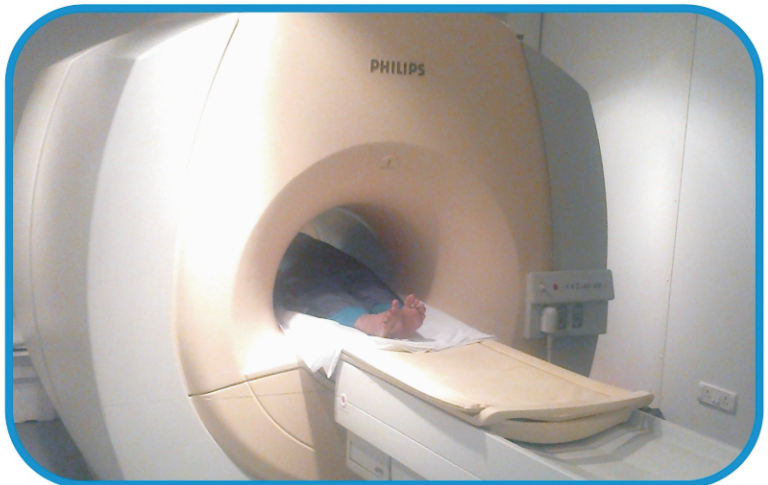




Regency Hospital Ltd.

*25th
Annual Report
2013-14*





BOARD OF DIRECTORS

Mr. R.L. SRIVASTAVA	-	CHAIRMAN
Dr. ATUL KAPOOR	-	MANAGING DIRECTOR
Dr. RASHMI KAPOOR	-	WHOLE-TIME DIRECTOR
Mr. ANIL KUMAR KHEMKA	-	DIRECTOR
Mr. RAJIV KUMAR BAKSHI	-	DIRECTOR

COMPANY SECRETARY

Mr. ANKIT MISHRA

CHIEF FINANCIAL OFFICER

Mr. DEEPAK KUMAR GUPTA

AUDITORS

M/s JAIN DHINGRA & ASSOCIATES
CHARTERED ACCOUNTANTS
KANPUR

BANKERS

BANK OF BARODA, KANPUR
ALLAHABAD BANK, KANPUR
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI), KANPUR
YES BANK LTD., KANPUR

REGISTERED OFFICE

A-2, SARVODAYA NAGAR,
KANPUR- 208005

REGISTRAR AND SHARE TRANSFER AGENT

SKYLINE FINANCIAL SERVICES (P) LIMITED
D-153/A, 1ST FLOOR, OKHALA INDUSTRIAL AREA, PHASE-1,
NEW DELHI- 110020

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REGENCY HOSPITAL LIMITED

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

CIN: L85110UP1987PLC008792

e-mail: investor@regencyhospital.in; website: www. regencyhospital.in

Ph: 2242201 to 03, 2234306, 2242201 to 08; Fax: (91) (512) 2213407

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of **REGENCY HOSPITAL LIMITED** will be held on Tuesday, 30th September, 2014 at 11.00 A.M. at the Registered Office of the Company at A-2, Sarvodaya Nagar, Kanpur-208005 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon; and
2. To appoint a Director in place of Dr. Rashmi Kapoor (DIN: 01818323), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
3. To appoint Auditor and 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 Jain Dhingra & Associates, Chartered Accountants (Registration No. 000987C), be and are hereby appointed as Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to Section 196, 197, 203, schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the revision of remuneration of Dr. Atul Kapoor (DIN: 01449229) Managing Director of the Company for a period of three years with effect from 01st April, 2014 on the following terms & conditions as recommended by the Nomination and Remuneration committee:

Remuneration:

A. Basic Salary:

Rs. 3,50,000 (Rupees three lacs fifty thousand only) per month for the period from 01st April, 2014 to 31st March, 2017.

B. Commission:

The Managing Director shall be paid commission with effect from 01st April, 2014, at the maximum of 0.50% for each financial year on the net profit of the Company as calculated under Section 198 and such other applicable provisions, if any, of the Companies Act, 2013, as may be determined by the Board of Directors from time to time.

Perquisites:

- A. The Managing Director will be provided furnished accommodation and in case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance, utilization of gas, electricity, water, reimbursement of medical expenses and leave travel concession for self and family including dependents, club fees, payment towards personal accident insurance, mediclaim and reimbursement of petrol expenses and reimbursement of personal driver's salary and all other payments in the nature of perquisites and allowances as agreed, subject to an overall ceiling of Rs. 18,00,000/- per annum without restriction to any sub-limit on individual perquisite.
- B. Loan and other schemes: Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time subject to applicable laws.
- C. Other benefits and amenities: Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.
- D. Reimbursement of costs, charges and expenses: The Company shall pay or reimburse to the Managing Director and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

Benefits and Amenities:

In addition to the salary, allowances and perquisites as above, the Managing Director shall be entitled to the following perquisites which shall not be included in the computation of the ceiling of remuneration specified as above:

- A. Gratuity: Upto half a month's salary for each completed year of service subject to maximum amount of Rs. 10.00 (Ten) Lacs.
- B. Leave Encashment: As per the rules of the Company but not exceeding one month for every eleven months of completed service and unavailed leaves will be allowed to be encashed at the end of the tenure.
- C. Conveyance: The Company shall provide car with driver for discharge of official responsibilities by the Directors.

- D. Telephone, Telefax and other communication facilities: The Company shall provide / reimburse expenses in respect of one or more cellular phones (with handset) for his use, and Telephone connections with STD & ISD facilities, fax connections, Cable Internet connections and other communication facilities at the Directors' residences.
- E. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

EXPLANATION

"Family here means the spouse, dependent children and dependent parents of the Managing Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include the Nomination and Remuneration committee) be and is hereby authorised to alter, vary, modify the terms and conditions of appointment of Dr. Atul Kapoor from time to time during the tenure of his appointment as Managing Director of the Company. Provided however that the total remuneration payable to him shall not at any time exceed the limit prescribed under schedule V and all other applicable provisions of the Companies Act, 2013 including any statutory notification(s) of re-enactment thereof for the time being, be in force.

RESOLVED FURTHER THAT where in any Financial Year during the tenure of Managing Director, the Company has no profits or its profits are inadequate, Dr. Atul Kapoor, Managing Director (DIN: 01449229) shall be entitled to remuneration by way of salary and perquisites, benefits and amenities as specified supra, not exceeding the ceiling laid down in schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to complete all necessary formalities and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

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

"RESOLVED THAT pursuant to Section 196, 197, 203, schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the revision of remuneration of Dr. Rashmi Kapoor, (DIN: 01818323) Whole-Time Director of the Company for a period of three

years with effect from 01st April, 2014 on the following terms & conditions as recommended by the Nomination and Remuneration committee:

Remuneration:

- A. Basic Salary:

Rs. 3,40,000 (Rupees three lacs forty thousand only) per month for the period from 01st April, 2014 to 31st March, 2017.

- B. Commission:

The Whole-Time Director shall be paid commission with effect from 01st April, 2014, at the maximum of 0.50% for each financial year on the net profit of the Company as calculated under Section 198 and such other applicable provisions, if any, of the Companies Act, 2013, as may be determined by the Board of Directors from time to time.

Perquisites:

- A. The Whole-Time Director will be provided furnished accommodation and in case no accommodation is provided by the Company, the Whole-Time Director shall be entitled to House Rent Allowance, utilization of gas, electricity, water, reimbursement of medical expenses and leave travel concession for self and family including dependents, club fees, payment towards personal accident insurance, mediclaim and reimbursement of petrol expenses and reimbursement of personal driver's salary and all other payments in the nature of perquisites and allowances as agreed, subject to an overall ceiling of Rs. 18,00,000/- per annum without restriction to any sub-limit on individual perquisite.
- B. Loan and other schemes: Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time subject to applicable laws.
- C. Other benefits and amenities: Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.
- D. Reimbursement of costs, charges and expenses: The Company shall pay or reimburse to the Whole-Time Director and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

Benefits and Amenities :

In addition to the salary, allowances and perquisites as above, the Whole-Time Director shall be entitled to the following perquisites which shall not be included in the computation of the ceiling of remuneration specified as above:

- A. Gratuity: Upto half a month's salary for each completed year of service subject to maximum amount of Rs. 10.00 (Ten) Lacs.
- B. Leave Encashment: As per the rules of the Company but not exceeding one month for every eleven months of

completed service and unavailed leaves will be allowed to be encashed at the end of the tenure.

- C. Conveyance: The Company shall provide one fully insured car with driver for discharge of official responsibilities by the Directors.
- D. Telephone, Telefax and other communication facilities: The Company shall provide / reimburse expenses in respect of one or more cellular phones (with handset) for his use, and Telephone connections with STD & ISD facilities, fax connections, Cable Internet connections and other communication facilities at the Directors' residences.
- E. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

EXPLANATION

"Family here means the spouse, dependent children and dependent parents of the Whole-Time Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include the Nomination and Remuneration committee) be and is hereby authorised to alter, vary, modify the terms and conditions of appointment of Dr. Rashmi Kapoor from time to time during the tenure of his appointment as Whole-Time Director of the Company. Provided however that the total remuneration payable to him shall not at any time exceed the limit prescribed under schedule V and all other applicable provisions of the Companies Act, 2013 including any statutory notification(s) of re-enactment thereof for the time being, be in force.

RESOLVED FURTHER THAT where in any Financial Year during the tenure of Whole-Time Director, the Company has no profits or its profits are inadequate, Dr. Rashmi Kapoor, (DIN: 01818323) Whole-Time Director shall be entitled to remuneration by way of salary and perquisites, benefits and amenities as specified supra, not exceeding the ceiling laid down in schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to complete all necessary formalities and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

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

To appoint Shri Anil Kumar Khemka (DIN: 00270032) as an Independent Director 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 pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Anil Kumar Khemka (DIN: 00270032), whose period of office, was liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold the office up to the conclusion of the 30th Annual General Meeting of the Company in the calendar year 2019 not liable to retire by rotation."

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

To appoint Shri Rajiv Kumar Bakshi (DIN: 00264007) as an Independent Director 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 pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Rajiv Kumar Bakshi (DIN: 00264007), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 2 (Two) consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2016 not liable to retire by rotation."

8. To consider and if thought fit, to pass with or commensurate without modification(s), the following resolution as a **Special Resolution**

"RESOLVED THAT in supersession of the Ordinary Resolution passed at the 24th Annual General Meeting of the Company and pursuant to Section 180(1)(a) (previously being section 293(1)(a) of the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the 'Act'), consent of the Company be and is hereby accorded to the Board of Directors of the Company or its Committee

as may be authorized by the Board of Directors to mortgage and / or charge any of its movable and / or immovable properties wherever situated both present and future, on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings of the Company in favour of any banks(s) or body(ies) corporate or person(s), whether shareholders of the Company or not, together with interest, cost, charges and expenses thereon for an amount not exceeding Rs 1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores only) over and above the aggregate of the paid up share capital and free reserves of the Company.

RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior / pari passu subservient with / to the mortgages and / or charges already created or to be created by the Company as may be agreed to between the concerned parties."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**

"RESOLVED THAT in supersession of the Ordinary Resolution passed at the 24th Annual General Meeting of the Company and pursuant to Section 180(1)(c) (previously being section 293(1)(d) of the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the 'Act'), consent of the Company be and is hereby accorded to the Board of Directors of the Company or its Committee as may be authorized by the Board of Directors to borrow for the purpose of the business of Company any sum or sums of moneys for and on behalf of the Company by way of availing of term loans and all kinds of financial assistance, secured / unsecured, fund and non-fund based from bank(s), financial institution(s), bodies corporate, by way of issue of redeemable non-convertible debentures, subordinated debentures or any other security or instrument(s) on private placement basis as well as by way of public issue by all permissible methods including shelf-disclosure documents, prospectus, shelf-prospectus, information memorandum or otherwise, from persons, institutional investors, Foreign Institutional Investors, qualified institutional buyers, resident public financial institutions, statutory corporations, provident funds, pension funds, superannuation funds, gratuity funds, alternative investments funds, insurance companies, mutual funds, national investment fund, insurance funds, non-institutional investors, companies, bodies corporate, societies, educational institutions and association of persons, trust, scientific and / or industrial research organizations, partnership firms, Limited Liability Partnerships, Resident Individuals, High Net-worth Individuals (HNIs), Hindu Undivided Families (HUFs), retail individual investors, by way of acceptance of deposits from public, shareholders, directors, relatives of directors, HUF, resident individuals, Non-resident

Indians (through NRO accounts), trusts, firms, corporate or issuance of commercial papers, bonds, any other permissible instruments or methods of borrowing whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge or otherwise of the Company's assets and properties, whether movable or immovable notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company, apart from temporary loans obtained and / or to be obtained from the Company's bankers in the ordinary course of business, will or may exceed the aggregate of the paid up share capital of the Company and its free reserves, provided that the total amount borrowed and outstanding at any point of time shall not exceed Rs. 1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores only).

RESOLVED FURTHER THAT the Board or such Committee / or person(s) as authorized by the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it/they may consider necessary, expedient, usual or proper to give full effect to the aforesaid resolution, including but not limited to settle any questions or difficulties that may arise in this regard, if any, as it may, in its absolute discretion, deem fit, without requiring the Board to secure any further consent or approval of the Members of the Company to the intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

10. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To consider and if thought fit, to pass with or without modification, the following as a **Special Resolution** :

RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any, consent of the Company be and is hereby accorded for entering into related party transaction by the Company with effect from 1st April, 2014 upto the maximum per annum amounts as appended below:

Name of related party	Regency Nephrocare Pvt. Ltd.	
Name of Director / KMP who is related, if any	Dr. Atul Kapoor and Dr. Rashmi Kapoor	
Nature of relationship	Relatives of Director	
Nature, material terms, monetary value and particulars of contract or arrangement		Rs. in Lacs / Annum
	Leasing of Land & Building	48
	Renting of Medical equipments	48
	Availing services of kit / package for Dialysis	600
Tenure of Contract	The contract would be for a period of 3 years w.e.f. 01.04.2014	

RESOLVED FURTHER THAT although all these transactions are based on ordinary course of business and at the arms' length basis, the aforesaid consent is sought as an abundant caution, and thus the Board of Directors and / or any Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above

Resolution and to do all acts, deeds, things, as may be necessary in its absolute discretion deem necessary, proper, desirable and to finalise any documents and writings related thereto."

Registered Office:

A-2, Sarvodaya Nagar,
Kanpur-208005

By Order of the Board
For Regency Hospital Limited

(Ankit Mishra)
Company Secretary

Kanpur, August 14, 2014

Notes:

- A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

- A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
- The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 24th September, 2014 to Tuesday, 30th September, 2014 (both days inclusive)
- Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to

advise any change in their address or bank mandates immediately to the Company / Skyline.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Skyline.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014, the Company is pleased to provide the facility to members to exercise their right to vote by electronic means. The Company has fixed August 15, 2014, as a cut-off date to record the entitlement of the shareholders to cast their vote electronically at the 25th Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules thereunder. Consequently the same cut-off date i.e. August 15, 2014 would record entitlement of the shareholders, who do not cast their vote electronic, to cast their vote at the 25th AGM on September 30, 2014
12. The e-voting period will commence at 9:00 a.m. on Wednesday, September 24, 2014 and will end at 6:00 p.m. on Friday, September 26, 2014. The Company has appointed Mr. Surendra Kumar Sahu, FCS of SKS & Company, Company Secretaries, Kanpur, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

PROCEDURE FOR E-VOTING

1. The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting for AGM. The instructions for e-voting are as under:
 - (a) In case of Members receiving an e-mail from NSDL:
 - (i) Open the PDF file 'RHL e-voting.pdf' attached to the e-mail, using your client ID / Folio No. as password. The PDF file contains your User ID and Password for e-voting. Please note that the Password provided in PDF is an 'Initial Password.'
 - (ii) Launch an internet browser and open <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login.
 - (iv) Insert 'User ID' and 'Initial Password' as noted in step (i) above and click 'Login'.
 - (v) Password change menu will appear. Change the

Password with a new password of your choice. Please keep a note of the new password. It is strongly recommended not to share your password with any person and take utmost care to keep it confidential.

- (vi) Home page of e-voting will open. Click on e-voting –Active Voting Cycles.
 - (vii) Select 'EVEN' of Regency Hospital Limited.
 - (viii) Now you are ready for e-voting as 'Cast Vote' page opens.
 - (ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.
 - (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter along with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer by an e-mail at sksko2001@gmail.com with a copy marked to evoting@nsdl.co.in.
- (b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance slip
 - (i) Initial Password is provided, as follows, at the bottom of the Attendance Slip

EVEN (E-Voting) Event Number	USER ID	PASSWORD
.....
 - (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above, to cast vote.
 2. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and e-voting user manual available in the downloads section of NSDL's e-voting website www.evoting.nsdl.com.
 3. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting vote.
 4. Login to e-voting website will be disabled upon five unsuccessful attempts to key-in correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
 5. Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are shareholder.
 6. The voting rights shall be as per the number of equity share held by the member(s) as on Friday, August 15, 2014. Members are eligible to cast vote electronically only if they are holding shares as on that date.

7. The Companies (Management and Administration) Rules, 2014 provides that the electronic voting period shall be completed 3 days prior to the date of AGM. Accordingly, the voting period shall commence at 9:00 a.m. on Wednesday, September 24, 2014 and will end at 6:00 p.m. on Friday, September 26, 2014. The e-voting module shall be disabled by NSDL at 6:00 p.m. on the same day.
8. The results shall be declared on or after the AGM. The results alongwith the Scrutinizer's Report shall also be placed on the website of the Company.
13. In case of those Members, who do not have access to e-voting facility, they can use the assent / dissent form enclosed herewith or can be downloaded from our website www.regencyhospital.in and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and send the Assent/Dissent form so as to reach Mr. Surendra Kumar Sahu, Scrutinizer appointed by the Company at the registered office of the Company on or before 6:00 on September 26, 2014
14. In terms of Clause 49 of the Listing Agreement information on Director seeking appointment at this Annual General Meeting is as under:

Whole-Time Director of the Company for a period of five years w.e.f. 01st September, 2013 at the monthly remuneration of not exceeding Rs. 3.5 Lacs each in compliance to the provisions of Schedule XIII of Companies Act, 1956.

