of meetings attended
Mr. P.S. Kashyap	Chairman	4	4
Mr. Abhimanyu Arora	Member	4	4
Dr. S.K. Khatri	Member	4	4

The composition, functions and procedures of the Audit Committee are in conformity with the requirements of Clause 49 II of the Listing Agreement and that of Section 292A of the Companies Act, 1956.

Date of Meeting:

The Audit Committee met 4 times in the year under review –12.05.2012, 04.08.2012, 14.11.2012 and 14.02.2013. The attendance record of the members of the Committee is given in Table 2.

Powers of Audit Committee:

- a) To investigate any activity within its terms of reference
- b) To Seek information from any employee
- c) To Obtain outside legal or other professional advise
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The terms of reference as stipulated by the Board to the Audit Committee include:

- a) Review of the Company's financial reporting process and disclosure of its financial information.
- b) Recommending the appointment and removal of external auditors, fixation of audit fee and Recommending payments for any other services
- c) Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on
 - (i) Changes in accounting policies and practices.
 - (ii) Major accounting entries involving estimates based on the exercise of judgment by the management.
 - (iii) Qualifications in the draft audit report.
 - (iv) Significant adjustments arising out of audit.
 - (v) The going concern assumption.
 - (vi) Compliance with accounting standards.
 - (vii) Compliance with stock exchange and legal requirements concerning financial statements.
 - (viii) Disclosure of any related party transactions.
- d) Reviewing with the management, the external and internal auditors the adequacy of internal control systems.
- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f) Discussion with internal auditors of any significant findings and follow up there on.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with statutory auditors about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

The committee is in compliance with its requirements under this charter.

REMUNERATION

The directors' remuneration policy of your Company confirms with the provisions under the Companies Act, 1956. Remuneration of the Non-Executive Directors is determined by the Board of Directors.

The details of payment of sitting fees, professional fees to the Non Executive Directors during the year 2012-13 are given below:

TABLE 3. REMUNERATION TO EXECUTIVE DIRECTORS

Executive Directors	Remuneration	Board Meetings	Committee Meetings	Professional Fees	Total
1. Dr G. P. Elhence	-	35,000	60,000	-	95,000

TABLE 4. REMUNERATION PAID TO MANAGING DIRECTOR FOR THE YEAR 2012-2013 IS AS UNDER:

Name	Remuneration	Board Meetings	Committee Meeting	Professional Fees	Total
1. Dr. V.S. Phull	-	35,000	60,000	9,000	1,04,000

TABLE 5. REMUNERATION PAID TO NON- EXECUTIVES DIRECTORS:

Non – Executive Directors	Board Meetings	Committee Meetings	Professional Fees	Total
1. Dr. S .P. Mithal	35,000	60,000	-	95,000
2. Dr. S. P. Gupta	35,000	60,000	-	95,000
3. Dr. S. K. Khatri	35,000	60,000	-	95,000
4. Mr. Abhimanyu Arora	35,000	60,000	-	95,000
5. Mr. Premjit Singh Kashyap	35,000	60,000	-	95,000
6. Ms. Shalini Sharma	-	60,000	-	60,000
7. Mrs. Meenakshi Elhence	35,000	60,000	-	95,000
8. Ms. Priyanka Sharma	-	60,000	-	60,000

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Committee is authorized to redress shareholders complaints like delay in transfer, non-receipt of securities. Balance Sheet, Dividend or Interest etc. The composition is stated hereunder. There are no pending complaints at the end of the financial year.

Composition of Shareholders Grievance Committee:

1. Dr. S. P. Gupta- Chairman
2. Dr. V. S. Phull - Member
3. Mrs. Meenakshi Elhence - Member

SHARE TRANSFER COMMITTEE

A Share Transfer Committee has been constituted by the Board to approve transfer/transmission, dematerialization/rematerialisation, sub-division/consolidation, issue of duplicate share certificates etc. The Committee attends to the transfer and other formalities once in fortnight. Its composition is stated hereunder:

Composition of Share Transfer Committee

- 1 Ms. Shalini Sharma
- 2 Ms. Priyanka Sharma
- 3 Mr. Premjit S. Kashyap
- 4 Dr. S.K. Khatri

MANAGEMENT**A. Management Discussion and Analysis Report**

The information relating to Management Discussion and Analysis is set out in a separate section included in this Annual Report and it forms part of this Report.

B. Disclosures**(i.) Related Party Transaction**

The Company has not entered into any materially significant related party transactions with the Promoters, Directors or Management, their subsidiaries or relative etc. that may have potential conflict with the interest of the Company at large

Transactions with the related parties are disclosed in Note No. 4 of Schedule of Notes XVI.

(ii.) Compliance by the Company

The Company has complied with the requirements of Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years.

No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

(iii.) Disclosure of Accounting Treatment

In preparation of the financial statements for the year ended on 31.03.2013, there was no treatment different from that prescribed in the accounting standards that had been followed

(iv.) Board Disclosures-Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework.

Means of Communication

Quarterly, half yearly and Annual financial results are normally published in one English and one Hindi newspaper. As the results of the Company are published in the newspaper, half yearly reports are not sent to each household of shareholders. The results can also be seen on Company's website @ www.djrl.org

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting

Date: 27th September 2013

Time: 11.00 A.M.

Venue: I.M.A. Hall, Near P L Sharma Memorial, Bachha Park, Meerut (UP)

2. Financial Calendar

1st Quarter : 1st April to 30th June
2nd Quarter : 1st July to 30th Sept.
3rd Quarter : 1st October to 31st December
4th Quarter : 1st January to 31st March

3. Dates of Book Closure

: 23rd to 27th September 2013

4. Dividend

: N.A.

5. Listing of Securities

stated

: At present the equity shares of the Company are listed as below vide Table 6

TABLE 6 DETAILS OF LISTING OF SECURITIES AT STOCK EXCHANGE

The Stock Exchange, Mumbai	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai
The Uttar Pradesh Stock Exchange Association Ltd.	Padam Towers 14/113, Civil Lines, Kanpur-208001
The Delhi Stock Exchange Association Ltd.	DSE HOUSE, 3/1, Asaf Ali Road, New Delhi 110002.

6. Demat ISIN Number for NSDL/CDSL

ISIN Number issued for Equity Shares by NSDL is INE239F01015

Registered office or Address of Correspondence

Shareholders can send their Correspondence at their Registered Office at Number One, Saket, Meerut.

7. General Body Meetings

The particulars of the last three Annual General Meetings of the Company are provided hereunder. All the resolutions set out in the respective notices were duly carried on by the shareholders.

TABLE 7 LAST THREE ANNUAL GENERAL MEETINGS OF THE COMPANY

Nature of Meeting	Date and Time	Venue	Special Resolution passed at AGM for
Seventeenth Annual General Meeting	25 th September 2009 at 11.00. A.M.	Western U.P. Chambers of Commerce and Industry, Bombay Bazar, Meerut Cantt., Meerut	No Special Resolution was passed
Eighteenth Annual General Meeting	28 th September 2011 at 11.00. A.M.	I.M.A. Near P L Sharma Memorial Hall Bachcha Park, Meerut(UP)	No Special Resolution was passed
Nineteenth Annual General Meeting	27 th September 2012 at 11.00. A.M.	Western U.P. Chambers of Commerce and Industry, Bombay Bazar, Meerut Cantt., Meerut	No Special Resolution was passed

All the Resolutions including the Special Resolutions set out in the respective notices were passed by the shareholders.

8. Registrar and Transfer Agent

M/s Beetal Financial & Computers Services Pvt. Ltd., 'Beetal House' 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110 062 Tel No. 011-29961281 (6 lines), Fax: 011-29961284

9. Compulsory Dematerialised Trading

The Company has already entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable members of the Company to select the Depository of their choice for holding and dealing in shares in electronic form. The shareholders are requested to make use of such facility for maximizing their convenience in the dealing of Company's shares. The ISIN (International Securities Identification Number) of the Company is INE 239F01015. As on 31.3.2013, 27.07% of the Company's paid-up equity capital was held in dematerialized form. The Company has not issued any ADRs/GDRs/Warrants or any convertible instruments during the year.

10. Secretarial Audit

For each of the quarter in the Financial Year 2012-2013, a qualified practicing company secretary carried out Secretarial Audits to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit reports confirm the total issued/paid-up capital is in agreement with total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL

11. Stock Market Data

Monthly high and low quotations of shares traded on Bombay Stock Exchange for the period April 2012 to March 2013 are given below. The shares were not traded on Delhi and U.P. Stock Exchanges during the previous year ending 31.03.2013

MONTHS	BSE	
	HIGH	LOW
APRIL	5.21	4.96
MAY	4.95	3.87
JUNE	3.69	3.69
JULY	3.87	3.69
AUG	3.87	3.87
SEPT	4.06	3.87
OCT	4.26	4.06
NOV	4.47	4.47
DEC	4.69	4.47
JAN	5.16	4.69
FEB	5.68	5.41
MARCH	9.62	5.96

12. Share Transfer System

The company's shares are transferred from the selling shareholders in dematerialized & physical form. However they are traded in the Stock Exchanges compulsorily in the Demat mode. Any request for dematerialization and / or transfer of shares is attended to within the stipulated time.

13. Investors Correspondence

Shareholders can send their correspondence to the Registrar and Transfer Agent at New Delhi or Secretarial Department M/s Dhanvantri Jeevan Rekha Ltd. at their Registered Office at Number One, Saket Meerut.

14. Compliance Officer

Shri Pankaj Gupta, Company Secretary

15. Distribution Schedule as on 31.03.2013

	Category	No. of Shares held	Percentage of shareholding
A	Promoter's holding		
1.	Promoters		
	(a) Indian Promoters	963550	23.51
	- Foreign Promoters	Nil	Nil
2.	Persons acting in concert	Nil	Nil
	Sub-Total	963550	23.51
C. B	Non-Promoters Holding		
3.	Institutional Investors		
a.	Mutual Funds and UTI	Nil	Nil
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Instituitons)	Nil	Nil
c.	FIs	Nil	Nil
	Sub-Total	Nil	Nil
4.	Others		
a.	Private Corporate Bodies	Nil	Nil
b.	Indian Public	1772500	43.25
*c.	NRIs/OCBs	132850	3.24
d.	Other Bodies Corporate	1229500	30.00
	Sub-Total	3134850	76.49
	Grand-Total	4098400	100.00