The Nomination and Remuneration committee at its meeting held on 14th August, 2014 discussed about the remuneration package of Managing Director and Whole-Time Director as compared to responsibility and duty as entrusted by the Company on them. Committee further felt the need to enhance the remuneration of Managing Director and Whole-Time Director to commensurate with their role and responsibility and financial performance of the Company.

Accordingly, consent of the members is sought for approving the Special Resolution as set out in Item No. 04 & No. 05 by the shareholders at the ensuing Annual General Meeting of the Company. None of the Directors, Key Managerial Personnel or their relatives except Dr. Atul Kapoor and Dr. Rashmi Kapoor are concerned or interested in the proposed Special Resolution(s) as set out at Item No. 04 and 05 of this Notice.

Name of Director	Dr. Rashmi Kapoor	Mr. Rajiv Kumar Bakshi	Mr. Anil Kumar Khemka
Date of Birth and Age	February 19, 1957, Age: 57 Years	October 21, 1952, Age: 61 years	November 18, 1956, Age: 57 years
Appointed on	October 16, 1989	December 31, 2013	March 15, 1995
Qualifications	M.B.B.S, MD	M.Sc., CAIIB, DBM	Chartered Accountant
Expertise in specific functional areas	Medical	Finance and Banking	Finance
Directorship held in other Public Companies (excluding Foreign Companies)	NIL	NIL	Indcoat Shoe Components Ltd.
Memberships / Chairmanships of committees across public Companies.	1. Member of Share Transfer / investor grievance committee of Company	1. Member of Audit, Share Transfer and Remuneration committee of Company.	1. Chairman of Audit and Share Transfer Committee; 2. Member of Remuneration committee.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4 and 5 :

The shareholders of the Company at their Annual General Meeting held on 28th September, 2013 had appointed Dr. Atul Kapoor as Managing Director and Dr. Rashmi Kapoor as

The additional information with respect to the Company and the appointees are as under:

I. GENERAL INFORMATION:

- (i) Nature of Industry : Hospital and Diagnostic Services
- (ii) Date or expected date of Commencement of commercial Production : The Company is in operation.
- (iii) In case of new Companies, Expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : - N.A-

(iv) Financial Performance based : (Rs. in Lacs)
on the given indicators for the Turnover 9057.06
F.Y. ended 31.03.2014 Profit/Net (Loss) 459.71
Net worth (excluding Revaluation reserve) 3595.63

(v) Export performance and net : NIL
Foreign exchange earnings

(vi) Foreign investment or : NIL
collaboration, if any.

include the expansion of existing bed capacity, addition of newer medical facilities, installation of latest diagnostic equipment which are expected to improve the financial performance of the Company.

(iii) Expected increase in productivity and Profits in measurable terms:

I. INFORMATION ABOUT THE APPOINTEES:

Name	Background Details	Previous Remuneration	Proposed Remuneration	Job Profile
Dr. Atul Kapoor	Age 57 Yrs. M.B.B.S, M.S Having 33 years of experience in Medical Science.	Salary, Allowances and perquisites no exceeding Rs. 3,50,000 p.m.	I. Basic Salary: Rs. 3,50,000 p.m. ii. Commission: not exceeding 0.50% of net profit iii. Perquisites: Not exceeding Rs. 18,00,000 p.a.	Dr. Atul Kapoor is the Managing Director of the Company. He is responsible for the overall management of the Company. He is actively involved in day to day affairs of the Company. Considering his qualification and wide experience, it is proposed to revise his remuneration.
Dr. Rashmi Kapoor	Age 57 Yrs. M.B.B.S, M.D. Having 33 years of experience in Medical Science.	Rs.3,50,000/-p.m.	I. Basic Salary: Rs. 3,40,000 p.m. ii. Commission: not exceeding 0.50% of net profit iii. Perquisites: Not exceeding Rs. 18,00,000 p.a.	Dr. Rashmi Kapoor is the Whole-Time Director of the Company. She is responsible for the overall management of the Company. She is actively involved in day to day affairs of the Company. Considering her qualification and wide experience, it is proposed to

Taking into consideration the size of the Company, the profile of the appointee Directors, responsibilities shouldered by them and the industry benchmark, the remuneration proposed is commensurate with the remuneration package paid to similar, senior level appointees in other Companies

The Board is of the opinion that the aforesaid managerial personnel have requisite qualification, expertise and experience for the job they are holding. Except for receiving remuneration, none of the managerial personnel as aforesaid has any pecuniary relationship with the Company.

I. OTHER INFORMATION :

(I) Reasons for inadequate Profit:

The Company was incorporated in the year 1987 with the object of setting-up of Hospital for dispensation of multi-disciplinary medical services. Due to high incidence of interest and depreciation charges and on account of technology obsolescence, the operation of the Company has suffered. However the financial performance of the Company has improved.

(ii) Steps taken or proposed to be taken for improvement:

The Company has made a turnaround resulting in Net Profit of Rs. 459.71 during the financial year ended 31st March, 2014. In addition, the Management proposes to undertake the number of measures which inter-alia

It is only because of tremendous efforts put in by the Managing Director and the Whole-time Director that the financial performance of the Company has improved as reflected in the financial performance of the company for the financial year ended 31st March, 2014. The expected increase in productivity in measurable term being indeterminable cannot be quantified.

II. DISCLOSURES:

The Shareholders of the Company are duly informed of the remuneration package of Managerial Personnel and disclosures in this regard will be made in the Report of Corporate Governance under Clause 49 of the Listing Agreement.

Dr. Atul Kapoor and Dr. Rashmi Kapoor, are interested in the resolutions placed at Item No. 4 and 5 in resolution as concerning their appointment.

Item No. 6

Shri. Anil Kumar Khemka, is Independent Director of the Company and has held the position as such for more than 5 (five) years. Section 149 of the Companies Act, 2013 stipulates the requirement of appointment of Independent Directors by means of shareholders approval.

It is proposed to appoint Shri. Anil Kumar Khemka as

Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 30th Annual General Meeting of the Company in the calendar year 2019.

Shri. Anil Kumar Khemka is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri. Anil Kumar Khemka for the office of Director of the Company.

The Company has also received declarations from Shri Anil Kumar Khemka that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Shri Anil Kumar Khemka fulfill the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement.

This statement may also be regarded as a disclosure under Clause 49 of the listing Agreement with the Stock Exchanges. Shri Anil Kumar Khemka is interested in the resolution set out respectively at Item No. 6 of the Notice with regard to his appointment.

The relatives of Shri Anil Kumar Khemka may be deemed to be interested in the resolutions set out respectively at Item No. 6 of the Notice, to the extent of his shareholding interest, if any in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolutions set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Shri Rajiv Kumar Bakshi an Additional Director of the Company with effect from December 31, 2013. In terms of the provisions of Section 161(1) of the Act, the Additional Director would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from member(s) alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Rajiv Kumar Bakshi for the office of Director of the Company. Shri Rajiv Kumar Bakshi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence which should a company propose to appoint independent directors on its Board.

The Company has received a declaration from Shri Rajiv Kumar Bakshi that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the

Act and under Clause 49 of the Listing Agreement.

Shri Rajiv Kumar Bakshi possesses appropriate skills, experience and knowledge, inter alia, in the field of finance and banking. Keeping in view their vast expertise and knowledge, it will be in the interest of the Company that Shri Rajiv Kumar Bakshi is appointed as Independent Director. Copy of the draft letter for appointment of Shri Rajiv Kumar Bakshi as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges. Save and except Shri Rajiv Kumar Bakshi and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders

Item No. 8

The members of the Company at their 24th Annual General Meeting held on 28th September, 2013 accorded by way of an Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956, consent to the Board of Directors for creating mortgage, hypothecation and / or charge on its movable or immovable properties for an amount not exceeding Rs. 1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores only).

Section 180(1)(a) of the Companies Act, 2013 requires that the Board of Directors shall not dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, except with the consent of the members accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013, as set out at item no. 8 of the Notice, to enable the Board of Directors to create, mortgage or charge on its movable or immovable properties, approval of members is being sought.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 8

Item No. 9

The members of the Company at their 24th Annual General Meeting held on 28th September, 2013 accorded by way of an Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956, consent to the Board of Directors for creating mortgage, hypothecation and / or charge on its movable or immovable properties for an amount not exceeding Rs. 1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores only).

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, except with the consent of the members accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at item no. 7 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paidup share capital and free reserves of the Company approval of members is being sought.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 9

Item No. 10

The Article of Association ("AoA") of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal"). With the coming into force of the Act several regulations of the existing AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act sets out the model articles of association for a Company limited by shares.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 10 of the Notice.

The Board commends the Special Resolution set out at Item No. 10 of the Notice for approval by the shareholders.

Item No. 11

The Company has been entering in to transactions with related parties confirming to prescribed statutory procedure under the Companies Act, 1956.

The Company also proposes to enter into such transactions with related parties confirming to the requirements of the Companies Act, 2013. In the above context the necessary Special Resolution is proposed for the approval to the members. The transactions have been approved by the Board of Directors subject to the company passing a Special Resolution as per the requirement of the Act.

The particulars as to the related party transactions are

furnished below as per the requirements of the prescribed rules and the grounds for having the transactions. All contracts will be subject to the conditions that the prescribed price/charges payable under the contracts shall be competitive, shall be based on prevailing market price, shall not be prejudicial to the interest of either parties and shall be at Arms length, on the basis of comparable uncontrolled price other than with associate enterprise

Name of related party	Regency Nephrocare Pvt. Ltd.	
Name of Director/ KMP who is related, if any	Dr. Atul Kapoor and Dr. Rashmi Kapoor	
Nature of relationship	Relatives of Director	
Nature, material terms, monetary value and particulars of contract or arrangement		Rs. in Lacs / Annum
	Leasing of Land & Building	48
	Renting of Medical equipments	48
	Availing services of kit / package for Dialysis	600
Tenure of Contract years	The contract would be for a period of 3 w.e.f. 01.04.2014	

The Board commends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

Registered Office:

A-2, Sarvodaya Nagar,
Kanpur-208005

By Order of the Board

For Regency Hospital Limited

(Ankit Mishra)

Company Secretary

Kanpur, August 14, 2014

DIRECTORS' REPORT

To,

The Members of

REGENCY HOSPITAL LIMITED

Your Directors have pleasure in presenting herewith the Twenty Fifth Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2014.

FINANCIAL RESULTS

(Rs. in Lacs)

PARTICULARS	For the Year ended ended 31st March, 2014	For the Year ended 31st March, 2013
Total Income	9353.16	7499.57
Profit/(Loss) before Interest, Depreciation, Taxation and Extra Ordinary item	1978.54	1399.89
Less : Depreciation	526.05	468.24
Less: Finance Charges	729.58	451.34
Profit before Taxation and Extra ordinary Item	722.91	480.31
Less/ Add: Provision for Taxation		
Less: Provision for Tax:	203.32	96.10
Less: Deferred Tax (Assets)/ Liability	59.87	134.24
Add: Mat Credit Entitlement	00.00	79.08
Profit After Tax	459.72	329.05
Add: Balance brought forward from previous year	912.95	583.90
Less: Transfer to general reserve	---	---
Balance Carried forward to Balance Sheet	1372.67	912.95

COMPANY PERFORMANCE

The total income for the financial year under review is Rs. 9353.16 Lacs as compared to Rs. 7499.57 Lacs in the previous financial year registering a growth of 24.72%. The Profit before tax excluding extra-ordinary item was Rs. 722.91 Lacs and Profit after tax of Rs. 459.72 Lacs for the financial year under review as against Rs. 480.31 Lacs and Rs. 329.05 Lacs respectively for the previous financial year. During the year company has treated 20181 indoor patients as compare to 16057 indoor patients in 2012-13. A detailed analysis of performance for the year has been included in the Management Discussion and Analysis, which forms part of the Annual Report.

GROWTH STRATEGY:

The Company is at growing stage of its operations. This is reflected by financial results of the Company as turnover has achieved all time high of Rs. 9057.06 Lacs for the year under review. However, your Board accepts that it is only a beginning and we still have many new milestones to achieve. The Company has increased numbers of beds in ICU to meet the requirement of the patient and providing efficient facilitates. The Company has also started its satellite day care centre in the heart of city to take care of patients who do not like to visit hospitals of critical patient treatment, the day care clinic is in operation from April, 2014 which helps us to broaden our business and help to achieve our targeted goals. Management of the Company striving their best to achieve planned results.

JOINT VENTURE AND SUBSIDIARIES

During the year under review, as a measure of achieving greater financial flexibility and facilitating the future growth of the Company, following are the joint venture companies / Subsidiary Companies with their main object:

- HCG Regency Oncology Healthcare Private Limited** is a subsidiary of the Company w.e.f 17.02.2014 by acquiring additional 2000000 Equity Shares. This Subsidiary Company has its main object as rendering treatment to persons suffering from cancer, to carry on research therein and to train various persons in scientific methods of cancer treatment and to generally act as a provider of various services in the treatment for and research in the field of oncology.
- Regency Nephrocure Private Ltd** is a joint venture of Fresenius Medical Care India Pvt. Ltd. with your Company and incorporated on 19th July, 2013 with its main object as to own, establish, hold, acquire, run, manage and maintain, in any manner whatsoever, hospitals, diagnostic centers, immunization centers, clinics, health centers, polyclinics, laboratories, medical and other research centers, including providing medicines, drugs and healthcare products, for diagnosis, prevention, cure and treatment of all renal or nephrological diseases.
- Regency Lifecare Private Limited** incorporated on 17th January, 2014 being 100% wholly owned subsidiary of the

company with its main object as to carry on business as stockists, agents, importers, exporters, traders, whole sellers, distributors, concessionaires or dealers of all generic and non generic drugs and all kinds of pharmaceutical, cosmetic and medical preparations. The Company has not yet started its operation.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting standards AS-21 on Consolidated Financial Statements, your Directors provide the Audited Consolidated Financial Statements in the Annual Report. Further, the Company will make available the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies upon request by any member or investor of the Company/subsidiary Companies. Further the annual accounts of the subsidiary companies will be kept open for inspection by any investor at the registered office of the company and of subsidiary companies.

DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31st March, 2014.

DIRECTORS

Your Directors present their grief on sudden demise of Late Shyam Swaroop Agarwal, who expired on 2nd December, 2013 and the Board gratified his contribution towards the growth of the Company and conveyed heart-felt condolences to the bereaved family.

During the year, Mr. Rajiv Kumar Bakshi was inducted as an Independent Additional director of the Company w.e.f. 31st December, 2013 under section 161 of the Companies Act, 2013 and subject to the Articles of Association of the Company, to hold office upto the ensuing Annual General Meeting of the Company.

The Company has received notices from Mr. Rajiv Kumar Bakshi under section 160 of the Companies Act, 2013 proposing his candidature for the office of the Directors. The Board, therefore recommends the appointment of Mr. Rajiv Kumar Bakshi as director in the ensuing Annual General meeting of the Company, liable to retire by rotation.

Further, pursuant to the provisions of Section 152 of the Companies Act, 2013, read with Articles of Association of the Company, Dr. Rashmi Kapoor, Director retires from Board by rotation and is eligible for re-appointment.

AUDITORS' REPORT:

The Auditors' Report does not contain any qualifications. The notes to the accounts referred to in the Auditor's Report are self explanatory and therefore do not call for any further comments of Directors.

AUDITORS

M/s. Jain Dhingra & Associates, Chartered Accountants, Kanpur (Firm Registration No. 000987C) Statutory Auditors of the Company retire at the conclusion of the ensuing Annual

General Meeting and they are eligible for re-appointment. Certificate from the Auditors has been received to the effect that their reappointment if made, would be within the limits prescribed under section 139 of the Companies Act, 2013. The observations of Auditors in their Report read with notes to the Accounts are self explanatory and do not call for any further explanation.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed towards need of its social responsibility and acknowledge the role and support of healthy and prosperous society nearby the area of its operations. Corporate Social Responsibility is the duty of Regency Hospital Ltd both in letter and spirit and to support this, your Company is constantly providing donation to Amrita Charitable Trust set up for providing education and vocational training to the physically and mentally challenged children of society. Your board is serious towards this commitment and thereby appointed its Whole-time Directors in the managing committee of trust to supervise and control the objectives of trust.

STATUTORY INFORMATION

A. PARTICULARS OF EMPLOYEES

As none of the Employees of the Company was in receipt of remuneration in excess of the limits prescribed, particulars of Employees under Section 134 of the Companies Act, 2013 read with Companies (Particulars of Employees) Rules, 1975 as amended are not required to be given.

B. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

i. Conservation of energy:

Although operations of the Company are not energy intensive, steps are being taken to conserve energy in all possible areas. As the Company is engaged in the business of dispensation of Medical services, particulars relating to conservation of Energy in the prescribed format and Technology Absorption as required under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 being inapplicable are not given.

ii. Research and Development (R & D)

Research and Technology and innovation continue to be one of the key focus area to drive growth. To support this, Company avails services of qualified and experienced professionals/consultants.

iii. Technology Absorption, Adaptation and Innovation

The Company develops in-house Technology and is not dependent on any outside Technology/Source.

iv. Foreign Exchange Earnings and outgo

During the year, Company has not earned foreign exchange. The foreign exchange outgo was Rs. 13.09 Lacs mainly on account of Interest.

C. CORPORATE GOVERNANCE

Pursuant to Clause 49 (VII) of the Listing Agreement with the Stock Exchanges, a separate report on Corporate Governance forms part of the Directors' Report in the Annual Report. Your Company has been complying with the requirements of the Listing Agreement and necessary disclosures have been made in this regard in the Corporate Governance Report.

A certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

D. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

E. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 ("Act") and based on the representations received from the operating management, the Directors hereby confirm that :-

- a) In the preparation of the Annual Accounts for the year ended March 31, 2014, the applicable Accounting Standards have been followed and there are no material departures;

- b) they have selected such Accounting policies and 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 as at 31st March, 2014 and of the Profit of the Company for the period ended on that date;
- c) they have 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 Act. They confirm that there are adequate systems and controls for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared Annual Accounts on a going concern basis;

ACKNOWLEDGEMENTS

Your Directors are pleased to place on record their sincere thanks to the Banks and various Government Authorities for the support and co-operation extended to the Company and place on record their appreciation for the sincere and devoted services rendered by all employees of the Company at all levels. Your Directors are especially grateful to the shareholders for reposing their trust and confidence in the Company.

For and on behalf of the Board

Place: Kanpur
Date: 14th August, 2014

(R.L. Srivastava)
Chairman

MANAGEMENT DISCUSSION ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Today is the era of science and technology, a time of face challenges and put ourselves one step ahead of others. India is recognized amongst the fastest developing economies of the world. India has achieved a prominent place in world economy. However, with the advancement of technology and increase of luxurious lifestyle of people, there also emerges various health problems amongst both business and service class of the country. However, as compared to demand, the supply of advanced healthcare services in India is not ample enough to serve the requirement across the country. Today, the healthcare system in India faces a challenge in raising the service quality and ensuring equitable access to people while simultaneously gearing up its capabilities to tackle the changing disease incidence profiles. Though enormous steps are taken by the Government to bridge the demand and supply gap in this regard, yet the availability of timely and advanced healthcare services are still an undisclosed saga for the larger portion of country. To cater this need, private sector emerges as a prominent player to bridge the gap. The table below provides a structural snapshot of the Indian healthcare system:

Stage of healthcare	Demand of healthcare
Primary Care	The basic healthcare facilities for common and minor ailments and where prevention is most effective; Demand is the highest in this sector
Secondary Care	Healthcare facilities that require constant medical attention including short period of hospitalization; Demand is moderate
Tertiary Care	Conditions requiring care from specialized clinicians and facilities; Demand requirements are highly specialized and thus minimal.

As per the policy paper laid by CII, there exist six major thrust areas where a Public-Private Partnership could be evolved as a synergistic model to combine both the social objectives of universal healthcare access and the business objective of running a profitable healthcare facility. The five areas where private sector contribution can prove beneficial are:

1. **Infrastructure Development:** Development and strengthening of healthcare infrastructure that is evenly distributed geographically and at all levels of care.
2. **Management and operations:** Management and operation of healthcare facilities for technical efficiency, operational economy and quality.
3. **Capacity Building and Training:** Capacity building for formal, informal and continuing education of professional, para-professional and ancillary staff engaged in the

delivery of healthcare.

4. **Financing Mechanism:** Creation of voluntary as well as mandated third-party financing mechanisms.
5. **IT Infrastructure:** Establishment of national and regional IT backbones and healthcare data repositories for ready access to clinical information.
6. **Materials Management:** Development of a maintenance and supply chain for ready availability of serviceable equipment and appliances, and medical supplies and sundries at the point of care.

The contribution to private sector in healthcare expenditure in India is around 80% and is one of the highest in the world. Almost 94% of this amount (which covers both financing and provision aspects) comprises out-of-pocket expenditure on provision, which accounts for the private sector contribution to 60% of all in-patient care and 78% of total number of visits in outpatient care in India. In addition the private sector today provides 58% of the hospitals and 81% of the doctors in India. Adding to the challenges is also the changing demographics and lifestyles of the people. Dealing with these challenges requires the resources and expertise of public and private sector combined.

OPPORTUNITIES AND THREATS

Opportunities

Sky is the limit of opportunities. India is one of the fastest growing economies of the world. Purchasing power parity of the people has increased several times as compared to the previous decade. Healthcare is amongst few sectors where people are ready to spend without negotiation in respect of quality and timely services. Although there are several initiatives taken by the Government in partnership with Private Partnership (PPP model), yet there exist enormous areas which are lacking even basic healthcare services. This is where the scope lies for us. Regency Hospital Ltd. realizes the need of quality healthcare services in the area of its operations and its Board of Directors followed by qualified and experienced team of doctors specialized in their areas are endeavoring their best to bridge the gap of demand and supply of quality healthcare services. Regency Hospital Ltd. never compromises in terms of its quality as reflected by the accreditation certificates of NABL and NABH (National Accreditation Board for Hospitals and Healthcare Providers). Further, healthcare is the only industry which is untouchable from recession and other economical constraints.

To explain in brief, there exist enormous opportunities for Regency Hospital Ltd. which includes but not limited to following:

- Team of qualified and experienced doctors specialized in its area;
- Availability of well equipped infrastructure facilities and treatment by advanced technological means;

- Huge requirement of Primary, Secondary and Tertiary healthcare services;
- Emergence of health insurance service providers and various cashless schemes like CGHS, ECHS etc by Government as well to remove financial constraints to patients;
- Lack of quality and timely healthcare service providers;
- Increase in the income level of people to cope up with expensive operations and surgeries.
- Consistent expansion programs and Joint Ventures with other Service Providers to cater the increased demand

Threats, Risks & Concern

However, alongwith opportunities, there exist several challenges as well which if ignored can interrupt smooth and continuous running of business operations of the Company and can damage the industry as a whole. Major of amongst them are as under:

- Non-availability of updated and advanced technology as compared to other developed countries of the world;
- Deficiency of qualified and expert doctors to fulfill the increased demand;
- Majority of population belongs to lower middle class, thus unable to afford increased cost of treatments;
- Major part of the industry is unorganized;
- Lack of domestic availability of devices and equipments

RHL is also exposed to above risks and have to follow its risk management policy. To meet the cost of expansion plans and working capital requirements, RHL borrows fund from Banks and hence is exposed to upward movement in interest rates.

SEGMENT WISE PERFORMANCE

The Company's business segments are primarily Hospital Activities and Nursing college. During the year under review,

the Hospital Activities revenue was Rs. 8959.65 lacs as against Rs. 7360.89 lacs in the previous year and Nursing college revenue was Rs. 97.41 lacs as against Rs. 68.24 lacs in the previous year.

OUTLOOK

With the increased awareness about health services amongst people and with the increase of education and income level of people of the country, the demand for timely and advanced healthcare services are also increasing day by day. India is also emerging as the hub of world class medical services and attracting patients from various countries for better treatment. In order to benchmark Indian Healthcare Industry against the best practices of International Healthcare Industry, major factors limiting the growth of firms in Healthcare industry need to be addressed. The decisive factors are: access to capital, high per capita cost, availability of skilled doctors, taxation and regulations, global competition and high employee cost. RHL is also gearing itself advanced enough to meet the expectations of stakeholders and expansion programs of the Company are on its scheduled plan.

There is tremendous scope of healthcare services in India and also there are numerous mobile areas which are still lacking behind the primarily healthcare services. Public Private Partnership model (PPP model) will serve as a catalyst to resolve this issue.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

RHL has established adequate internal control procedures, commensurate with the nature of its business and size of its operations. To provide reasonable assurance that assets are safeguarded against loss or damage and that accounting records are reliable for preparing financial statement, management maintain a system of accounting and controls, including regular internal Audit by qualified firm of Chartered Accountants. All audit observations and follow up actions there on are tracked for resolution by the internal Audit function and reported to Audit Committee.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE HOSPITALS :

As of 31st March, 2014 we had a capacity of 300 beds in 2 hospitals located in Uttar Pradesh (Kanpur).

(Rs. In Lacs)

	31.03.2014	31.03.2013
Number of owned hospitals at end of the period	2	2
Number of owned beds at end of the period	300	300
Number of operating beds at end of the period	275	275
In-patient discharges	20181	16384
Average length of stay (days)	3.50	3.17
Bed occupancy rate (%)	73.60	76.19
Average revenue per occupied bed per day	14127.68	9462.83

DISCUSSION ON FINANCIAL PERFORMANCE AND RESULTS OF OPERATIONS

The following table present summaries of results of operations for the years ended 31st March, 2014 and 2013:

(Rs. In Lacs)

	31.03.2014	31.03.2013
Operating Revenues	9057.06	7429.13
Add: Other Income	296.10	70.44
Total Income	9353.16	7499.57
Operative expenses	1983.43	1846.83
Salaries and benefits	1654.43	1208.20
Administration & other expenses	3736.76	3044.65
Financial expenses	729.58	451.34
Depreciation and amortization	526.05	468.24
Total Expenses	8630.25	7019.26
Profit before Income Tax	722.91	480.31
Tax Expense	263.19	151.26
Profit after Tax	459.72	329.05

RESULTS OF OPERATIONS

Regency Hospital Ltd. is constantly increasing its operation and achieving new heights and breaking its own records. During the year under review, Company achieved turnover of Rs. 9057.06 as against Rs 7429.13 in preceding financial year. All this are the constant endeavor of Board of Directors and constant quality services by Company. However, management still feels that it is not an end and there are still various targets to achieve.

Your company's marketing initiative continued the excellent pace of growth and rapidly expanded to many new areas of state.

HUMAN RESOURCES

In a people driven service industry like healthcare, we ensure that we deliver care and attention to patients. The company truly believes in investing in people and has undertaken several initiatives in the development of leadership skills and education for further strengthening our leadership.

RHL recognizes human resources as its main asset and it is our constant endeavor to induct more number of intellectual, skilled and specialized Doctors and other managerial personnel's to maintain the increased operation of Company. Various Human Resources Policies are framed and implemented for the development of the employees as well as the Organization. The Company has strength of about 880 employees as on March, 2014.

CAUTIONARY STATEMENT

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.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance essentially is the practice to obey law both in letter and spirit by which Companies are directed and controlled by the management in the best interest of the stakeholders and others. Good corporate governance involves a commitment of a company to run its businesses in a legal, ethical and transparent manner - a dedication that must come from the very top and permeate throughout the organisation.

Corporate Governance is the conduct of Commercial activities in such a way to serve shareholders, employees, legislatures and society as a whole. It is something giving back to stakeholders by which company operate.

The Company, through its qualified, experienced and professional Board, its Committees and management, endeavours to strike & deliver the highest governing standards for the benefit of its stakeholders. The Company is in full compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with Stock Exchanges. Through the Governance mechanism in the Company, the Board alongwith its Committees undertake its fiduciary responsibilities to all its stakeholders by ensuring transparency, fairplay, accountability and independence in its decision making.

Further, the Company believes that the good Corporate Governance practices enable the management to direct and control the affairs of the company in an efficient manner and to achieve the goal of maximising value for its stakeholders.

2. BOARD OF DIRECTORS

In compliance of the clause 49(l)(A)(ii) of the Listing Agreement, the strength of Board of the Company is 5 (five), of which, 3(Three) Directors are Non-executive Independent Directors and 2 (Two) are executive promoter director of the Company. The Board is headed by Mr. R.L. Srivastava, as Non-executive Chairman.

NUMBER OF BOARD MEETINGS :

In compliance with the provisions of clause 49 of the Listing Agreement, the Board Meetings are held at least four times a year and time gap between two meetings are not more than four months. During the year, 10 (Ten) Board meetings were held on May 30, 2013, June 13, 2013, June 19, 2013, July 17, 2013, August 10, 2013, September 03, 2013, October 18, 2013, October 31, 2013, December 31, 2013 and February 12, 2014. The requisite particulars are given below:

DIRECTORS ATTENDANCE RECORD AND DIRECTORSHIP HELD:

The Composition and category of the Directors on Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting, as also number of Directorships and Committee Memberships/ Chairmanships as on 31st March, 2014 are as follows:

Sl. No.	NAME OF DIRECTOR	WHETHER/ PROMOTER/ EXECUTIVE/ INDEPENDENT	NO. OF BOARD MEETINGS DURING THE YEAR		ATTENDANCE AT THE LAST AGM	OTHER DIRECTOR SHIP	OTHER COMMITTEE	
			HELD	ATTENDED			CHAIRMAN'S HIP	MEMBE RSHIP
1	Mr. R.L. Srivastava	I, N.E.D.	10	4	N	1	-	1
2	Dr. Atul Kapoor	P & E.D.	10	10	Y	3	-	2
3	Dr. Rashmi Kapoor	P & E.D.	10	9	Y	2	-	1
4	Mr. Anil Kumar Khemka	I, N.E.D.	10	10	Y	2	2	-
6.	Dr. Shyam Swarup Agarwal	I, N.E.D.	10	2	N			
7	Mr. Rajiv Kumar Bakshi	I, N.E.D.	10	1	N	-	-	2

Notes :

- 1 P. & E.D.: Promoter & Executive Director; E.D. : Executive Director; I. & N.E.D: Independent Non executive Director
- 2 Non-executive directors as on 31st March, 2014 did not hold any share in Company.
- 3 For the purpose of the above, directorship in other public limited Companies only are considered.
- 4 For the purpose of the above, membership / chairmanship in the Audit Committee and Shareholders' Grievance Committee only are considered.
- 5 Late Shyam Swarup Agarwal expires on December 2, 2013 and Board appraises of his valuable contribution towards the success of the Company. He served the Company for more than six years.

6. Mr. Rajiv Kumar Bakshi, was appointed as Additional Director, to strengthen the Board w.e.f. December 31, 2013 and only one Board Meeting held after his appointment. A brief resume of the Mr. Bakshi is separately annexed and forms part of the report.

Disclosures regarding appointment/re-appointment of Directors

During the year, Board lost Dr. Shyam Swarup Agarwal due to his sudden demise. Late Shyam Swaroop Agarwal served the Board from more than 6 years and his contribution towards success of Company was remarkable and invaluable. The Board conveyed heartfelt condolences to the bereaved family. Further, to strengthen the Board with more professional, qualified and experienced person, Mr. Rajiv Kumar Bakshi was appointed as an Additional Director of the Company.

A brief resume of the Mr. Bakshi is separately annexed with the notice calling Annual General Meeting.

3. COMMITTEES OF THE BOARD:

A. AUDIT COMMITTEE

During the year, 4 (four) meetings of the Committee were held on May 30, 2013, August 10, 2013, October 31, 2013 and February 12, 2014. The Composition and attendance of the Committee as on March 31, 2014 was as follows:

Name & Designation	Category of Directorship	No. of meetings	
		Held	Attended
Mr. Anil Kumar Khemka, Chairman	Independent, Non- Executive	4	4
Mr. R.L. Srivastava Member	Independent, Non-Executive	4	4
Dr. Atul Kapoor, Member	Managing Director	4	4
Mr. Rajiv Kumar Bakshi, Member	Independent, Non-Executive	4	1

The Composition of the Committee is complied with the requirement of Clause 49 of Listing Agreement and Section 292A of the Companies Act, 1956.

The Chairman of the Committee attended the Annual General Meeting of the Company.

The Company Secretary acts as the Secretary to the Audit Committee.

Terms of reference:

- Oversight of the Company's financial reporting process.
- To establish accounting policies and practices in consultation with management and Auditors.
- Reviewing with the Management, the financial results before placing them to the Board with a special emphasis on accounting policies and practices, internal controls, compliance with the accounting standards and other legal requirements concerning financial statements.
- Reviewing the financial statements of subsidiary companies as also the consolidated financial statements, including investments made by the subsidiary companies.
- Reviewing the adequacy of the audit and compliance function, including their policies, procedures, techniques and other regulatory requirements with the statutory auditors.
- To disclose financial information which is true, fair and objective.
- To establish appropriate internal controls and review the same with Management and Auditors.
- To recommend appointment / change of external auditors, audit fees and approve payment for other services.
- To meet Auditors regularly prior to commencement of audit to establish scope of audit.
- Reviewing internal audit functions, continuously, monitor and rectify any irregularities discovered in internal audit and report the same to the Board.
- Reviewing the financial and risk management policies.
- Reviewing management discussion and analysis of the financial condition and results of operations.
- Reviewing significant related party transactions.
- To review quarterly results and annual results with Auditors and place the same before the Board.
- Reviewing appointment, removal and terms of remuneration of Internal Auditors.

B. SHARE TRANSFER & TRANSMISSION CUM INVESTORS' GRIEVANCE COMMITTEE

The Share Transfer & Investors' Grievance Committee, was lastly reconstituted at the Meeting held on 31st December, 2013 consequent to the cessation of Late Shyam Swarup Agarwal and appointment of Mr. Rajiv Kumar Bakshi as the member of the Committee. The Committee comprises of 4 (four) directors - Mr. Anil Kumar Khemka, Chairman and Dr. Atul Kapoor, Dr. Rashmi Kapoor and Mr. Rajiv Kumar Bakshi are the members of the Committee. During the year, 12 (twelve) meetings were held on 30th April, 2013, 31st May, 2013, 29th June, 2013, 31st July, 2013, 31st August, 2013, 30th September, 2013, 31st October, 2013, 30th November, 2013, 31st December, 2013, 31st January, 2014, 29th February, 2014 and 31st March, 2014. The constitution and attendance of the Committee was as under:

Name of Member	Nature of Directorship in the Company	Total meeting held during the tenure of the member	Meetings attended
Mr. Anil Kumar Khemka (Chairman)	Independent	12	12
Dr. Atul Kapoor	Managing Director	12	12
Dr. Rashmi Kapoor	Executive Director	12	12
Mr. Rajiv Kumar Bakshi	Independent	3	-

Share Transfer & Transmission Cum Investors' Grievance committee primarily focuses on redressal of complaints received by the Company from the shareholders. The Company Secretary of the Company acts as the Secretary to the Committee, who is designated as Compliance Officer pursuant to clause 47(a) of the listing Agreement with the stock Exchange.

During the year, 05 investors' grievances were received and all of them have been resolved. No shareholder complaint was pending at the beginning and at the end of the year. The company has acted upon all valid requests for share transfer received during the year and no such transfer remained pending for over 15 days.

C. NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee was lastly constituted at the meeting held on December 12, 2013 consequent to the cessation of Late Shyam Swarup Agarwal and appointment of Mr. Rajiv Kumar Bakshi as the member of the Committee. The Committee comprises of 3 (three) independent directors - Mr. R. L. Srivastava, Chairman, Mr. Anil Kumar Khemka and Mr. Rajiv Kumar Bakshi, as the members of the Committee.

During the year, 2 (two) meetings were held on May 30, 2013 and October 31, 2013. The constitution of the Committee and attendance is as under :

Name of Members	Nature of Directorship in the Company	Total meetings held during the tenure of the member	Meetings attended
Mr. R.L. Srivastava (Chairman)	Independent	2	2
Mr. Anil Kumar Khemka	Independent	2	2
Mr. Rajiv Kumar Bakshi	Independent	-	-

The role of the Nomination and Remuneration committee are enumerated below:

- Framing and implementing on behalf of the Board and on behalf of the shareholders, credible and transparent policy on remuneration of Executive Directors;
- Considering, approving and recommending to the Board the changes in designation and increase in salary of the Executive Directors;
- Ensuring that remuneration policy is good enough to attract, retain and motivate the Directors;
- Bringing about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.