Compliance with Clause 49 of the Listing Agreement

The Company has complied with all mandatory requirements of Corporate Governance Clause 49 of the Listing Agreement. A certificate from the Auditors of the Company regarding compliance of conditions of corporate governance is annexed to the Directors' Report

By Order of the Board of Directors

Place: Meerut
Date: 10.08.2013

Sd/-
(Dr. S. P. GUPTA)
Chairman

CEO/CFO CERTIFICATION

To
The Board of Directors
Dhanvantri Jeevan Rekha Limited

In relation to the Audited Financial Accounts of the Company as at 31.03.2013, we hereby certify that

- a) I have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief.
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - ii) These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee
- i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Dhanvantri Jeevan Rekha Ltd.

Sd/-
(Dr. V.S. Phull)
Managing Director

Place: Meerut
Dated: 10.08.2013

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Dhanvantri Jeevan Rekha Limited
Meerut

We have examined the compliance of the conditions of Corporate Governance by Dhanvantri Jeevan Rekha Limited for the year ended 31.03.2013 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of Corporate Governance. It is neither an Audit nor an Expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.

We state that generally no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

We further state that such Compliance is neither an assurance as to the future viability of the Company nor the efficiency and the effectiveness with which the management has conducted the affairs of the Company.

For K.K. Jain & Co.
Chartered Accountants

Sd/-
(Simmi Jain)
F.C.A.
Firm Regn No. 002465N
Membership No. 086496

Place: Meerut
Date: 10.08.2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis report as required under Clause 49 of the listing agreement is as under:

INDUSTRY STRUCTURE AND DEVELOPMENTS

India is fast growing economy and has become an important market in the world. India's rapid growth has brought many changes in its demographics and lifestyle. Rising income, hectic pace of life and stress have resulted in change in disease pattern, coupled with greater awareness about health and preventive measures and a demand for quality health-care.

The Indian healthcare industry comprises of public and private sectors. The private sector accounts for around 75% of total healthcare expenditure in India. Over last two decades, a majority of the tertiary care institutions in public sector have been facing resource crunch resulting in their inability to maintain and upgrade their equipment, pay for consumables and upgrade their infrastructure to meet the growing demand of complex diagnostic and therapeutic treatments. As a result, there is increasing preference for private hospitals.

Indian healthcare industry has distinct merits of clinical excellence and low cost. The sectors tenders much potential to healthcare players as there are frequent lifestyle related and other diseases in the country. The increasing elderly population and increase in income levels are also urging for better facilities in the industry. The health-conscious middle class who can afford and wants quality healthcare is the main driver of the growing sector.

OUTLOOK ON OPPORTUNITIES AND FUTURE PROSPECTS

There is a tremendous scope for growth in the health insurance sector, as the sector at present covers only 10% of the entire Indian population. Over 95% of India's private healthcare expenditure is paid for out of pocket expenditure as health insurance coverage is under 5%. However, with increasing awareness and increasing number of the domestic workforce, more and more insurance coverage is taken through corporate health plans, family and individual health plans, as a result the hospitalization rates are expected to increase.

Medical tourism is also increasing over the years and India is emerging as major tourist destination as India is exceptionally competitive in terms of healthcare cost as compared to other developed nations. India has pool of excellent doctors and nursing staff. It has advanced medical facilities in critical areas and chain of private hospitals that add competitive advance and improve medical tourism.

The increasing population, links to other medical centers and the ability to treat a complex range of ailments are providing plenty of opportunities for the growth of the industry. The need for specialty hospitals by the people is gradually increasing. The key business opportunities are in clinical research, pharmaceuticals, food supplements, biotechnology, diagnostic centres, pharmacy chains, knowledge and business process outsourcing, education and training, medical equipment, consumables and specialized consultancy services.

THREATS, RISKS AND CONCERNS

In order to meet the demand for healthcare in India and improve the availability of hospital beds and doctors, infrastructure will need to be improved significantly. These additional beds will be required for specialty healthcare needs such as cancer and cardiac diseases in view of the growing incidence of such diseases. Since the Company is becoming stronger day by day, the required finance for the expansion / modernization programme can be mobilized from Banks / Financial Institutions.

The competition from the un-organised sector would be met by delivering quality health care on par with international standards which the un-organised sector lacks in view of constraints in investment to create a quality hospital. There is also the risk of attrition of losing the trained and experienced professionals and the investment made on them in their training. Because of increased opportunities, many private players are entering into this sector. Your Company can counter this challenge because it has an early bird advantage and also by providing focused health care delivery and by deploying the state of the art equipments backed up by a panel of expert Doctors. Threat of stiff competition by the hospitals situated adjacent to your hospital is the cause for decrease in the margins. Strict enforcement of reducing the operational cost coupled with improving the services and making use of locational advantage is expected to overcome this threat.