REMUNERATION POLICY

The remuneration of the Executive Directors of the company is determined by the Nomination and Remuneration Committee subject to the approval of Shareholders / Central Government, wherever required. The existing remuneration policy of the

company is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

Non Executive Independent Directors are eligible for sitting fees not exceeding the limits prescribed by the Companies Act, 2013. During the year there was no pecuniary relationships transaction between the Company and any of its Non Executive Independent Directors apart from sitting fees.

Details of remuneration of Executive Directors for the financial year ended March 31, 2014

<i>Name of the Directors</i>	<i>Designation</i>	<i>Salary</i>	<i>Perquisites</i>	<i>Total</i>
Dr. Atul Kapoor	Managing Director	3630000	69800	3699800
Dr. Rashmi Kapoor	Whole-Time Director	3275000	138632	3413632

Details of Remuneration of Non Executive Directors for the financial year ended March 31, 2014

Name of the Directors	Designation	Sitting Fees	Commission	Total
Mr. R.L. Srivastava	Chairman	Rs. 32,500	-	Rs. 32,500
Mr. Anil Kumar Khemka	Director	Rs. 56,500	-	Rs. 56,500
Mr. Rajiv Kumar Bakshi	Director	Rs. 13,000	-	Rs. 13,000
Late Dr. Shyam Swarup Agarwal	Director	Rs. 13,000	-	Rs. 13,000

4. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings were held as under:

Year	Date and Time	Venue	Special Resolution Passed
2010-11	17th September, 2011 at 11.00 A.M.	A-2, Sarvodaya Nagar, Kanpur	<ul style="list-style-type: none"> Revision of Remuneration of Dr. Atul Kapoor as Managing Director of the Company under Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, for remainder term of his office and approved by the Remuneration Committee. Revision of Remuneration of Dr. Rashmi Kapoor as Whole-time Director of the Company under Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, for remainder term of his office and approved by the Remuneration Committee
2011-12	29th September, 2012 at 11.00 A.M.	A-2, Sarvodaya Nagar, Kanpur	<ul style="list-style-type: none"> Issue and allotment of 10,48,000 Equity Shares (Ten Lacs Forty Eight Thousand only) on Preferential basis to the Promoters of the Company pursuant to section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
2012-13	28th September, 2013 at 11.00 A.M.	A-2, Sarvodaya Nagar, Kanpur	<ul style="list-style-type: none"> Appointment of Dr. Atul Kapoor as Managing Director of the Company under Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act as approved by the Remuneration Committee. Appointment of Dr. Rashmi Kapoor as Whole-time Director of the Company under Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule

• **Details of Extra Ordinary General Meetings (EGM) in preceding years:**

During the year 2012-2013, One Extra Ordinary General Meeting of the members of the Company was held on 28th April, 2012 to issue and allot 4,00,00 (Four Lacs), 11% Optionally Fully Convertible Debentures (OFCDs) of the face value of Rs. 50/- each aggregating to Rs. 2,00,00,000/- (Rupees Two Crores only)

DETAILS OF RESOLUTION PASSED THROUGH POSTAL BALLOT PROCESS:

No Special resolution requiring postal Ballot is proposed for the ensuing Annual general meeting

5. DISCLOSURES :

- During the year under review, no materially significant transactions made by the company with its Promoters, Directors or Management, their subsidiaries or relatives etc. which may have a potential conflict with the interest of the Company at large. Statements of transactions in summary form with related parties in the ordinary course of business are placed at Audit Committee meetings and reviewed by the Committee. Details of transactions in which directors are interested are recorded in the Register of Contracts maintained pursuant to the provisions of section 301 of the Companies Act, 1956 and same is placed before the Board at every meeting and signed by the directors present. In compliance with Accounting Standards AS 18, details of related party transactions are disclosed in the notes to accounts that form part of the Balance Sheet and Statement of Profit and Loss Account.
- During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets.
- The Company has complied with all the mandatory requirements and adopted part of the non-mandatory requirements of Clause 49 of the Listing Agreement.

6. MEANS OF COMMUNICATION :

- The Quarterly and Annual Financial Results of the Company are submitted to stock exchanges immediately after the Board approves them. Thereafter, they are published in widely circulating national & local dailies such as Business Standard (in English) and Swatantra Bharat (in Hindi). These are not sent individually to the shareholders.
- The Company's results and other related information are displayed on the Company's web site- www.regencyhospital.in
- Pursuant to clause 47(f) of the Listing Agreement, following email id has been designated exclusively for communicating investors' grievances: investor@regencyhospital.in

7. CODE OF CONDUCT:

The Code of Business Conduct and Ethics for Directors and management personnel, as recommended by the Corporate Governance and adopted by the Board, is a comprehensive Code applicable to all Directors and management personnel. This code is aimed to prevent any wrongdoing and to promote ethical conduct at Board and Senior Management level. A copy of the Code has been put on the Company's website www.regencyhospital.in. The Code has been circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually.

8. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion and Analysis Report is set out in a separate section include in this Annual report.

9. GENERAL SHAREHOLDERS INFORMATION :

• **Annual General Meeting :**

Date : 30th September, 2014
 Time : 11:00 A.M.
 Venue : A-2, Sarvodaya Nagar, Kanpur

- **Book Closure Date** : From 24th September, 2014 to 30th September, 2014

- **Financial Calendar** : April – March

• **Quarterly Results (Tentative)**

First Quarter Results : Second week of August, 2014
 Second Quarter Results : Fourth week of October, 2014
 Third Quarter Results : Fourth week of January, 2015
 Annual results : Fourth week of May, 2015

- **Listing of Equity Shares** : BSE Ltd., Mumbai.
 : U. P. Stock Exchange Ltd., Kanpur

- **Annual Listing fees** : For the year 2014-2015 has been duly paid to the Stock Exchanges.
- **Stock Code** : BSE-526403;
: U.P. Stock Exchange Ltd-RGNYMIS
- **ISIN of Equity Shares** : INE581K01010
- **Depository Fees** : For the year 2014-2015 has been duly paid to the NSDL and CDSL.
- **Corporate Identity Number (CIN)** : L85110UP1987PLC008792
- **Registrar & Transfer Agents** : Skyline Financial Services Pvt. Ltd.
D-153/A, 1st Floor, Okhala Industrial Area, Phase -1,
New Delhi -110020
Contact No.: 011-26292680 82, 83 & 84
Fax No.: 011-26292681

10. MARKET PRICE DATA:

The closing market price of equity share on 31st March, 2014 (last trading day of the year) was Rs. 44.80 on BSE.

Month	BOMBAY STOCK EXCHANGE		
	High	Low	Average Turnover
April, 2013	46	44.00	345483
May, 2013	47.9	45.50	302985
June, 2013	48	45.00	373307
July, 2013	46.75	45.10	251146
August, 2013	47.55	45.90	266672
September, 2013	50	46.75	329916
October, 2013	50	39.95	347378
November, 2013	50.25	48.75	302318
December, 2013	50	41.05	219000
January, 2014	45	40.25	154693
February, 2014	45	36.2	361376
March, 2014	45	39.15	348898

No trading recorded on the Uttar Pradesh Exchange Association Limited.

11. PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO THE BSE SENSEX :

Month	RHL Share Price	BSE Sensex
Apr-2013	46.00	19504.18
May-2013	46.20	19760.30
Jun-2013	46.10	19395.81
Jul-2013	46.40	19345.70
Aug-2013	47.00	18619.72
Sep-2013	48.65	19379.77
Oct-2013	49.90	21164.52
Nov-2013	50.00	20791.93
Dec-2013	43.00	21170.68
Jan-2014	43.95	20513.85
Feb-2014	44.60	21120.12
Marc-2014	44.80	22386.27

12. SHAREHOLDING PROFILE

- Distribution of Shareholding as on 31/03/2014:

Category		Shareholders		Nominal Value	
From	To	Number	% Cases	Total Shares	%age
1	500	15649	99.60	241543.00	2.58
501	1000	19	0.12	15623.00	0.17
1001	2000	7	0.04	11324.00	0.12
2001	3000	2	0.01	5490.00	0.06
3001	4000	2	0.01	6612.00	0.07
4001	5000	3	0.02	15000.00	0.16
5001	10000	1	0.01	8715.00	0.09
10001 & Above		29	0.18	9054361.00	96.75
	Total	15712	100.00	9358668.00	100.00

- Shareholding pattern as on 31/03/2014:

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a Percentage of (A+B+C)
(A)	Shareholding of Promoters and Promoter Group:			
	(1) Indian	12	66,55,460	71.12
	(2) Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	12	66,55,460	71.12
(B)	Public Shareholding:			
	(1) Institutions	12	53320	0.57
	(2) Non Institutions	15,688	2649888	28.31
	Total Public Shareholding	15700	2703208	28.88
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0
	TOTAL (A)+(B)+(C)	15,712	93,58,668	100.00

- Outstanding GDRs / ADRs / Warrants or any convertible instruments conversion date and likely impact on equity : Not applicable**

- Code of Conduct for Prevention of Insider Trading**

The Company has adopted a comprehensive code of conduct for prevention of insider trading in shares of the Company, in terms of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992. The Code is designed to maintain the highest ethical standards and elaborately prescribes the procedures to be followed while dealing in the shares of the Company.

The Code is applicable to promoters, directors, auditors, senior officials of the Company and their dependents. The Code restricts the said persons to deal in the shares of the Company whilst in the possession of any unpublished price sensitive information. They are also prohibited from dealing in the shares of the Company during the trading window closed periods announced by the Company, from time to time.

The code has been disseminated through the Company's website.

- Share Transfer System :**

Share Transfers would be registered and returned within a period of 15 days from the date of receipt, if the documents are clear

in all respects. The Board has delegated the authority for approving transfer, transmission etc of the Company's securities to the Share Transfer Committee. A summary of transfer and transmission of securities of the Company so approved by the Committee is placed at every Board Meeting. The Company obtains from a Company Secretary in Practice half –yearly certificate of compliance with transfer formalities as required under clause 47 (c) of the Listing Agreement with Stock Exchanges.

- **Dematerialisation of shares and liquidity:**

The Company's equity shares are included in the list of companies whose scrip have been mandated by Securities Exchange Board of India for settlement only in dematerialised form by all investors. The company has signed agreements with National Securities Depositories Ltd. and Central Depositories Services (India) Ltd to offer depository services to its shareholders. As on 31st March, 2014, a total of 90,51,570 out of a total 93,58,668 equity shares of the company constituting 96.72 percent of share capital stand dematerialised. The processing activities of De-mat requests are normally confirmed within an average of 15 days.

- **Secretarial Audit for Reconciliation of Share Capital:**

In compliance of SEBI circular, your company has engaged Mr. S.K. Gupta, Practising Company Secretary to certify and conduct audit relating to reconciliation of total capital held in Depositories, viz, NSDL and CDSL and in physical form with the total issued/ paid up capital. The certificate given by him is submitted to the Stock Exchanges where the securities of the company are listed within 30 days of the end of each quarter. The company also obtains from a Practising Company Secretary half yearly certificate of compliance as required under Clause 47(c) of Listing Agreement and files the same immediately with Stock Exchanges.

13. Works Locations of the company:

- A-2, Sarvodaya Nagar, Kanpur - 208005
- Renal Science Centre, Swaroop Nagar, Kanpur - 208002
- Regency Science Speciality Clinic, The Mall, Kanpur - 208001

14. Address for Correspondence:

Shareholders' correspondence should be addressed to the Company's Registrar and Share transfer Agent at the address mentioned above

Shareholders may also contact Mr. Ankit Mishra, Company Secretary at the Registered Office of the Company for any assistance Tele. No. : (0512) – 2242201-10 Extn. – 358.

e-mail id : ankitmishra@regencyhospital.in

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

CERTIFICATE PURSUANT TO CLAUSE 49 V OF THE LISTING AGREEMENT

We, Dr. Atul Kapoor, Managing Director and Deepak Kumar Gupta, Chief Financial Officer of Regency Hospital Limited, on the basis of the review of the Financial Statements and Cash Flow Statements for the period ended on 31st March, 2014 and to the best of our knowledge and belief, hereby certify that :-

1. These Statements do not contain any materially untrue Statements or omit any material fact or contain Statements that might be misleading.
2. These Statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period ended 31st March, 2014 which, are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept the responsibility for establishing and maintaining internal controls for financial reporting. 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 those deficiencies in the design or operation of such Internal Controls of which, we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee:
 - a) There have been no significant changes in Internal Control over financial reporting during this period.
 - b) There have been no significant changes in Accounting Policies during the period.
 - c) There have been no instances of significant fraud of which we have become aware and the involvements therein, of Management or an Employee having significant role in the Company's Internal Control Systems over financial reporting.

Place : Kanpur

Dr. Atul Kapoor

Deepak Kumar Gupta

Date : 14th August, 2014

Managing Director

Chief Financial Officer

DECLARATION PURSUANT TO CLAUSE 49 (I) (D) (ii) Of The Listing Agreement

In accordance with clause 49 I (D) of the Listing Agreement with the stock exchanges, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended on 31st March, 2014.

Place : Kanpur

Dr. Atul Kapoor

Date : 14th August, 2014

Managing Director

Auditors' Certificate on Corporate Governance

To

The Members of Regency Hospital Limited

We have examined the compliance of the conditions of Corporate Governance by Regency Hospital Limited, for the year ended on 31st March, 2014 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 a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the guidance note issued by Institute of Chartered Accountants of India we have to state that based on the report given by the Registrars of the Company to the Investors Grievance Committee as on 31st March, 2014, there were no investor grievance against the Company remaining unattended/ pending for the more than 30 days.

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

For Jain Dhingra & Associates
(Chartered Accountant)
Firm Registration No.

R.N. Dhingra
Partner
Membership No. 15385

Place: Kanpur
Date: 14th August, 2014

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Board of Directors of REGENCY HOSPITAL LIMITED

We have audited the accompanying Consolidated Balance Sheet of **REGENCY HOSPITAL LIMITED ("the Company")**, and its subsidiaries, (the Company and its subsidiary constitute "the Group") as at 31st March, 2014, the Consolidated Statement of the Profit & Loss Account and the Consolidated Cash Flow Statement for year ended on that date both annexed thereto, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards notified under the Companies Act, 1956 ('the Act') (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in respect of General Circular 15/2013 dt. 30th September, 2103 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion of these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements that give a true fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Company's internal control. 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 consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- In the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- In the case of the consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date; and
- In the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.:000987C

R.N.Dhingra
Partner
Membership No.15385

Kanpur
14th August, 2014

Consolidated Balance Sheet as at 31st March, 2014

	Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
I.	EQUITY AND LIABILITIES			
	Shareholders' funds			
	(a) Share capital	1 (b)	93,586,680	93,586,680
	(b) Reserves and surplus	2	267,284,398	227,990,917
	Minority Interest		19,842,917	999,537
			380,713,995	322,577,134
	Non-current liabilities			
	(a) Long-term borrowings	3	522,076,754	542,524,810
	(b) Deferred tax liabilities (Net)	4(a)	19,818,486	13,310,514
	(c) Long-term provisions	5	6,062,000	5,331,000
	Current liabilities			
	(a) Short-term borrowings	6	192,118,721	112,503,191
	(b) Trade payables		27,812,169	8,623,616
	(c) Other current liabilities	7	94,742,950	56,021,818
	(d) Short-term provisions	8	13,166,257	9,975,129
	TOTAL		1,256,511,331	1,070,867,212
II.	ASSETS			
	Non-current assets			
	(a) Fixed assets	9		
	(i) Tangible assets		717,485,483	731,107,722
	(ii) Intangible Assets		----	----
	(iii) Capital work-in-progress		63,299,377	37,235,573
	(b) Non-current investments	10	7,484,602	----
	(c) Deferred tax assets (net)	4(b)	2,731,968	2,210,944
	(d) Long-term loans and advances	11	85,980,706	74,799,794
	(e) Other Non-Current Assets	12	53,883	-
	(f) Goodwill on Consolidation		8,100,000	8,100,000
	Current assets			
	(a) Current investments	13	2,791,889	3,447,903
	(b) Inventories	14	43,101,513	35,276,826
	(c) Trade receivables	15	195,713,786	139,165,405
	(d) Cash and cash equivalents	16	111,912,398	27,467,706
	(e) Short-term loans and advances	17	15,485,986	9,953,208
	(f) Other current assets	18	2,369,740	2,102,131
	TOTAL		1,256,511,331	1,070,867,212
Notes forming part of Consolidated Financial Statements 1-40				

As per our report of even date
FOR JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.: 000987C

R.N.Dhingra
Partner
Membership No. 15385

14th August, 2014
Kanpur

For and on behalf of the Board
Ratan Lal Srivastava
Chairman

Dr. Rashmi Kapoor
Whole Time Director

Deepak Kumar Gupta
Chief Financial Officer

Dr. Atul Kapoor
Managing Director

Anil Kumar Khemka
Director

Ankit Mishra
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Audited Profit and Loss statement for the period ended 31st March, 2014

	Particulars	Note No	Figures for the year ended March 31, 2014	Figures for the year ended March 31, 2013
I.	Revenue from operations	19	907,518,584	745,395,002
II.	Other Income	20	29,610,298	7,044,255
III.	Changes in inventories of Stock-in-Trade	21	6,042,775	3,510,034
IV.	Total Revenue (I +II+III)		943,171,657	755,949,290
V.	Expenses:			
	Cost of materials consumed	22	45,955,449	53,660,584
	Purchase of Stock-in-Trade	23	159,863,679	136,669,461
	Employee benefit expense	24	165,502,941	126,312,535
	Financial costs	25	72,970,526	45,145,354
	Depreciation and amortization expense	9	52,605,422	46,824,166
	Other expenses	26	373,892,055	299,421,293
VI.	Total Expenses		870,790,072	708,033,393
VII.	Profit Before Tax		72,381,585	47,915,897
VIII.	Tax expense:			
	(a) Current tax(MAT)		19,974,289	9,609,940
	(b) Less : MAT Credit		17,398	7,908,413
	(c) Net Current Tax		19,956,891	1,701,527
	(d) Deferred Tax		5,986,948	13,424,696
	(e) Tax Relating to Earlier Years		375,498	---
IX	Profit after Tax before share of Minority Interest		46,062,248	32,789,675
X	Less: Share of Profit of Minority Interest		43,370	(473)
XI	Add: Share of Profit/(Loss) of associate after tax		(6,725,398)	---
XII	Profit for the year (after adjustment of Minority Interest)		39,293,481	32,790,148
XIII	Earning per share	29		
	(1) Basic		4.20	3.50
	(2) Diluted		4.20	3.50
XIV	Notes forming part of Consolidated Financial Statements 1-40			