COMPANY OVERVIEW

At Dhanvantri, diagnostic and therapeutic services are being provided in the field of Urology, Gastroenterology, Cardiology, Neurology, Internal Medicine and Radiology including Magnetic Resonance Imaging (MRI). It has extended its scope of diagnostic and hospital services by providing a fully operational Cath Lab, catering to higher end needs of the cardiac patients including Angiography, Angioplasty, Pacemaker Implantation, Valvuloplasty etc. The medical equipment and technology used are latest and are continuously upgraded. We have excellent senior medical teams who can ensure high class of medical care. The ultimate aim is to provide quality healthcare to all those who need it. That is why the hospital has developed a sound and highly transparent management model that takes the interests of our patients, shareholders, investors, business partners, employees, community and government bodies into account to maintain the best corporate governance, risk management, corporate ethics and compliance.

The Company continues to have a high occupancy rate of beds during the year under review. Considering the same, the Board foresees a tremendous growth in receipts on increase in the bed capacity and expansion of other hospital facilities.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has established an appropriate system of internal control to ensure that there exists a proper control over all the transactions and that all its assets are properly safeguarded and not exposed to risk arising out of unauthorized use or disposal. The Company's defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable law and regulations as well as protection of resources. Moreover, the company continuously upgrades these systems in line with the best available practices. Regular management committee meetings are held where reports on key performance indicators and variance analysis vis-à-vis budgets are discussed and action plans are drawn for proper follow up. Operational reports are tabled at each Board Meetings, after being discussed in Audit Committee Meetings.

FINANCIAL PERFORMANCE

OVERVIEW

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, Accounting Standards as laid down by the Institute of Chartered Accountants of India and Generally Accepted Accounting Principles in India. Our management accepts responsibility for the integrity and objectivity of these financial statements as well as various estimates and judgments used therein.

FINANCIAL CONDITIONS

At present we have only one class of shares i.e. Equity Shares of par value of Rs. 10/- each. The total Authorized Share Capital is Rs. 500 Lac divided into 50,00,000 Equity Shares of Rs. 10/- each. The Company is having Reserves & Surplus amounting to Rs. 198.03 Lac as at 31st March, 2013. During the year, the Gross Block of the Company has increased by Rs. 29.83 Lac which includes Rs.21.50 Lacs by way of adding new Medical Equipments. All fixed assets are stated at their original cost of acquisition less depreciation and impairment losses are recognized where necessary.

RESULTS OF OPERATIONS

During the year under review the revenue of the company has increased to Rs. 575 Lac registering a growth of 26% as against the revenue of Rs. 457 Lac for the previous year ended on March 31 2012. The Pre Tax Profit has increased by 80%, while the Post Tax Profits of Rs. 84.04 Lac for the year ended March 31, 2013 have registered increase by 99% in comparison of Rs. 42.26 Lac in the previous year ended on 31.03.2012.

HUMAN RESOURCES

In a people driven service industry like healthcare, we ensure that we deliver care and attention to patients. Our Company comprises of medical staff like doctors and nurses, paramedical staff like laboratory technician, pathologists, radiologists, ECG operators, support staff for the house keeping and non medical staff that cover the finance, materials, marketing and administration functions. Our employees are our assets as they are the key players for our growth and success of the organization. The Company believes in enhancing the professional expertise of all its employees and towards this end reviews and evolves policies/ processes to attract best of the scientific, technical and managerial talent.

CAUTIONARY NOTE

Statements in this Management Discussion Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied due to change in healthcare policy of the country.

Independent Auditor's Report

To the Members of
Dhanvantri Jeevan Rekha Limited.

1. Report on the Financial Statements

We have audited the accompanying financial statements of Dhanvantri Jeevan Rekha Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal & Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by section 227(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For K.K. Jain & Co.
Chartered Accountants

Sd/-

(Simmi Jain)
F.C.A.
Firm Regn No. 002465N
Membership No. 086496
Place: Meerut
Date: 28.07.2013

ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in paragraph 3 of the auditor's report to the members of **DHANVANTRI JEEVAN REKHA LIMITED** for the year ended March 31, 2013. We report that:

- i. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. All fixed assets have been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification. There was no substantial disposal of fixed assets during the year.
- ii. The management has conducted physical verification of inventory at reasonable intervals. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. (a) As informed to us, the Company has not granted/taken any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained U/s 301 of The Companies Act.

(b) Since, there are no such loans, the comments regarding terms and conditions for repayment of the principal amount and interest thereon, overdue amount are not required.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for purchase of inventory and fixed assets and for sale of goods and services. Accordingly, the issue of continuing failure to correct major weakness in the internal control in these areas does not arise.
- v. Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there are no contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- vi. The Company has accepted deposits from public and in our opinion company has complied with the provisions of sec 58A and 58AA of The Companies Act, 1956 and the Companies(Acceptance of deposits) Rules,1975.
- vii. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- ix. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund dues, Income Tax and other statutory dues with the appropriate authorities. There are no arrears on this account. We have been informed that The Employees State Insurance Act is not applicable on the company.
- x. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to Banks and Financial Institutions. We have been informed that the company did not have any outstanding debentures during the year.
- xii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

ANNEXURE TO THE AUDITOR'S REPORT

- xiii. In our opinion the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.
- xvi. According to the information and explanation given to us, the company has not taken any term loan during the year under audit. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- xvii. We have been informed by the management that the funds raised on short-term basis have not been used for long-term investment. No long-term funds have been used for finance of short-term assets.
- xviii. The Company has not made any preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. The Company did not have any outstanding debentures during the year.
- xx. The Company has not raised any money through a public issue during the year.
- xxi. Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For K.K. Jain & Co.
Chartered Accountants