 As per our report of even date
 FOR JAIN DHINGRA & ASSOCIATES
 Chartered Accountants
 Firm Registration No.: 000987C

 R.N.Dhingra
 Partner
 Membership No.15385

 14th August, 2014
 Kanpur

 For and on behalf of the Board
 Ratan Lal Srivastava
 Chairman

 Dr. Rashmi Kapoor
 Whole Time Director

 Deepak Kumar Gupta
 Chief Financial Officer

 Dr.Atul Kapoor
 Managing Director

 Anil Kumar Khemka
 Director

 Ankit Mishra
 Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2014

	Particulars	In Rs 2014		In Rs 2013	
I	Net Profit Before Tax as per Statement of Profit & Loss		72,381,585		47,915,898
	Add/(Deduct):				
	Depreciation	52,605,422		46,824,166	
	Interest & Financial Charges		72,970,526		45,145,354
	MAT Credit	17,398		7,908,413	
	Share of Profit/(Loss) of associate		(6,725,398)		----
	Operating Profit before Working Capital Changes		191,249,534		147,793,830
	Add/(Deduct):				
	Inventories	(7,824,687)		(6,935,473)	
	Trade Receivables		(56,548,381)		(19,209,945)
	Long Term and Short Term Loans & Advances and other assets		(17,035,181)		(2,321,971)
	Trade Payables other Liabilities and provisions		30,475,799		14,670,849
	Cash Inflow from Operations		140,317,084		133,997,291
	Interest Paid	72,970,526		45,145,354	
	Taxation 20,349,787		9,609,940		
	Net Cash inflow Operating Activities		46,996,771		79,241,997
II	CASH FLOW FROM INVESTING ACTIVITIES:				
	Inflow:				
	Sale of Fixed Assets	----		----	
	Outflow:				
	Purchase of Fixed Assets	65,046,988		154,245,339	
	Proceeds from Sale of Assets	-----		----	
	Purchase of Investments	6,828,588	71,875,576	3,447,903	(157,693,242)
	Net Cash used in Investing Activities		71,875,576		(157,693,242)
			(24,878,805)		(78,451,245)
III	CASH FLOW FROM FINANCING ACTIVITIES:				
	Proceeds from term Loans	130,932,909		73,346,019	
	Proceeds from Other Borrowings	(40,409,422)		14,678,263	
	Proceeds From Issue of Share Capital to Minority	18,800,010		1,000,000	
	Net Cash from Financing Activities		109,323,497		89,024,282
	Net Increase /(decrease) in Cash & Cash Equivalent		84,444,692		10,573,037
	Cash & Cash Equivalent as at 01.04.2013		27,467,706		16,894,669
	Cash or Cash equivalent as at 31.03.2014		111,912,398		27,467,706
	Net Increase /(decrease) in Cash & Cash Equivalent		84,444,692		10,573,037
IV Notes Forming Part of the Consolidated Financial Statements 1-40					

As per our report of even date
FOR JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.: 000987C

R.N.Dhingra
Partner
Membership No.15385

14th August, 2014
Kanpur

For and on behalf of the Board
Ratan Lal Srivastava
Chairman

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Whole Time Director

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Managing Director

Anil Kumar Khemka
Director

Ankit Mishra
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1A. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of accounting and preparation of Consolidated Financial Statements :

The Consolidated Financial statements/ accounts of the Company and its subsidiaries (together referred as 'Group' or the Company) have been prepared under historical cost convention on the "Accrual Concept" of accountancy and as going concern, in accordance with the Accounting Principles Generally Accepted (GAAP) in India and they comply with the Accounting Standards notified as per the Companies (Accounting Standard) Rules, 2006 (as amended) issued by the Central Government to the extent applicable and with the applicable provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Principles of Consolidation

The consolidated financial statements relate to Regency Hospital Limited ("the Company") and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on following basis:

- i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21-"Consolidated Financial Statements."
- ii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in financial statements as Goodwill or Capital Reserve, as the case may be.
- iii) Minority Interest's share of net profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group In order to arrive at the net income attributable to shareholders of the Company.
- iv) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

- v) Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23-"Accounting for Investments in Associates in Consolidated Financial Statements".
- vi) The Company accounts for its share in change in net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Profit or Loss through its reserves for the balance based on available information.
- vii) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve, as the case may be.
- viii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- ix) Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".
- x) Following subsidiary companies have been considered in the operation of the consolidated statements:

Sl. No	Name of Entities	Country of Incorporation	% of Ownership held by the Company	
			As At 31 st March, 2014	As At 31 st March, 2013
1	HCG Regency Oncology Healthcare Private Limited	India	71.22%	50%
2	Regency Lifecare Private Limited	India	100%	-

c) Use of Estimates:

The preparation of Financial Statement in conformity with the Accounting Standards Generally accepted in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

d) Inventories:

- i) The inventories of all medicines, medicare items traded and dealt with by the Company are valued at cost. Cost of these inventories comprises of all cost of purchase and other costs incurred in bringing the inventories to their present location after adjusting for VAT wherever applicable applying the FIFO Method.

ii) Stocks of Provisions, stores (including lab materials and other consumables), stationeries and housekeeping items are stated at cost. The net realizable value is not applicable in absence of any further modification /alteration before being consumed in house only. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to present location after adjusting for VAT wherever applicable applying the FIFO Method.

iii) Surgical instruments, linen, crockery and cutlery are valued at cost. The net realizable value is not applicable in absence of any further modification /alteration before being consumed in house only. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to present location after adjusting for VAT wherever applicable applying the FIFO Method.

e) Investments:

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other are classified as Long term investments. Long term investments including trade investments are stated at cost, after providing for any diminution in value, if such diminution is other than temporary in nature. Investments comprise of investment in subsidiary company in which the Company has strategic business interest.

f) Cash and Cash Equivalents:

In the cash flow statement, Cash and Cash Equivalents includes Cash in Hand, term deposit with Bank and short term highly liquid investments with original maturities of three months or less.

g) Cash Flow Statement:

Cash flows are reported using the Indirect Method whereby Profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating investing and financing activities of the company are segregated.

h) Prior Period items and Extra Ordinary items:

Prior Period items and Extra Ordinary Items are separately classified, identified and dealt with as required under Accounting Standard 5 on "Net Profit or Loss for the period, Prior Period Items and Changes in Accounting Policies" issued by the Institute of Chartered Accountants of India.

i) Fixed Assets:

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the

asset is ready for its intended use and other incidental expenses incurred up to date. The Company has adopted the provisions of paragraph 46A of AS – 11 "The Effects of Changes in Foreign Exchange Rates", accordingly, exchange differences arising on restatement/ settlement of long term foreign currency borrowing relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance.

Capital work-in-progress comprises of amounts expended on development/acquisition of Fixed Assets that are not yet ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

j) Depreciation:

Depreciation for the year has been provided on Straight Line Method (SLM) as per Section 205 (2) (b) of the Companies Act, 1956 at the rates prescribed in Schedule XIV of the Companies Act, 1956, on pro-rata basis from the date of acquisition of assets till the date of transfer / sale of assets.

k) Foreign Currencies in Transactions and translations:

i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or rates that closely approximate the rate at the date of transaction.

ii) Foreign Currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year - end rates. Non monetary items of the Company are carried at historical cost.

iii) Exchange differences arising on settlement/restatement of long term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognized as income or expense in the Statement of Profit and Loss.

The exchange differences arising on restatement / settlement of long term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets.

l) Revenue Recognition:

(I) Income from Healthcare Services is recognised on completed service contract method. The hospital collections of the Company are net of discounts. Revenue

also includes the value of services rendered pending final billing in respect of in-patients undergoing treatment as on 31st March, 2014.

- (ii) Pharmacy Sales are recognised when the risk and reward of ownership is passed to the customer and are stated net of returns, discounts and inclusive of VAT wherever applicable.
- (iii) Interest income is recognised on a time proportion basis taking into account the principal amount outstanding and the rate applicable.
- (iv) Income from Educational services is recognized on the basis of fee due on each semester from students.

m) Borrowing Costs:

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during the extended periods when active development activity on the qualifying asset is interrupted.

n) Employee Benefits:

Short-term employee benefits (benefits which are payable within twelve months after the end of the period in which the employees render service) are measured at cost.

Long-term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which employees render service), and post employment benefits (benefits which are payable after completion of employment), are measured on a discounted basis by the Projected Unit Credit Method, on the basis of annual third party actuarial valuations.

Defined Contribution Plan

The Company makes contribution towards Provident Fund and Employees State Insurance Fund as a defined contribution retirement benefit fund for qualifying employees.

The Provident Fund Plan is operated by the Regional Provident Fund Commissioner and Employees State Insurance Plan is operated by Regional Director Employees State Insurance Corporation Under both the schemes, the Company is required to contribute a specified percentage of payroll cost, as per the statute, to the retirement benefit schemes to fund the benefits.

Defined Benefit Plans

For Defined Benefit Plan the cost of providing benefits is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial Gains or Losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Gratuity

The Company makes provision of gratuity on the basis of annual third party actuarial valuations at the end of the accounting period.

Leave Encashment Benefits

The Company has a policy not to accumulate leave encashment benefits of the employees. The Company pays leave encashment Benefits to employees at end of each accounting period.

o) Segment Reporting :

(i) Identification of Segments

The Company has complied with Accounting Standard 17- 'Segment Reporting' with Business as the primary segment. The business segments are primarily healthcare and educational services The Company operates in a single geographical segment, which is India, and the products sold in the pharmacies, are regulated under the Drug Control Act, which applies uniformly all over the Country. The risk and returns of the enterprise are very similar in different geographical areas within the Country and hence there is no reportable secondary segment as defined in Accounting Standard 17.

(ii) Segment Policies

The accounting policies adopted for segment reporting are in line with the accounting policies adopted in consolidated financial statements with the following additional policies for Segment Reporting:

- a. Revenue and expenses directly attributable to segments are reported under each segment. Expenses which are not directly identifiable to specific segment have been allocated on the basis of associated revenues of the segment and manpower efforts. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under 'unallocable expenses'.
- b. Assets and liabilities directly attributable or allocable to segments are disclosed under each reportable segment All other assets liabilities are disclosed as unallocable.

The Company has disclosed this Segment Reporting in Consolidated Financial Statements as per para (4) of Accounting Standard - 17- 'Segment Reporting'.

p) TAXATION:

i) Income Tax

Income taxes are accounted for in accordance with Accounting Standard 22 (AS 22) "Accounting for Taxes on Income". Tax expense comprises both Current Tax and Deferred Tax. Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

ii) Deferred Tax:

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

q) Earning Per Share:

In determining the earnings per share, the Company considers the net profit after tax before extraordinary item and after extraordinary items and includes post - tax effect of any extraordinary items. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the period. For computing diluted earnings per share, potential equity shares are added to the above weighted average number of shares.

r) Leases:

Operating Leases: Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized in the Statement of Profit and Loss on a straight line basis in accordance with the respective lease agreements.

Finance leases: The lower of the fair value of the lease assets at the inception of the lease and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the Statement of Profit and Loss.

s) Impairment of Assets:

In terms of the requirements of the Accounting standard - 28 on Impairment of Assets "issued by ICAI, the amount recoverable against Fixed Assets has been estimated for the period by the management based on present value of estimated future cash flows expected to arise from continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.

t) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements as this may result in the recognition of income that may never be realised.

Notes forming part of the Consolidated Financial Statements
Note : 1(b) SHARE CAPITAL

PARTICULARS	As at March 31,2014 (in Rs)	As at March 31,2013 (in Rs)
Authorised 11,400,000 (2012-13:11400000) Equity Shares of Rs10/-Each	114,000,000	114,000,000
Issued Subscribed & Fully Paid up 9358668(2012-13:9358668) Equity Shares of Rs10/-Each Fully paid up	93,586,680	9,358,668
TOTAL	93,586,680	9,358,668

(i) Reconciliation of Number of Shares

Particulars	As at March 31,2014		As at March 31,2013	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Equity Shares				
Shares outstanding at the beginning of the year	9358668	93,586,680	9358668	93,586,680
Shares Issued during the year	----	----	----	----
Shares bought back during the year	----	----	----	----
Shares outstanding at the end of the year	9358668	93,586,680	9358668	93,586,680

(ii) Shareholders holding more than 5% of total paid up capital

Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Dr Atul Kapoor	1598863	17.08	1598863	17.08
Atul Kapoor(HUF)	1182523	12.64	1182523	12.64
Dr Rashmi Kapoor	2057953	21.99	2057953	21.99
Asha Kapoor	656666	7.02	656666	7.02
Soni Kapoor	649210	6.94	649210	6.94

(III) Terms/Rights of Equity Shares

The Company has issued only one class of the shares referred to as equity shares having a par value of Rs.10 per share .Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all the preferential amount , in proportion of the number of equity shares held by each shareholder.

Notes forming part of the Consolidated Financial Statements
Note 2 Reserve and Surplus

(in Rs)

Particulars	As at March 31, 2014	As at March 31, 2013
a Capital Reserves	----	----
b Securities Premium Account	----	----
Opening Balance	18,071,000	18,071,000
Add: Transferred from statement of Profit & Loss	----	----
Closing Balance	18,071,000	18,071,000
c General Reserve		
Opening Balance	118,740,101	114,159,610
Add: Transferred from statement of Profit & Loss		
Add :- Transferred from capital reserve	----	4,580,491
Closing Balance	118,740,101	118,740,10
d Surplus in Statement of Profit and loss		
Opening balance	91,179,817	58,389,669
Add: Net Profit for the current year	39,293,481	32,790,148
	130,473,297	91,179,817
Less: Appropriations:		
Transfer to General Reserves	----	----
Closing Balance	130,473,297	91,179,817
Total	267,284,398	227,990,917

Note:3 LONG TERM BORROWINGS

Particulars	As at March 31, 2014	As at March 31, 2013
(a) Secured Loans		
(i) Term loans	451,400,722	314,087,476
(Secured Loans from Banks are secured against movable and immovable fixed assets of the Co. and personal guarantee of promoters directors)		
(ii) Foreign Buyer Credit from Bank	9,699,442	47,435,792
(Foreign Buyer Credit from Bank is secured against movable and immovable fixed assets of the Company and personal guarantee of promoters directors and payable after three years)		
	461,100,164	361,523,268
(b) Unsecured		
(i) Loans and advances from related parties	54,976,590	80,001,541
(ii) Others	6,000,000	101,000,000
	60,976,590	181,001,541
Total	522,076,754	542,524,810

Note: 4 DEFERRED TAX BALANCES

(in Rs)

Particulars	Deferred Tax Liability as at March 31, 2013	Current year charge /(credit)	Deferred Tax Liability as at March 31, 2014
(a) Deferred Tax Liabilities (Net)			
Depreciation and amortisation	13,310,514	6,507,972	19818486
Total	13,310,514	6,507,972	19818486
(b) Deferred Tax Assets (Net)			
Depreciation and amortisation	----	----	----
Employee benefits	2,210,944	521,024	2731968
Total	2,210,944	521,024	2731968

Notes forming part of the Consolidated Financial Statements
Note:5 LONG TERM PROVISIONS

Particulars	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits	6,062,000	5,331,000
Total	6,062,000	5,331,000

(Provision for employee benefits includes provision for gratuity and other retirement benefits)

Note:6 SHORT TERM BORROWINGS

Particulars	As at March 31, 2014	As at March 31, 2013
Secured loans		
(a) Loans repayable on demand from Bank	192,118,721	112,503,191
Total	192,118,721	112,503,191

(Secured from banks are secured against of Stock & Book Debts and personal guarantee of Directors)

Note:7 OTHER CURRENT LIABILITIES

Other Current Liabilities	As at March 31, 2014	As at March 31, 2013
a Current Maturities of Long term Debt	75,851,349	44,495,335
b Other payables	18,891,601	11,526,483
Total	94,742,950	56,021,818

Note:8 SHORT TERM PROVISIONS

Short Term Provisions	As at March 31, 2014	As at March 31, 2013
(a) Provision for employee benefits	13,166,257	9,975,129
(b) Others : Current Income Tax (Net)	----	----
Total	13,166,257	9,975,129

Note:10 NON CURRENT INVESTMENTS

Particulars	As at March 31, 2014	As at March 31, 2013
A Trade Investments Total (A)	----	----
B Other Investments(Unquoted)		
(a) Investment in Equity instruments in Associate Company	14,210,000	----
(b) Share of loss of associate after tax	(6,725,398)	
Grand Total (A + B)	7,484,602	----

B. Details of Other Investments													
Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Face Value of (INR)	No. of Shares / Units	Quoted / Unquoted	Partly Paid / Fully paid	Amount (Rs.)		Whether stated at Cost Yes / No	No. of Shares / Units	Quoted / Unquoted	Partly Paid / Fully paid	Amount (Rs.)	Whether stated at Cost Yes / No
Investment in Equity Instruments			3/31/2014			3/31/2014	3/31/2013		3/31/2013			3/31/2014	3/31/2013
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Regency Nephrocure Pvt. Ltd.	Associates	10	1421000	Unquoted	Fully Paid	14,210,000	-	Yes	0	Unquoted	Fully Paid	-	-
Total						14,210,000	-					-	-