Sd/-
(Simmi Jain)
F.C.A.
Firm Regn No. 002465N
Membership No. 086496

Place: Meerut
Date: 28.07.2013

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013

All figures in Indian Rupees or Rs

Balance Sheet as at 31.03.2013

	Particulars	Notes	2012-13	2011-12
I	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	Share Capital	3	41,536,000	41,536,000
	Reserves & Surplus	4	19,802,772	11,398,790
2	Non-current Liabilities			
	Deferred Tax Liabilities/(Asset)		(295,301)	821,283
	Other Long Term Liabilities	5	2,020,000	420,000
3	Current liabilities			
	Short-term Borrowings	6	900,000	4,709,660
	Other Current Liabilities	7	10,511,829	12,668,522
	Short-term Provisions	8	4,459,443	1,526,000
	TOTAL		78,934,743	73,080,255
II	ASSETS			
4	Non-current Assets			
	Fixed Assets			
	Tangible Assets	9	49,479,359	53,072,980
	Other Non-current Assets	10	4,998,631	2,780,391
5	Current Assets			
	Inventories	11	98,922	286,480
	Trade Receivables	12	4,450,550	2,970,873
	Cash and Cash Equivalents	13	5,494,058	866,199
	Short-term Loans and Advances	14	198,000	296,300
	Other Current Assets	15	14,215,223	12,807,032
	TOTAL		78,934,743	73,080,255

See accompanying notes to the financial statements: 1-25

In terms of our report of even date

For K.K. Jain & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Dhanvantri Jeevan Rekha Limited

Sd/-

Simmi Jain

F.C.A.

Firm Regn No. 002465N

Membership No. 086496

Place : Meerut

Dated : 28.05.2013

Sd/-

Dr. V.S. Phull

Managing Director

Sd/-

Dr. S.P. Gupta

Chairman

Sd/-

Pankaj Gupta

Company Secretary

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013

All figures in Indian Rupees or Rs

Statement of Profit & Loss Account for the year ending 31.03.2013

	Particulars	Notes	2012-13	2011-12
I	Revenue from Operations	16	57,525,010	45,666,605
II	Other Income	17	1,923,696	1,490,578
III	Total Revenue (I+II)		59,448,706	47,157,183
IV	Expenses			
	Employee Benefit expenses	18	13,644,597	11,937,727
	Finance costs	19	231,111	113,533
	Depreciation and Amortization expenses		6,446,661	5,286,514
	Other Expenses	20	28,998,939	24,205,246
	Total Expenses		49,321,308	41,543,020
V	Profit before Exceptional Extraordinary Items and tax (III-IV)		10,127,398	5,614,163
VI	Exceptional Items			
VII	Profit before Extraordinary Items and Tax (V-VI)		10,127,398	5,614,163
VIII	Extraordinary Items		-	-
IX	Profit Before Taxation (VII-VIII)		10,127,398	5,614,463
X	Tax Expenses			
	Current Tax		-	(137,563)
	Tax Provision		2,840,000	1,526,000
	Deferred Tax		(1,116,584)	-
XI	Profit (Loss) for the period from Continuing Operations		8,403,982	4,225,726
XII	Proposed Dividend		-	-
XIII	Corporate Dividend Tax		-	-
XIV	Profit (Loss) from Discontinuing Operations		-	-
XV	Tax Expenses of Discontinuing Operations		-	-
XVI	Profit (Loss) from Discontinuing Operations (After Tax)		-	-
XVII	Profit (Loss) for the Year (XI-XII-XIII+XVI)		8,403,982	4,225,726
XVIII	Earnings Per Equity share			
	Basic & Diluted		2.05	1.03

See accompanying notes to the financial statements: 1-25

In terms of our report of even date

For K.K. Jain & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Dhanvantri Jeevan Rekha Limited

Sd/-

Simmi Jain

F.C.A.

Firm Regn No. 002465N

Membership No. 086496

Place : Meerut

Dated : 28.05.2013

Sd/-

Dr. V.S. Phull

Managing Director

Sd/-

Dr. S.P. Gupta

Chairman

Sd/-

Pankaj Gupta

Company Secretary

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013

All figures in Indian Rupees or Rs

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013		(Fig in Lacs)	
	2013	2012	
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit before tax	101.27	56.14	
Adjustments for :			
Depreciation	64.47	52.87	
Interest	2.31	1.14	
Income Tax	-	1.38	
Provision for Taxation	-	(15.26)	
Provision for Deferred Tax	-	-	
Proposed Dividend	-	-	
Interest Received	12.88	-	
Operating profits before working capital changes	155.17	96.27	
Adjustments for :			
Inventories	1.88	(1.32)	
Loans & Advances	(39.70)	0.64	
Current Liabilities & Provisions	(4.64)	24.29	
Cash generated from operations	112.71	119.88	
Less: Interest Paid	(2.31)	(1.14)	
Net cash from operating activities (A)	110.40	118.74	
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Fixed Assets Purchased	(29.83)	(185.71)	
Investments Purchased	(13.33)	-	
Investments Sold	-	18.00	
Fixed Assets Sold	1.30	-	
Interest Received	12.88	-	
Net cash used in investing activities (B)	(28.98)	(167.71)	
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Increase/ (Repayment) of Loan	(35.14)	39.50	
Net cash flow from financing activities (C)	(35.14)	39.50	
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	46.28	(9.47)	
Cash and cash equivalents at the beginning of the year	8.66	18.13	
Cash and cash equivalents at the end of the year	54.94	8.66	

See accompanying notes to the financial statements: 1-25

In terms of our report of even date

For K.K. Jain & Co.
Chartered Accountants

For and on behalf of the Board of Directors
Dhanvantri Jeevan Rekha Limited

Sd/-
Simmi Jain
F.C.A.

Sd/-
Dr. V.S. Phull
Managing Director

Sd/-
Dr. S.P. Gupta
Chairman

Sd/-
Pankaj Gupta
Company Secretary

Firm Regn No. 002465N
Membership No. 086496
Place : Meerut
Dated : 28.05.2013

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013

All figures in Indian Rupees or Rs

Note: 1

Background of the Company

Dhanvantri Jeevan Rekha Ltd. is a company listed with U.P. Stock Exchange, Mumbai Stock Exchange and Delhi Stock Exchange providing diagnostic and therapeutic services in the field of Urology, Gastroenterology, Cardiology, Neurology, Internal Medicine and Radiology including Magnetic Resonance Imaging (MRI). It has extended its scope of diagnostic and hospital services by providing a fully operational Cath Lab, catering to higher end needs of the cardiac patients including Angiography, Angioplasty, Pacemaker Implantation, Valvuloplasty etc. In these financial statements, current year figures are from April 1, 2012 to March 31, 2013 (2012-2013). Previous year figures are from April 1, 2011 to March 31, 2012 (2011-2012). The functional and reporting currency of the Company is Indian Rupees.

Note: 2

ACCOUNTING POLICIES:

2.1 General

- (a) The Financial statement are prepared under the historical cost convention and as a going concern basis, in accordance with the Generally Accepted Accounting Principles (GAAP) prevalent in India and the Mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and according to the Companies Act, 1956.
- (b) Accounting policies that are not specifically referred are consistent and in consonance with generally accepted accounting policies.

2.2 Valuation of Inventories

- (a) Consumables etc. are valued at lower of the cost or net realizable value applying the First in First Out Method (FIFO).

2.3 Recognition of Income & Expenses

All items of Incomes and expenses have been accounted for on accrual basis.

Borrowing Cost

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such assets is ready for its intended use.

Other borrowing costs are charged to the Profit & Loss Account.

Revenue Recognition

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties and in accordance with accounting standards applicable.

Provisions

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Retirement Benefits

Liability in respect of retirement benefits is provided and / or funded and charged to Profit & Loss Account as follows:

- (a) Provident Fund/ Family Pension Fund: are charged to the Profit and Loss Account of the year when the contributions to the respective funds are accrued.
- (b) Gratuity: The Company is in process to get the Group Gratuity Scheme with the Life Insurance Corporation of India to cover the liability in respect of Gratuity to employees.
- (c) Leave Encashment: As determined on the basis of accumulated leave in the credit of employee as at the year end.

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013

All figures in Indian Rupees or Rs

Note : 3

Share Capital

	2012-13	2011-12
Equity Share Capital		
Authorised share capital (50,00,000 Equity Shares of Rs.10/- each)	50,000,000	50,000,000
Issued, Subscribed and fully paid share capital (42,08,800 Equity Shares of Rs. 10/- each)	42,088,000	42,088,000
A) Reconciliation of number of Equity Shares outstanding		
At the Beginning of the year	42,088,000	42,088,000
Add: Increase during the year	-	-
At the end of the year	42,088,000	42,088,000
Called & Paid up Share Capital (40,98,400 Equity Shares of Rs.10/- each)	40,984,000	40,984,000
A) Reconciliation of number of Equity Shares outstanding		
At the Beginning of the year	40,984,000	40,984,000
Add: Increase during the year	-	-
At the end of the year	40,984,000	40,984,000
Add: Share Forfeiture (Rs. 5/- per.share on 1,10,400 Equity Shares)	552,000	552,000
Total	41,536,000	41,536,000

3.1 The Equity Shares of the Company, having par value of Rs. 10/- per share, rank parri passu in all respect including voting rights and entitlement of Dividends

Note :4

Reserves and Surplus

	2012-13	2011-12
Profit and Loss		
Opening balance as at 01.04.2012	11,398,790	7,173,064
Add: Profit/ (Loss) for the year	8,403,982	4,225,726
Closing balance as at 31.03.2013	19,802,772	11,398,790

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013

All figures in Indian Rupees or Rs

Note: 5

Other Long-term Liabilities

	2012-13	2011-12
Security Deposits	2,020,000	420,000
Total	2,020,000	420,000

Note: 6

Short-term Borrowings

	2012-13	2011-12
Secured:		
1. Overdraft Account of Rs. 10 Lac from Punjab National Bank, repayable on demand secured against the FDRs	-	954,690
2. Overdraft Account of Rs. 50 Lac from Punjab National Bank, repayable on demand secured against the FDRs	-	2,854,970
Unsecured:		
From Public	900,000	900,000
Total	900,000	4,709,660