Notes-9

Fixed Assets

Particulars	Gross Block			Depreciation					Written Down Value	
	As on 01.04.2013	Additions During F.Y 13-14	As on 31.03.2014	As on 01.04.2013	On the Op bal. Period	Depreciation On Additions	During the period	Total As on 31.03.2014	As on 31.03.2014	As on 31.03.2013
Free Hold Land	115,773,057	----	115,773,057	----	----	----	----	----	115,773,057	115,773,057
Lease Hold Land	46,553,622	----	46,553,622	111,237	----	----	----	111,237	46,442,385	46,442,385
Building	320,787,490	13,425,904	334,213,393	41,078,585	9,779,403	149,476	9,928,879	51,007,464	283,205,930	279,708,905
Plant&Machinery	583,368,476	14,136,623	597,505,099	346,453,873	37,563,864	222,142	37,786,006	384,239,879	213,265,220	236,914,603
Furnitures&Fixtures	23,458,476	2,018,619	25,477,095	6,748,722	1,484,922	71,038	1,555,960	8,304,682	17,172,413	16,709,754
Office Equipments	4,224,305	810,079	5,034,384	982,879	200,655	15,323	215,978	1,198,857	3,835,527	3,241,426
Electrical Equipments	26,732,458	6,312,982	33,045,440	5,121,934	1,269,792	96,032	1,365,824	6,487,758	26,557,682	21,610,524
Computer	7,950,998	319,174	8,270,172	7,036,893	271,452	25,940	297,392	7,334,285	935,887	914,105
Vehicles	14,160,872	1,959,803	16,120,675	4,367,909	1,345,283	110,100	1,455,383	5,823,292	10,297,383	9,792,963
Total	1,143,009,754	38,983,184	1,181,992,937	411,902,032	51,915,371	690,051	52,605,422	464,507,454	717,485,483	731,107,722
Previous Year	755,678,732	327,702,022	1,083,380,754	365,077,866	45,570,197	1,253,969	46,824,166	411,902,032	731,107,722	----
Intangible Assets										----
Total										----
Capital Work In Progress										
Total										
Grand Total	1,143,009,754	38,983,184	1,181,992,937	411,902,032	51,915,371	690,051	52,605,422	464,507,454	780,784,861	768,343,295

Notes forming part of the Consolidated Financial Statements
NOTE:11 LONG TERM LOANS AND ADVANCES

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured considered good unless otherwise stated)		
a Security Deposits	11,623,960	7,206,181
b Mat Credit Receivables	22,042,045	27,517,879
c Share Application Money in Subsidiary Company	----	----
d Capital Advance	4,050,000	40,000,000
e Interest Accrued	1,264,201	75,735
Total	38,980,206	74,799,794

NOTE:12 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2014	As at March 31, 2013
Preliminary and Pre-operative Expenses	53,883	----
Total	53,883	----

NOTE:13 CURRENT INVESTMENTS

Particulars	As at March 31, 2014	As at March 31, 2013
Investment in Mutual Fund-Uquoted	2,791,889	3,447,903
Total	2,791,889	3,447,903

NOTE:14 INVENTORIES

Particulars	As at March 31, 2014	As at March 31, 2013
a Medicines (valued at cost)	16,385,656	12,351,043
b Stores and Spares (valued at cost)	1,499,300	1,390,883
c Surgical consumable/implants(valued at Cost)	25,216,557	21,534,900
Total	43,101,513	35,276,826

Note 15 TRADE RECEIVABLES

Particulars	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good		
a Trade receivables outstanding for a period less than six months from the date they are due for payment	195,713,786	139,165,405
b Trade receivables outstanding for a period exceeding six months from the date they are due for payment	----	----
Total	195,713,786	139,165,405

Notes forming part of the Consolidated Financial Statements
Note:16 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2014	As at March 31, 2013
a Balances with banks*		
Current Accounts	51,121,319	7,619,150
Deposit Account	57,625,000	7,808,616
b Cash on hand	3,166,079	12,039,940
Total	111,912,398	27,467,706

*The Company's Fixed deposit receipts amounting to Rs. 576.75 Lacs are under lien with bankers for obtaining Bank Guarantee and buyer's credit.

Note:17 SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured considered good, unless otherwise stated)		
Loans and Advances to Employees	400,014	1,822,282
Income Tax Refund Due	7,283,011	1,199,606
Other Loans & Advances	7,802,961	6,931,321
Total	15,485,986	9,953,208

Note:18 OTHER CURRENT ASSETS

Particulars	As at March 31, 2014	As at March 31, 2013
Prepaid Expenses	2,369,740	2,102,131
Total	2,369,740	2,102,131

Note:19 REVENUE FROM OPERATIONS

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Revenue from Healthcare Services	654,639,484	537,593,805
Revenue from Pharmacy & Surgical Sales	243,138,670	200,977,287
Nursing College	9,740,430	6,823,910
Total	907,518,584	745,395,002

Note:20 OTHER INCOME

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Interest Receipts	8,424,141	390,628
Rent Receipts	3,058,298	708,200
Other Income	18,127,859	5,945,427
Total	29,610,298	7,044,255

Notes forming part of the Consolidated Financial Statements
Note:19 REVENUE FROM OPERATIONS

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Revenue from Healthcare Services	654,639,484	537,593,805
Revenue from Pharmacy & Surgical Sales	243,138,670	200,977,287
Nursing College	9,740,430	6,823,910
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Note:20 OTHER INCOME

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Interest Receipts	8,424,141	390,628
Rent Receipts	3,058,298	708,200
Other Income	18,127,859	5,945,427
Total	29,610,298	7,044,255

Note:21 CHANGES IN INVENTORIES OF STOCK IN TRADE

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Opening Stock in trade	25,736,642	22,226,609
Less: Closing Stock in trade	31,779,418	25,736,642
Total	6,042,775	3,510,034

Note:22 COST OF MATERIALS CONSUMED

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Indigenous Materials:		
Surgical	13,492,240	16,180,716
Stores Consumable	32,463,209	37,479,868
Total Consumption of Materials (Consumption relates to items used for healthcare services only)	45,955,449	53,660,584

Note:23 PURCHASE OF STOCK IN TRADE

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Indigenous Materials		
Pharmacy	102,248,172	85,853,260
Surgical	57,615,507	50,816,202
Total	159,863,679	136,669,461

Notes forming part of the Consolidated Financial Statements
Note: 24 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Salaries and incentives to employees	151,466,545	116,382,263
Contribution to Provident Fund / ESI	1,853,061	768,619
Gratuity	731,000	1,062,000
Staff Welfare Expenses	8,999,960	4,505,900
Bonus and Exgratia	2,452,375	3,593,754
TOTAL	165,502,941	126,312,535

Note: 25 FINANCE COSTS

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Interest Expense	70,425,288	44,317,670
Bank and other Charges	2,545,238	827,683
SUB TOTAL	72,970,526	45,145,354

Note:26 OTHER EXPENSES

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Other Operating Expenses	244,289,473	195,089,954
Power & Fuel	30,862,331	21,334,162
House Keeping Expenses	16,289,865	14,206,989
Rates & Taxes exclding taxes on income	14,824,459	11,560,141
Rent	11,759,181	10,346,015
Repair to Building	2,829,092	1,417,177
Repair to Machinery	11,592,033	8,849,407
Repair to Vehicles	1,785,514	1,292,065
office Maintenance & Others	10,462,320	9,954,159
Insurance	1,737,336	1,473,991
Printing & Stationery	4,274,720	4,408,042
Director Sitting Fees	115,000	86,260
Mangerial Remuneration	----	----
Advertisement ,Publicity & Marketing	1,871,227	3,172,241
Travelling & Conveyance	4,787,449	3,469,565
Subscriptions	147,351	210,299
Security Charges	4,873,479	4,414,245
Legal & Professional Fees	6,059,863	4,179,449
Postage Telegram & Telephone Expenses	1,974,515	1,876,165
Donations	255,000	800,000
Auditors Remuneration	185,394	185,394
Miscellaneous Expenses	2,916,453	1,095,574
Loss on sale of Assets(Net)		
Total	373,892,055	299,421,293

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note : 27: Retirement Benefit Plans:**i. Defined contribution plans:**

The Company makes Provident Fund contributions to defined contribution retirement benefit plans for qualifying employees. Under the Scheme company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.18,53,061/- (31st March, 2013 - Rs. 7,68,619/-) for provident fund contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at the rates specified in the rules of the schemes.

ii. Defined benefit plans :

The present value of the defined benefit obligation and related current service cost were measured using the projected Unit Credit Method, with actuarial valuation being carried out as on 31st March, 2014.

The disclosure in respect of defined benefit gratuity plan is based on report given by actuary as on 31st March, 2014.

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Change in present value of obligation:		
Present value of obligation at the beginning of the year	53,31,000	42,69,000
Interest cost	4,37,142	367366
Current service cost	10,99,444	967430
Actuarial Losses/ (Gains)	(8,05,586)	(1,79,988)
Benefits paid	----	(92,808)
Present value of Obligation at the close of the year	60,62,000	53,31,000
Amounts recognised in the statement of Profit and Loss:		
Current Service Cost	10,99,444	9,67,430
Interest Cost	4,37,142	3,67,366
Expected Return on plan assets	----	----
Actuarial Losses	(8,05,586)	(1,79,988)
Expenses recognised	----	----
Actuarial Assumptions at the Balance Sheet date:		
Discount Rate	9.25%	8.20%
Salary Escalation	10%	10%
Mortality Rate	LIC (1994-1996) Ultimate	LIC (1994-1996) Ultimate

The estimate of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Note 28: Segment Reporting

Sl. No.	Particulars	31st March, 2014 (Rs.)	31st March, 2013 (Rs.)
	BUSINESS SEGMENTS:		
1.	Segment Revenue		
	(a) Hospital	897,778,154	738,571,092
	(b) Nursing College	9,740,430	6,823,910
	Total	907,518,584	745,395,002
2.	Segment Results		
	(a) Hospital	134,271,770	90,437,123
	(b) Nursing College	2,656,201	2,233,501
	Total	136,927,970	92,670,624
	Less: Interest (net)	64,546,385	44,754,726
	Unallocable Expenses/Income	----	----
	Tax Expense	26,319,337	15,126,223
	Profit After tax	46,062,248	32,789,675
3.	Other Information		
	(i) Segment Assets		
	(a) Hospital	1,226,212,647	1,045,077,661
	(b) Nursing College	27,566,716	23,578,607
	(c) Unallocable Assets	----	----
	Total	1,253,779,363	1,068,656,268
	(ii) Segment Liabilities		
	(a) Hospital	1,234,267,798	1,057,385,755
	(b) Nursing College	2,425,047	170,943
	Unallocated Liabilities	----	----
	Total	1,236,692,845	1,057,556,698
4.	Capital Expenditure		
	(a) Hospital	62,745,588	134,118,398
	(b) Nursing College	2,301,400	20,126,942
	Total	65,046,988	154,245,340
5.	Depreciation and amortisation		
	(a) Hospital	52,333,827	46,714,173
	(b) Nursing College	271,595	109,993
	Total	52,605,422	46,824,166

Other disclosures:

- The Company caters mostly to local markets and as such there is no reportable geographical segments.
- Segments have been identified in line with the Accounting Standard -17 "Segment Reporting" taking into account the organization structure as well as differing risks and returns.
- The segment revenue, results, assets and liabilities include respective amounts identifiable to each of the segment and amounts allocated on reasonable basis.

Note 29: Earning Per Share (EPS):

The following reflects the profit and share data used in the basic and diluted EPS computations:

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Net Profit/ (Loss) for the Year	39,293,481	32,790,148
Weighted average number of Equity Shares EPS used as denominator for calculating	9358668	9358668
Basic and Diluted Earning per share (in Rs.)	4.20	3.50
Face Value per Equity share (In Rs.)	10.00	10.00

Note 30: Contingent Liability:

Particulars	As at 31st March, 2014	As at 31st March, 2013
Disputed demand of Customs Department (under appeal). The Company has filed an appeal to High Court of Judicature at Allahabad.	3,845,000	3,845,000
Bank Guarantee furnished to Director, CGHS, ECHS for treatment of their employees.	1,500,000	1,000,000
Corporate Guarantee given to banks in respect of financial assistance availed by Associate Company	453,000,000	194,500,000
Foreign Letter of Credit for import of Medical Equipment's	----	18,32,524 (EURO 27000) 63,40,173 (USD 124630)

Note 31: Capital Commitments:

Particulars	As at 31st March, 2014	As at 31st March, 2013
Estimated value of contracts in capital account remaining to be executed and not provided for [net of capital advance] in respect of Joint Venture/Subsidiary	171,925,899	----

Note 32 : Related Party Disclosures :

(a)	Related Parties with whom transactions have taken place during the year:
	(i) Key Managerial Personnel (KMP) and their relatives : (a) Dr. Atul Kapoor, Managing Director (b) Dr. Rashmi Kapoor, Whole Time Director (c) Mr. Anant Ram Kapoor (d) Mr. Abhishek Kapoor (e) Mr. Arun Kapoor (f) Mrs. Soni Kapoor
	(iii) Enterprises owned or significantly influenced by Key Managerial Personnel and their relatives: (a) HCG Regency Oncology Healthcare Private Limited (b) Regency Nephrocare Private Limited (c) Regency Lifecare Private Limited

(b) Transactions with related parties:-

Name of Person	Relation with Company	Description of transactions during the year	31st March, 2014 (Rs.)	31st March, 2013 (Rs.)
Mr. Anant Ram Kapoor	Relative of Managing Director	Remuneration	180,000	180,000
		Land Rent	1,015,093	922,818
Dr. Atul Kapoor	Managing Director	Remuneration	3,699,800	3,000,000
		Lease Rent	900,000	1,274,100
Dr. Rashmi Kapoor	Whole Time Director	Remuneration	3,413,632	2,400,000
		Lease Rent	3,900,000	2,894,000
Mrs. Soni Kapoor	Relative of Managing Director	Interest	1,552,219	862,787
		Remuneration	960,000	910,000
Shri Arun Kapoor	Relative of Managing Director	Remuneration	960,000	910,000
Mr. Abhishek Kapoor	Relative of Managing Director	Remuneration	1,800,000	1,350,000
Regency Nephrocare Private Limited	Associate Company	Investment in Equity Shares	14,210,000	----
		Payment of Medical Services	3,740,704	----
		Receiving of Services		
		(a) Non Competing Fee	13,210,015	----
		(b) Lease rent from Medical Equipment	1,104,819	----
		(c) Lease rent from Building	1,535,100	----

Note 33 : Remuneration to Auditors (excluding service tax):

Particulars	As at 31st March, 2014	As at 31st March, 2013
a) Audit Fees	155,000	140,000
b) Tax Audit Fees	25,000	25,000
c) Certification & Other Professional Matters	50,000	50,000

Note 34 :

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office etc.). These leasing arrangements which are not non- cancellable range between 11 months and 30 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable during the year are charged as "Rent" under Note 27.

With regard to certain other non cancellable operating leases for premises, the future minimum rentals are as follows :

Particulars	As at 31st March, 2014	As at 31st March, 2013
Later than one year and not later than five year	31,016,143	1,19,16,860
Later than five years	30,900,000	51,16,376

Note 35 : Details of dues due to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Government of India has promulgated an Act namely The Micro, Small and Medium Enterprises Development Act, 2006 which comes into force with effect from October 2, 2006. As per the Act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. The management has confirmed that none of the suppliers have confirmed that they are registered under the provision of the Act. In view of this, the liability of the interest and disclosure are not required to be disclosed in the financial statements.

Note 36 : Sundry Debtors, Loans and Advances:

- Sundry Debtors represent the debt outstanding on treatment of employees of corporate clients with whom company is empanelled.
- In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated, if realised in ordinary course of business and provision for depreciation and other known liabilities is adequate.

Note : 37 : STATEMENT OF PROFIT AND LOSS:
(a) Value of Imports calculated on CIF basis:

Particulars	As at 31st March, 2014	As at 31st March, 2013
i Raw Materials	----	----
ii Capital Goods	----	92,94,988
iii Stores and spare parts	----	----

(b) Expenditure in Foreign Currency :

Particulars	As at 31st March, 2014	As at 31st March, 2013
Interest, Commitment and Bank Charges	13,09,318	11,31,362

Note 38 : DERIVATIVE INSTRUMENTS

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:-

Particulars	31st March, 2014		31st March, 2013	
	Foreign Currency	Amount Rs	Foreign Currency	Amount Rs
Amount Payable in Foreign Currency on account of the following Buyer's Credit				
	\$ 837630	50,205,532	\$ 837630	4,55,58,110
	Euro 27000	2,229,044	Euro 27000	18,77,682
Total		52,434,576		47,435,792

Note 39 :

Previous year figures have been reclassified /regrouped wherever necessary to correspond with the Current year's classification/disclosure.

Note 40 :

These financial statements have been prepared in the format prescribed by the revised Schedule VI to the Companies Act, 1956. Previous period figures have been recasted /restated to confirm to the classification of the current period.

As per our report of even date

FOR JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.: 000987C

R.N.Dhingra
Partner
Membership No.15385

14th August, 2014
Kanpur

For and on behalf of the Board

Ratan Lal Srivastava
Chairman

Dr. Rashmi Kapoor
Whole Time Director

Deepak Kumar Gupta
Chief Financial Officer

Dr.Atul Kapoor
Managing Director

Anil Kumar Khemka
Director

Ankit Mishra
Company Secretary

INDEPENDENT AUDITORS' REPORT

To

The Members of Regency Hospital Limited,

Report on the Financial Statements

We have audited the accompanying financial statements of **REGENCY HOSPITAL LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 Accounting Standards notified under the Companies Act, 1956 ('the Act') read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion of 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 judgement, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2014;
- (b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the order.
2. 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 accounts 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 the Profit & Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of the Profit & Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

On the basis of written representation received from the Directors as on 31st March, 2014, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of section 274(1)(g) of the Act..

For JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.:000987C

R.N.Dhingra
Partner
Membership No.15385

Kanpur
14th August, 2014

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory requirements" of our report of even date)

i. In respect of its Fixed Assets :

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, all fixed assets have been physically verified by the management in phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. The Company has not disposed off its any fixed assets during the year.
- d. Based on our scrutiny of records of the Company and the information and explanations received by us, we report there was no sale of assets made during the financial year. Hence the question of reporting whether the sale of any substantial part of the fixed assets has affected the going concern of the Company does not arise.

ii. In respect of the Company's Inventories:

- a. Inventories of medicines, stores, spares, consumables, chemicals, lab materials and surgical instruments have been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to information and explanations given to us, the procedures of physical verification of inventories of medicines, stores, spares, consumables, lab materials and surgical instruments followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. In our opinion and according to information and explanations given to us, and on the basis of our examination, the company has maintained proper records of inventories. As explained to us, the discrepancies noticed on verification between the physical stock and the book records were not material and same have been properly dealt within the books of accounts.

iii. In respect of the loans, secured or unsecured, granted or taken by the Company to/ from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 :

- a. As informed, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (a) to (d) of clause 4(iii)

of CARO are not applicable to the Company.