6.1 Unsecured Loan has been taken from public @12% p.a., repayable in three years

Note :7

Other Current Liabilities

	2012-13	2011-12
Expenses Payable	3,430,458	4,879,416
Cheque issued but not presented for payment	4,206,193	2,639,831
Bonus Payable	203,000	194,066
Unclaimed Dividend	621,788	637,956
Creditors for Capital Goods	808,500	4,317,253
Creditors for Consumables	1,241,890	-
Total	10,511,829	12,668,522

Note: 8

Short-term Provisions

	2012-13	2011-12
TDS Payable	93,443	-
Provision for Income Tax	4,366,000	1,526,000
Total	4,459,443	1,526,000

8.1 Taxes on Income

Provision for current tax is made on the basis of estimated taxable income for current accounting year in accordance with the Income Tax Act, 1961, taking into account the regular tax liability of MAT. The tax liability is based on claims made in earlier years and expert opinion received.

The deferred tax for timing differences between book profit and tax profits is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013

All figures in Indian Rupees or Rs

Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

Deferred tax assets are recognized on unabsorbed losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

Note: 9

Fixed Assets

Particulars	As at 31 March 2012	Adjustments		Gross Block at 31.03.2013	Depreciation			Net Book Value	
		Additions	Deletions		Rate (%)	Upto 31.03.2012	During the Year	Upto 31.03.2013	Upto 31.03.2012
Land	19,382,474	-	-	19,382,474	-	-	-	19,382,474	19,382,474
Building	10,047,981	141,669	-	10,189,650	1.63%	1,946,436	163,782	8,079,432	8,101,545
Medical Equipment	83,419,038	2,150,444	-	85,569,482	7.07%	61,510,905	5,940,799	18,117,778	21,908,132
Furniture & Fixture	2,118,813	478,511	-	2,597,324	6.33%	1,318,985	145,345	1,132,994	799,828
Air Conditioners	1,541,000	169,340	-	1,710,340	4.75%	536,367	75,915	1,098,058	1,004,633
Generator Set	1,606,390	-	130,000	1,476,390	4.75%	219,456	73,563	1,183,371	1,386,934
Ambulance	260,563	-	-	260,563	9.50%	56,763	24,753	179,047	203,800
Computer	281,545	10,800	-	292,345	16.21%	261,041	3,526	27,778	20,504
Refrigerator	32,680	9,000	-	41,680	4.75%	8,417	1,951	31,312	24,263
Office Equipment	256,306	23,275	-	279,581	6.33%	15,439	17,027	247,115	240,867
Total	118,946,790	2,983,039	130,000	121,799,829		65,873,809	6,446,661	49,479,359	53,072,980

9.1 Fixed Assets

- (a) Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price or cost of construction and any attributable cost of bringing the asset to its working condition for its intended use.

9.2 Depreciation

- (a) Depreciation on assets is provided on straight line basis at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956
- (b) Depreciation on Fixed Assets added/disposed/off/ discarded during the year has been provided on a pro-rata basis.

Note: 10

Other Non-current Assets

	2012-13	2011-12
Advance Tax (A.Y. 2012-13)	1,350,000	1,350,000
Advance Tax (A.Y. 2013-14)	2,250,000	-
Income Tax Receivable	73,730	73,730
Tax Deducted at Source (A.Y. 2013-14)	608,112	-
Tax Deducted at Source (A.Y. 2012-13)	395,631	395,631
Security Deposits	104,550	154,550
Other Non-Current Assets	216,608	806,480
Total	4,998,631	2,780,391

Dhanvantri Jeevan Rekha Limited

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All figures in Indian Rupees or Rs

Note: 11
Inventories

	2012-13	2011-12
Consumables Stores	60,612	173,440
Stock Of Stationery	19,050	41,890
Linen & Draperies	19,260	71,150
Total	98,922	286,480

Note: 12

Trade Receivables

	2012-13	2011-12
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	3,499,202	1,401,683
Doubtful	-	-
Others		
Secured, considered good	-	-
Unsecured, considered good	951,348	1,569,190
Doubtful	-	-
Total	4,450,550	2,970,873

Note :13

Cash and Cash Equivalents

	2012-13	2011-12
Balances with Bank		
Current Accounts	4,615,427	27,409
Earmarked Balances	621,393	637,605
Cash in Hand	257,238	201,185
Total	5,494,058	866,199

Note :14

Short Term Loan & Advances

	2012-13	2011-12
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	198,000	-
Doubtful	-	-
Others		
Secured, considered good	-	-
Unsecured, considered good	-	296,300
Doubtful	-	-
	198,000	296,300

Dhanvantri Jeevan Rekha Limited

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Note :15

Other Current Assets

	2012-13	2011-12
Fixed Deposits with Scheduled Bank	12,500,000	11,167,157
Accrued Interest on Deposits	1,706,313	1,434,495
Others		
Unsecured considered good	8,910	205,380
Doubtful	-	-
Total	14,215,223	12,807,032

Note: 16

Revenue From Operations

	2012-13	2011-12
Operational Receipts	57,525,010	45,666,605
Total	57,525,010	45,666,605

Note: 17

Other Income

	2012-13	2011-12
Interest income	1,287,706	1,064,526
Rent Received	265,000	163,000
Misc. Income	370,990	263,052
Total	1,923,696	1,490,578