- b. The Company has taken unsecured loans from 7 parties, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the period and balances outstanding of said loans at end of the year were aggregating to Rs 555.27 Lacs and Rs 549.77 Lacs respectively.
 - c. In our opinion, the rate of interest and other terms and conditions on which loan has been taken from parties listed in the Register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
 - d. Such Loan is not due for repayment.
- ### **iv. In our opinion and according to the information and explanations given to us there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of stores, medicines and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system of the Company.**
- ### **v. In respect of contracts or arrangements entered in the register maintained pursuant of Section 301 of the Companies Act, 1956 to the best of our knowledge and belief and according to information and explanation given to us :**
- a. The particulars of contracts or arrangements referred to in Section 301 that were needed to be entered in the Register maintained under the section have been so entered.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five lacs in respect of each party during the period have been made at prices, which are reasonable having, to regard to prevailing market prices at relevant time.
- ### **vi. According to information and explanations given to us , the Company has not accepted any deposits from the public. Hence, the provisions of Section 58A and 58AA of the Companies Act 1956, and the Companies (Acceptance of Deposits) Rules, 1975, do not apply to this Company.**
- ### **vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.**
- ### **viii. According to information and explanation provided by the management of the Company, is not engaged in production, processing, manufacturing or mining activities. Hence the provisions of clause (d) of sub section (1) of Section 209 of the Companies Act, 1956, do not apply to the Company. Hence in our opinion no**

comment on maintenance of cost records under section 209(1)(d) is required.

- ix. a) According to information and explanations given to us and on the basis of our examination of the Books of account, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' state Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Customs duty, Cess and other material statutory dues applicable to it. In respect of aforesaid dues, there were no undisputed dues payable by the Company, were in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no dues of sales tax, income tax, service tax, wealth tax, which have not been deposited with the appropriate authority on account of any dispute except following :-

Nature of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Amount Deposited (Rs. in Lacs)	Period to which The amount Relates	Forum where Dispute is pending
Custom Act, 1962	Custom Duty	38.45	19.23	1990 - 93	Appeal filed in Allahabad High Court

- x. The Company does not have any accumulated losses as at 31st March, 2014 and not incurred cash losses during the financial year and during the immediately preceding financial period.
- xi. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial Institutions, banks and debenture holder.
- xii. According to the explanations given to us and based on available information, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion the company is not Chit Fund or a Nidhi/ Mutual benefit fund / Society. Therefore the provisions of clause 4(xiii) of the order (as amended) are not applicable to the company.
- xiv. In respect of dealing/ trading in share securities, debentures and other investments, in our opinion and according to information and explanation given to us, generally did not deal or trade in it. However on short term basis, surplus funds were invested in mutual funds for which proper records of transaction have been maintained by the company in its own name.
- xv. In our opinion and according to information and explanations given to us, the terms and conditions of guarantees given by the company for loans taken by subsidiary Company from banks during the year are not prime facie prejudicial to the interest of the Company.
- xvi. On the basis of records examined by us and according to the information and explanations given to us, the term

loans have been applied for the purpose for which they were raised.

- xvii. According to information and explanations given to us and on an overall examination of the Balance sheet of the Company we are of the opinion that there were no funds raised on short term basis that have been used for long term investments.
- ixviii. During the period, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix. The Company had issued 11% Unsecured Fully Convertible Debentures to IFCI Venture Capital Fund Limited, which has been redeemed during the year and there has been no outstanding debentures as on 31st March, 2014.
- xx. During the year, the Company has not raised money by Public Issue. Hence, the question of disclosure and verification of end use of such monies does not arise.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For JAIN DHINGRA & ASSOCIATES
 Chartered Accountants
 Firm Registration No.:000987C

R.N.Dhingra
 Partner
 Membership No.15385

Kanpur
 14th August, 2014

Balance Sheet as at 31st March,2014

	Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
II.	EQUITY AND LIABILITIES			
	Shareholders' funds			
	(a) Share capital	1 (c)	93,586,680	93,586,680
	(b) Reserves and surplus	2	265,976,579	220,005,635
			359,563,259	313,592,315
	Non-current liabilities			
	(a) Long-term borrowings	3	446,077,873	442,272,513
	(b) Deferred tax liabilities (Net)	4(a)	19,818,486	13,310,514
	(c) Long-term provisions	5	6,062,000	5,331,000
	Current liabilities			
	(a) Short-term borrowings	6	192,118,721	112,503,191
	(b) Trade payables		27,812,169	8,623,616
	(c) Other current liabilities	7	93,777,741	56,004,964
	(d) Short-term provisions	8	13,166,257	9,975,129
	TOTAL		1,158,396,505	961,613,243
II.	ASSETS			
	Non-current assets			
	(a) Fixed assets	9		
	(i) Tangible assets		657,856,483	671,478,722
	(ii) Capital work-in-progress		16,735,795	11,451,480
	(b) Non-current investments	10	71,409,980	9,099,990
	(c) Deferred tax assets (net)	4(b)	2,731,968	2,210,944
	(d) Long-term loans and advances	11	34,912,808	52,699,794
	Current assets			
	(a) Current investments	12	2,791,889	3,447,903
	(b) Inventories	13	42,896,491	35,058,930
	(c) Trade receivables	14	195,713,786	139,165,405
	(d) Cash and cash equivalents	15	111,380,241	24,945,843
	(e) Short-term loans and advances	16	19,597,324	9,952,101
	(f) Other current assets	17	2,369,740	2,102,131
	TOTAL		1,158,396,505	961,613,243
III. Notes Forming Part of the Financial Statements 1-39				

As per our report of even date
FOR JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.: 000987C

R.N.Dhingra
Partner
Membership No.15385

14th August, 2014
Kanpur

For and on behalf of the Board
Ratan Lal Srivastava
Chairman

Dr. Rashmi Kapoor
Whole Time Director

Deepak Kumar Gupta
Chief Financial Officer

Dr.Atul Kapoor
Managing Director

Anil Kumar Khemka
Director

Ankit Mishra
Company Secretary

STATEMENT OF PROFIT AND LOSS

Audited Profit and Loss statement for the period ended 31st March, 2014

	Particulars	Note No	Figures for the year ended March 31, 2014	Figures for the year ended March 31, 2013
I.	Revenue from operations	18	905,705,530	742,912,852
II.	Other Income	19	29,610,298	7,044,255
III	Changes in inventories of Stock-in-Trade	20	6,055,649	3,292,138
IV.	Total Revenue (I +II+III)		941,371,477	753,249,245
V.	Expenses:			
	Cost of materials consumed	21	45,955,449	53,660,584
	Purchase of Stock-in-Trade	22	158,443,858	134,314,830
	Employee benefit expense	23	165,442,941	126,219,535
	Financial costs	24	72,958,355	45,134,118
	Depreciation and amortization expense	9	52,605,422	46,824,166
	Other Expenses	25	373,675,172	299,064,922
VI.	Total Expenses		869,081,196	705,218,156
VII.	Profit Before Tax		72,290,281	48,031,089
VIII.	Tax expense:			
	(a) Current tax		19,956,891	9,609,940
	(b) Add : MAT Credit		----	7,908,413
	(c) Net Current Tax		19,956,891	1,701,527
	(d) Deferred Tax		5,986,948	13,424,696
	Income Tax Related Earlier Year		375,498	----
IX	PROFIT FOR THE PERIOD		45,970,944	32,904,866
X	Earning per equity share:			
	(1) Basic	28	4.91	3.52
	(2) Diluted		4.91	3.52
IX Notes Forming Part of the Financial Statements 1-39				

As per our report of even date
FOR JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.: 000987C

R.N.Dhingra
Partner
Membership No.15385

14th August, 2014
Kanpur

For and on behalf of the Board
Ratan Lal Srivastava
Chairman

Dr. Rashmi Kapoor
Whole Time Director

Deepak Kumar Gupta
Chief Financial Officer

Dr.Atul Kapoor
Managing Director

Anil Kumar Khemka
Director

Ankit Mishra
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

		(In Rs.)		(In Rs.)	
	Particulars	2014		2013	
I	Net Profit Before Tax as per Statement of Profit & Loss		72,290,280		48,031,089
	Add/(Deduct):				
	Depreciation		52,605,422		46,824,166
	Interest & Financial Charges		72,958,355		45,134,118
	MAT Credit		-		7,908,413
	Operating Profit before Working Capital Changes		197,854,057		147,897,786
	Add/(Deduct):				
	Inventories		(7,837,561)		(6,717,577)
	Trade Receivables		(56,548,381)		(19,209,945)
	Long Term and Short Term Loans & Advances and other assets		7,874,155		(2,354,547)
	Trade Payables other Liabilities and provisions		29,527,444		14,670,849
	Cash Inflow from Operations		170,869,714		134,286,565
	Interest Paid		72,958,354		45,134,118
	Taxation		20,332,389		9,609,940
	Preliminary Expenditure incurred				
	Net Cash inflow Operating Activities		77,578,970		79,542,507
II	CASH FLOW FROM INVESTING ACTIVITIES:				
	Inflow:				
	Sale of Fixed Assets	----		----	
	Outflow:				
	Purchase of Fixed Assets	44,267,499		144,414,137	
	Proceeds from Sale of Assets			-	
	Purchase of Investments	61,653,976	105,921,475	3,447,903	(147,862,040)
	Net Cash used in Investing Activities		105,921,475		(147,862,040)
			(28,342,505)		(68,319,533)
III	CASH FLOW FROM FINANCING ACTIVITIES:				
	Proceeds from term Loans	130,132,028		74,198,144	
	Proceeds from Other Borrowings	(15,355,126)		2,780,204	
	Transfer on account of Merger				
	Net Cash from Financing Activities		114,776,903		76,978,348
	Net Increase /(decrease) in Cash & Cash Equivalent		86,434,398		8,658,815
	Cash & Cash Equivalent as at 01.04.2013		24,945,843		16,287,028
	Cash or Cash equivalent as at 31.03.2014		111,380,241		24,945,843
	Net Increase /(decrease) in Cash & Cash Equivalent		86,434,398		8,658,815
IV Notes Forming Part of the Financial Statements 1-39					

As per our report of even date
FOR JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.: 000987C

R.N.Dhingra
Partner
Membership No.15385

14th August, 2014
Kanpur

For and on behalf of the Board
Ratan Lal Srivastava
Chairman

Dr. Rashmi Kapoor
Whole Time Director

Deepak Kumar Gupta
Chief Financial Officer

Dr.Atul Kapoor
Managing Director

Anil Kumar Khemka
Director

Ankit Mishra
Company Secretary

REGENCY HOSPITAL LIMITED

**NOTES FORMING PART OF
THE FINANCIAL STATEMENTS**

1A. Overview:

Regency Hospital Limited ("the Company") is a Public Limited Company listed on the Bombay Stock Exchange (BSE) and Uttar Pradesh Stock Exchange Ltd. (UPSE). The Company is engaged in providing healthcare services to the patients. The Company is also engaged in imparting education by running nursing school for educating the nurses. The Company has two subsidiary Company viz., HCG Regency Oncology Healthcare (P) Ltd., Kanpur and Regency Lifecare (P) Limited, Kanpur. The Company is also having joint venture with Fresenius Medical (India) Limited to establish hospitals ,diagnostic centers for treatment of all renal and nephrological diseases in a new company namely Regency Nephrocare (P) Ltd..

1B. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of accounting and preparation of Financial Statements :

The Financial statements/ accounts have been prepared under historical cost convention on the "Accrual Concept" of accountancy and as going concern, in accordance with the Accounting Principles Generally Accepted (GAAP) in India and they comply with the Accounting Standards notified as per the Companies (Accounting Standard) Rules, 2006 (as amended) issued by the Central Government to the extent applicable and with the applicable provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Use of Estimates:

The preparation of Financial Statement in conformity with the Accounting Standards Generally accepted in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Inventories:

- i) The inventories of all medicines, medicare items traded and dealt with by the Company are valued at cost. Cost of

these inventories comprises of all cost of purchase and other costs incurred in bringing the inventories to their present location after adjusting for VAT wherever applicable applying the FIFO Method.

- ii) Stocks of Provisions, stores (including lab materials and other consumables), stationeries and housekeeping items are stated at cost. The net realizable value is not applicable in absence of any further modification /alteration before being consumed in house only. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to present location after adjusting for VAT wherever applicable applying the FIFO Method.
- iii) Surgical instruments, linen, crockery and cutlery are valued at cost. The net realizable value is not applicable in absence of any further modification /alteration before being consumed in house only. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to present location after adjusting for VAT wherever applicable applying the FIFO Method.

d) Investments:

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other are classified as Long term investments. Long term investments including trade investments are stated at cost, after providing for any diminution in value, if such diminution is other than temporary in nature. Investments comprise of investment in subsidiary company in which the Company has strategic business interest.

e) Cash and Cash Equivalents:

In the cash flow statement, Cash and Cash Equivalents includes Cash in Hand, term deposit with Bank and short term highly liquid investments with original maturities of three months or less.

f) Cash Flow Statement:

Cash flows are reported using the Indirect Method whereby Profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating investing and financing activities of the company are segregated.

g) Prior Period items and Extra Ordinary items:

Prior Period items and Extra Ordinary Items are separately classified, identified and dealt with as required under Accounting Standard 5 on "Net Profit or Loss for the period, Prior Period Items and Changes in Accounting Policies" issued by the Institute of Chartered Accountants of India.

h) Fixed Assets:

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to date. The Company has adopted the provisions of paragraph 46A of AS – 11 “The Effects of Changes in Foreign Exchange Rates”, accordingly, exchange differences arising on restatement/ settlement of long term foreign currency borrowing relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance.

Capital work-in-progress comprises of amounts expended on development/acquisition of Fixed Assets that are not yet ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

i) Depreciation:

Depreciation for the year has been provided on Straight Line Method (SLM) as per Section 205 (2) (b) of the Companies, 1956 at the rates prescribed in Schedule XIV of the Companies Act, 1956, on pro-rata basis from the date of acquisition of assets till the date of transfer / sale of assets.

j) Foreign Currencies in Transactions and translations:

- i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or rates that closely approximate the rate at the date of transaction.
- ii) Foreign Currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non monetary items of the Company are carried at historical cost.
- iii) Exchange differences arising on settlement/restatement of long term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognized as income or expense in the Statement of Profit and Loss.

The exchange differences arising on restatement / settlement of long term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets.

k) Revenue Recognition:

- i) Income from Healthcare Services is recognised on completed service contract method. The hospital collections of the Company are net of discounts. Revenue also includes the value of services rendered pending final billing in respect of in-patients undergoing treatment as on 31st March, 2014.
- ii) Pharmacy Sales are recognised when the risk and reward of ownership is passed to the customer and are stated net of returns, discounts and inclusive of VAT wherever applicable.
- iii) Interest income is recognised on a time proportion basis taking into account the principal amount outstanding and the rate applicable.
- iv) Income from Educational services is recognized on the basis of fee due on each semester from students.

l) Borrowing Costs:

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during the extended periods when active development activity on the qualifying asset is interrupted.

m) Employee Benefits:

Short-term employee benefits (benefits which are payable within twelve months after the end of the period in which the employees render service) are measured at cost.

Long-term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which employees render service), and post employment benefits (benefits which are payable after completion of employment), are measured on a discounted basis by the Projected Unit Credit Method, on the basis of annual third party actuarial valuations.

Defined Contribution Plan

The Company makes contribution towards Provident Fund and Employees State Insurance Fund as a defined contribution retirement benefit fund for qualifying employees.

The Provident Fund Plan is operated by the Regional Provident Fund Commissioner and Employees State Insurance Plan is operated by Regional Director Employees State Insurance Corporation Under both the

schemes, the Company is required to contribute a specified percentage of payroll cost, as per the statute, to the retirement benefit schemes to fund the benefits.

Defined Benefit Plans

For Defined Benefit Plan the cost of providing benefits is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial Gains or Losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Gratuity

The Company makes provision of gratuity on the basis of annual third party actuarial valuations at the end of the accounting period.

Leave Encashment Benefits

The Company has a policy not to accumulate leave encashment benefits of the employees. The Company pays leave encashment Benefits to employees at end of each accounting period.

n) Segment Reporting :

(i) Identification of Segments

The Company has complied with Accounting Standard 17- 'Segment Reporting' with Business as the primary segment. The business segments are primarily healthcare and educational services. The Company operates in a single geographical segment, which is India, and the products sold in the pharmacies, are regulated under the Drug Control Act, which applies uniformly all over the Country. The risk and returns of the enterprise are very similar in different geographical areas within the Country and hence there is no reportable secondary segment as defined in Accounting Standard 17.

(ii) Segment Policies

The accounting policies adopted for segment reporting are in line with the accounting policies adopted in consolidated financial statements with the following additional policies for Segment Reporting:

- a. Revenue and expenses directly attributable to segments are reported under each segment. Expenses which are not directly identifiable to specific segment have been allocated on the basis of associated revenues of the segment and manpower efforts. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under 'unallocable expenses'.
- b. Assets and liabilities directly attributable or allocable to segments are disclosed under each reportable segment. All other assets liabilities are disclosed as unallocable.

The Company has disclosed this Segment Reporting in Consolidated Financial Statements as per para (4) of Accounting Standard - 17- 'Segment Reporting'.

o) TAXATION:

i) Income Tax

Income taxes are accounted for in accordance with Accounting Standard 22 (AS 22) "Accounting for Taxes on Income". Tax expense comprises both Current Tax and Deferred Tax. Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

ii) Deferred Tax:

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

p) Earning Per Share:

In determining the earnings per share, the Company considers the net profit after tax before extraordinary item and after extraordinary items and includes post - tax effect of any extraordinary items. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the period. For computing diluted earnings per share, potential equity shares are added to the above weighted average number of shares.

q) Leases:

Operating Leases: Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized in the Statement of Profit and Loss on a straight line basis in accordance with the respective lease agreements.