Note: 18

Employee Benefits Expenses

	2012-13	2011-12
Salary & Retainership	12,802,586	11,191,039
Contribution to Provident Fund	213,455	198,099
Ex-Gratia	54,550	48,250
Leave Encashment Expenses	322,480	258,817
Gratuity	8,675	-
Staff Welfare Expenses	242,851	241,522
Total	13,644,597	11,937,727

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013
All figures in Indian Rupees or Rs

Note: 19

Finance Costs

	2012-13	2011-12
Interest Paid to Banks	122,788	23,201
Interest Paid on Unsecured Loans	108,000	85,977
Interest Paid on TDS	323	4,355
Total	231,111	113,533

Note:20

Other Expenses

	2012-13	2011-12
Electricity Expenses	1,837,504	1,675,616
Medical Consultancy Expenses	15,237,000	11,607,004
Consumables Stores Expenses	6,052,326	3,942,341
Equipment Hire Expenses	2,250	16,113
Generator Expenses	1,362,640	571,976
Advertisement Expenses	87,413	113,370
Audit Fees	84,270	71,695
Insurance	42,283	14,195
Legal & Professional Charges	291,302	396,153
Newspaper & Periodicals	7,364	7,440
Postage	18,378	36,090
Printing & Stationery	194,124	201,954
Rates & Taxes	64,023	64,022
Telephone Expenses	111,347	106,445
Travelling & Conveyance	30,520	15,514
Management & Committee Fees	880,000	899,000
Ambulance Running & Maintenance	52,295	41,518
Bank Charges	21,870	11,412
Commission & Brokerage	9,000	8,666
Environment Expenses	34,640	35,089
Fees & Subscription	7,200	55,443
Festival Expenses	98,474	48,140
Hospital Waste Management	59,412	53,460
Linen & Draperies	293,350	248,227
Meeting & Conference Expenses	29,637	22,580
Rent Expenses	120,000	120,000
Repair & Maintenance Expenses	1,954,217	3,821,783
Miscellaneous Expenses	16,100	-
Total	28,998,939	24,205,246

Dhanvantri Jeevan Rekha Limited

Audited financial statements for the year ended March 31, 2013
All figures in Indian Rupees or Rs

Note: 21

Computation of Basic and Diluted Earnings Per Share (EPS):

		Current Year	Previous Year
Numerator	Profit /(Loss) after tax	8,403,984	4,225,727
Denominator	Weighted average number of equity shares outstanding during the year	4,098,400	4,098,400
Basic & Diluted EPS		2.05	1.03

Note: 22

(a) List of Related Parties with whom the Company has entered into transaction during the year in the ordinary course of business;

(i) Directors & Their Relatives

Name of Directors	Relatives of Directors
1. Dr. S. K. Khatri	Mr. Anand Kumar Khatri
2. Dr. Satya Prakash Mithal	Dr. Umang Mithal, Dr. Nalini Mithal
3. Sh. Premjit S. Kashyap	
4. Dr Gyan Prakash Elhence	Dr. Anil Elhence
5. Dr Surendra Prakash Gupta	
6. Dr V. S. Phull	Dr. Amrit Phull
7. Sh. Abhimanyu Arora	
8. Mrs. Meenakshi Elhence	Dr. Anil Elhence

(ii) Associate Concerns

M/s Dhanvantri Path & Scan Centre Pvt. Ltd.
M/s P.S.K. Consultants Pvt. Ltd.
M/s Kashyap & Co.

Details of Transaction with related parties referred to in (a) (i) above

	Current Year	Previous Year
(i) Sitting Fees	2,80,000	2,99,000
(ii) Consultancy Charges	1,414,478	8,13,108
(iii) Committee Fees	600,000	6,00,000
(iv) Interest Paid	-	3,000

Details of Transaction with related parties referred to in (a) (ii) above

	Current Year	Previous Year
(i) Receipts towards rent of the Pathology Lab	269,505	2,42,102
(ii) Payment towards equipment hire charges	-	16,113
(iii) Professional Charges	23,716	24,036

Dhanvantri Jeevan Rekha Limited

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Note: 23

Those in the opinion of the Board of Directors, the current assets, loans and advances have a value on realisation in ordinary course of business at least equal to the amount at which they are stated. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

Note: 24

That as informed to us and in accordance to the details available with the company, it does not owe a sum exceeding Rs.1,00,000/- which is outstanding over a period of 30 days to the Small Scale Industrial Undertakings as defined under clause (j) of Section 3 of Industrial (Development & Regulation) Act, 1951

Note: 25

Previous Year figures have been regrouped / reclassified, wherever applicable, to confirm to the current year's presentation.

Refer to our report of even date.

For K.K. Jain & Co.
Chartered Accountants

Sd/-
Simmi Jain
F.C.A.
Firm Regn No. 002465N
Membership No. 086496
Place : Meerut
Dated : 28.05.2013

Sd/-
Dr. V.S. Phull
Managing Director

For and on behalf of the Board of Directors
Dhanvantri Jeevan Rekha Limited

Sd/-
Dr. S.P. Gupta
Chairman

Sd/-
Pankaj Gupta
Company Secretary