Finance leases: The lower of the fair value of the lease assets at the inception of the lease and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the Statement of Profit and Loss.

r) Impairment of Assets:

In terms of the requirements of the Accounting standard - 28 on Impairment of Assets "issued by ICAI, the amount recoverable against Fixed Assets has been estimated for the period by the management based on present value of estimated future cash flows expected to arise from continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.

s) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements as this may result in the recognition of income that may never be realised.

Notes forming part of the Financial Statements
Note: 1 (c) SHARE CAPITAL

PARTICULARS	As at March 31,2014 (in Rs)	As at March 31,2013 (in Rs)
Authorised 11400000(2012-13:11400000) Equity Shares of Rs10/-Each	114,000,000	114,000,000
Issued Subscribed & Fully Paid up 9358668(2012-13:9358668) Equity Shares of Rs10/-Each Fully paid up	93,586,680	93,586,680
TOTAL	93,586,680	93,586,680

(I) Reconciliation of Number of Shares

Particulars	As at March 31, 2014		As at March 31,2013	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Equity Shares				
Shares outstanding at the beginning of the year	9358668	93,586,680	9358668	93,586,680
Shares Issued during the year	---	---	---	---
Shares bought back during the year	---	---	---	---
Shares outstanding at the end of the year	9358668	93,586,680	9358668	93,586,680

(ii) Shareholders holding more than 5% of total paid up capital

Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Dr Atul Kapoor	1598863	17.08	1598863	17.08
Atul Kapoor(HUF)	1182523	12.64	1182523	12.64
Dr Rashmi Kapoor	2057953	21.99	2057953	21.99
Asha Kapoor	656666	7.02	656666	7.02
Soni Kapoor	649210	6.94	649210	6.94

(iii) Terms/rights of Equity Shares

The Company has issued only one class of the shares referred to as equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all the preferential amount, in proportion of the number of equity shares held by each shareholder.

Notes forming part of the Financial Statements
Note 2 Reserve and Surplus

(in Rs)

Particulars	As at March 31, 2014	As at March 31, 2013
a Capital Reserves	----	----
b Securities Premium Account		
Opening Balance	9,971,000	9,971,000
Add: Transferred from statement of Profit & Loss		
Closing Balance	9,971,000	9,971,000
c General Reserve		
Opening Balance	118,740,101	114,159,610
Add: Transferred from statement of Profit & Loss		
Add :- Transferred from capital reserve	----	4,580,491
Closing Balance	118,740,101	118,740,101
d Surplus in Statement of Profit and loss		
Opening balance	91,294,534	58,389,669
Add: Net Profit for the current year	45,970,944	32,904,865
	137,265,478	91,294,534
Less: Appropriations:		
Transfer to General Reserves	----	----
Closing Balance	137,265,478	91,294,534
Total	265,976,579	220,005,635

Note:3 LONG TERM BORROWINGS

Particulars	As at March 31, 2014	As at March 31, 2013
(a) Secured Loans		
(i) Term loans	375,401,841	238,889,476
(Secured Loans from Banks are secured against movable and immovable fixed assets of the Co. and personal guarantee of promoters directors)		
(ii) Foreign Buyer Credit from Bank	9,699,442	47,435,792
(Foreign Buyer Credit from Bank is secured against movable and immovable fixed assets of the Company and personal guarantee of promoters directors and payable after three years)		
	385,101,283	286,325,268
(b) Unsecured		
(i) Loans and advances from related parties	54,976,590	54,947,245
(ii) Others	6,000,000	101,000,000
	60,976,590	155,947,245
Total	446,077,873	442,272,513

Note : 4 DEFERRED TAX BALANCES

(in Rs)

Particulars	Deferred Tax Liability as at March 31, 2013	Current year charge /(credit)	Deferred Tax Liability as at March 31, 2014
(a) Deferred Tax Liabilities (Net)			
Depreciation and amortisation	13,310,514	6,507,972	19818486
Total	13,310,514	6,507,972	19818486
(b) Deferred Tax Assets (Net)			
Depreciation and amortisation	----	----	----
Employee benefits	2,210,944	521,024	2731968
Total	2,210,944	521,024	2731968
	11,099,570	5,986,948	17086518

Notes forming part of the Financial Statements
Note : 5 LONG TERM PROVISIONS

Particulars	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits	6,062,000	5,331,000
Total	6,062,000	5,331,000

(Provision for employee benefits includes provision for gratuity and other retirement benefits)

Note: 6 SHORT TERM BORROWINGS

Particulars	As at March 31, 2014	As at March 31, 2013
Secured loans		
(a) Loans repayable on demand from Bank	192,118,721	112,503,191
	192,118,721	112,503,191

(Secured from banks are secured against of Stock & Book Debts and personal guarantee of Directors)

Note : 7 OTHER CURRENT LIABILITIES

Other Current Liabilities	As at March 31, 2014	As at March 31, 2013
a Current Maturities of Long term Debt	75,851,349	44,495,335
b Other payables	17,926,392	11,509,629
Total	93,777,741	56,004,964

Note : 8 SHORT TERM PROVISIONS

Short Term Provisions	As at March 31, 2014	As at March 31, 2013
(a) Provision for employee benefits	13,166,257	9,975,129
Total	13,166,257	9,975,129

Note:10 NON CURRENT INVESTMENTS

Particulars	As at March 31, 2014	As at March 31, 2013
A Trade Investments		
Total (A)	----	----
B Other Investments(Unquoted)		
(a) Investment in Equity instruments in Subsidiary Company	57,199,980	9,099,990
(b) Investment in Equity instruments in Associate Company	14,210,000	
Grand Total (A + B)	71,409,980	9,099,990

Notes-9
Fixed Assets

Particulars	Gross Block		Depreciation				Written Down Value	
	As on 01.04.2013	Additions During F.Y 13-14	As on 31.03.2014	On the Op bal. Period	Depreciation On Additions	During the period	Total As on 31.03.2014	As on 31.03.2014
Free Hold Land	56,144,057	----	56,144,057	----	----	----	----	56,144,057
Lease Hold Land	46,553,622	----	46,553,622	----	----	----	111,237	46,442,385
Building	320,787,490	13,425,904	334,213,393	9,779,403	149,476	9,928,879	51,007,464	283,205,930
Plant&Machinery	583,368,476	14,136,623	597,505,099	37,563,864	222,142	37,786,006	384,239,879	279,708,905
Furnitures & Fixtures	23,458,476	2,018,619	25,477,095	1,484,922	71,038	1,555,960	8,304,682	236,914,603
Office Equipments	4,224,305	810,079	5,034,384	200,655	15,323	215,978	1,198,857	16,709,754
Electrical Equipments	26,732,458	6,312,982	33,045,440	1,269,792	96,032	1,365,824	6,487,758	3,241,426
Computer	7,950,998	319,174	8,270,172	271,452	25,940	297,392	7,334,285	21,610,524
Vehicles	14,160,872	1,959,803	16,120,675	1,345,283	110,100	1,455,383	5,823,292	935,887
Total	1,083,380,754	38,983,184	1,122,363,937	51,915,371	690,051	52,605,422	464,507,454	657,856,483
Previous Year	755,678,732	327,702,022	1,083,380,754	45,570,197	1,253,969	46,824,166	411,902,032	671,478,722
Capital work-in-progress								16,735,795
								11,451,480

Notes forming part of the Financial Statements

B.	Details of Other Investments									No. of Shares / Units
	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Face Value of (INR)	No. of Shares / Units	Quoted / Unquoted	Partly Paid / Fully paid	Amount (Rs.)		Whether stated at Cost Yes / No	No. of Shares / Units
	Investement in Equity Instruments			3/31/2014			3/31/2014	3/31/2013		3/31/2013
		(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(3)
	Regency Nephrocare Pvt. Ltd.	Associates	10	1421000	Unquoted	Fully Paid	14,210,000	-	Yes	0
	HCG Regency Oncolgy Healthcare Pvt. Ltd.	Subsidiary	10	4899999	Unquoted	Fully Paid	57,099,990	9,099,990	Yes	99999
	Regency Life Care Private Limited	Subsidiary	10	9999	Unquoted	Fully Paid	99,990	-	Yes	0
	Total						71,409,980	9,099,990		

NOTE:11 LONG TERM LOANS AND ADVANCES (Unsecured)

Particulars	As at March 31, 2014	As at March 31, 2013
Considered Good:		
a Security Deposits	11,623,960	7,206,181
b Mat Credit Receivables	22,024,647	27,517,879
c Share Application Money in Subsidiary Company	----	17,900,000
d Interest Accrued	1,264,201	75,735
Total	34,912,808	52,699,794

NOTE:12 CURRENT INVESTMENTS

Particulars	As at March 31, 2014	As at March 31, 2013
Investment in Mutual Fund-Uquoted	2,791,889	3,447,903
Total	2,791,889	3,447,903

NOTE : 13 INVENTORIES

Particulars	As at March 31, 2014	As at March 31, 2013
a Medicines (valued at cost)	16,180,634	12,133,147
b Stores and Spares (valued at cost)	1,499,300	1,390,883
c Surgical consumable/implants(valued at Cost)	25,216,557	21,534,900
Total	42,896,491	35,058,930

Note 14 TRADE RECEIVABLES

Particulars	As at March 31, 2014	As at March 31, 2013
Secured, considered good		
Trade receivables outstanding for a period less than six months from the date they are due for payment	195,713,786	139,165,405
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	----	----
Total	195,713,786	139,165,405

Notes forming part of the Financial Statements
Note : 15 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2014	As at March 31, 2013
a Balances with banks*		
Current Accounts	50,774,307	6,603,191
Deposit Account	57,625,000	7,808,616
b Cash on hand	2,980,935	10,534,036
Total	111,380,241	24,945,843

*The Company's Fixed deposit receipts amounting to Rs. 576.25 Lacs are under lien with bankers for obtaining Bank Guarantee and buyer's credit.

Note:16 SHORT-TERM LOANS AND ADVANCES(UNSECURED)

Particulars	As at March 31, 2014	As at March 31, 2013
Considered Good:		
Loans and Advances to Employees	400,014	1,822,282
Income Tax Refund Due	7,300,409	1,199,606
Other Loans & Advances	11,896,901	6,930,213
Total	19,597,324	9,952,101

Note :17 OTHER CURRENT ASSETS

Particulars	As at March 31, 2014	As at March 31, 2013
Prepaid Expenses	2,369,740	2,102,131
Total	2,369,740	2,102,131

Note : 18 REVENUE FROM OPERATIONS

(in Rs.)

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Revenue from Healthcare Services	654,639,483	537,593,805
Revenue from Pharamcy & Surgical Sales	241,325,616	198,495,137
Nursing College	9,740,430	6,823,910
Total	905,705,530	742,912,852

Note : 19 OTHER INCOME

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Interest Receipts	8,424,141	390,628
Rent Receipts	3,058,298	708,200
Other Income	18,127,859	5,945,427
Total	29,610,298	7,044,255

Notes forming part of the Financial Statements
Note : 20 CHANGES IN INVENTORIES OF STOCK IN TRADE

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Opening Stock in trade	25,518,747	22,226,609
Less: Closing Stock in trade	31,574,396	25,518,747
Total	6,055,649	3,292,138

Note : 21 COST OF MATERIALS CONSUMED

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Indigenous Materials:		
Surgical	13,492,240	16,180,716
Stores Consumable	32,463,209	37,479,868
Total Consumption of Materials	45,955,449	53,660,584

(Consumption relates to items used for healthcare services only)

Note : 22 PURCHASE OF STOCK IN TRADE

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Indigenous Materials		
Pharmacy	100,828,351	83,498,629
Surgical	57,615,507	50,816,202
Total	158,443,858	134,314,830

Note : 23 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Salaries and incentives to employees	151,406,545	116,289,263
Contribution to Provident Fund / ESI	1,853,061	768,619
Gratuity	731,000	1,062,000
Staff Welfare Expenses	8,999,960	4,505,900
Bonus and Exgratia	2,452,375	3,593,754
TOTAL	165,442,941	126,219,535

Note : 24 FINANCE COSTS

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Interest Expense	70,413,117	44,317,670
Bank and other Charges	2,545,238	816,447
SUB TOTAL	72,958,355	45,134,118

Notes forming part of the Financial Statements
Note : 25 OTHER EXPENSES

PARTICULARS	For the Year Ended 31st March,2014	For the Year Ended 31st March,2013
Other Operating Expenses	244,289,473	195,089,954
Power & Fuel	30,862,331	21,334,162
House Keeping Expenses	16,289,865	14,206,989
Rates & Taxes excuding taxes on income	14,701,206	11,429,318
Rent	11,699,181	10,308,215
Repair to Building	2,829,092	1,417,177
Repair to Machinery	11,592,033	8,849,407
Repair to Vehicles	1,785,514	1,292,065
office Maintenance & Others	10,462,320	9,954,159
Insurance	1,737,336	1,473,991
Printing & Stationery	4,274,264	4,408,042
Director Sitting Fees	115,000	86,260
Advertisement ,Publicity & Marketing	1,871,227	3,172,241
Travelling & Conveyance	4,781,740	3,469,565
Subscriptions	147,351	210,299
Security Charges	4,873,479	4,414,245
Legal & Professional Fees	6,049,251	4,042,233
Postage Telegram & Telephone Expenses	1,974,515	1,876,165
Donations	255,000	800,000
Auditors Remuneration	168,540	168,540
Miscellaneous Expenses	2,916,454	1,061,897
Loss on sale of Assets(Net)		
Total	373,675,172	299,064,922

REGENCY HOSPITAL LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note: 26: Retirement Benefit Plans:**a) Defined contribution plans:**

The Company makes contribution towards Provident Fund and Employees State Insurance Fund as a defined contribution retirement benefit fund for qualifying employees. Under the Scheme company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.18,53,061/- (31st March, 2013 - Rs. 7,68,619/-) for provident fund & Employees State Insurance Fund contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at the rates specified in the rules of the schemes.

b) Defined benefit plans:

The present value of the defined benefit obligation and related current service cost were measured using the projected Unit Credit Method, with actuarial valuation being carried out as on 31st March, 2014.

The disclosure in respect of defined benefit gratuity plan is based on report given by actuary as on 31st March, 2014.

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Change in present value of obligation:		
Present value of obligation at the beginning of the year	53,31,000	42,69,000
Interest cost	4,37,142	367366
Current service cost	10,99,444	967430
Actuarial Losses/ (Gains)	(8,05,586)	(1,79,988)
Benefits paid	----	(92,808)
Present value of Obligation at the close of the year	60,62,000	53,31,000
Amounts recognised in the statement of Profit and Loss:		
Current Service Cost	10,99,444	9,67,430
Interest Cost	4,37,142	3,67,366
Expected Return on plan assets	----	----
Actuarial Losses	(8,05,586)	(1,79,988)
Expenses recognised	----	----
Actuarial Assumptions at the Balance Sheet date:		
Discount Rate	9.25%	8.20%
Salary Escalation	10%	10%
Mortality Rate	LIC (1994-1996) Ultimate	LIC (1994-1996) Ultimate

The estimate of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Note 27: Segment Reporting

Sl. No.	Particulars	31st March, 2014 (Rs.)	31st March, 2013 (Rs.)
BUSINESS SEGMENTS:			
1.	Segment Revenue		
(a)	Hospital	895,965,100	736,088,942
(b)	Nursing College	9,740,430	6,823,910
	Total	905,705,530	742,912,852
2.	Segment Results		
(a)	Hospital	134,168,294	90,541,078
(b)	Nursing College	2,656,201	2,233,501
	Total	136,824,494	92,774,579
	Less: Interest (net)	64,534,214	44,743,490
	Unallocable Expenses/Income	----	----
	Tax Expense	26,319,337	15,126,223
	Profit After tax	45,970,943	32,904,866
3.	Other Information		
(i)	Segment Assets		
(a)	Hospital	1,128,097,821	935,823,692
(b)	Nursing College	27,566,716	23,578,607
(c)	Unallocable Assets	----	----
	Total	1,155,664,537	959,402,299
(ii)	Segment Liabilities		
(a)	Hospital	776,589,713	634,539,470
(b)	Nursing College	2,425,047	170,943
	Unallocated Liabilities	0.00	0.00
	Total	779,014,760	634,710,413
4.	Capital Expenditure		
(a)	Hospital	62,745,588	134,118,398
(b)	Nursing College	2,301,400	20,126,942
	Total	65,046,988	154,245,340
5.	Depreciation and amortisation		
(a)	Hospital	52,333,827	46,714,173
(b)	Nursing College	271,595	109,993
	Total	52,605,422	46,824,166

Other disclosures:

" The Company caters mostly to local markets and as such there is no reportable geographical segment.

" Segments have been identified in line with the Accounting Standard -17 "Segment Reporting" taking into account the organization structure as well as differing risks and returns.

" The segment revenue, results, assets and liabilities include respective amounts identifiable to each of the segment and amounts allocated on reasonable basis.

Note 28: Earning Per Share (EPS):

The following reflects the profit and share data used in the basic and diluted EPS computations:

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Net Profit/ (Loss) for the Year	45,970,944	32,904,866
Weighted average number of Equity Shares used as denominator for calculating EPS	9358668	9358668
Basic and Diluted Earning per share (in Rs.)	4.91	3.52
Face Value per Equity share (In Rs.)	10.00	10.00

Note 29 : Contingent Liability:

Particulars	As at 31st March, 2014	As at 31st March, 2013
Disputed demand of Customs Department (under appeal). The Company has filed an appeal to High Court of Judicature at Allahabad.	3,845,000	3,845,000
Bank Guarantee furnished to Director, CGHS, ECHS for treatment of their employees.	1,500,000	1,000,000
Corporate Guarantee given to banks in respect of financial assistance availed by Subsidiary Company	453,000,000	194,500,000
Foreign Letter of Credit for import of Medical Equipment's	---	18,32,524 (EURO 27000) 63,40,173 (USD 124630)

Note 30 : Capital Commitments:

Particulars	As at 31st March, 2014	As at 31st March, 2013
Estimated value of contracts in capital account remaining to be executed and not provided for [net of capital advance]	3,611,606	---

Note 31 : Related Party Disclosures :

(a)	Related Parties with whom transactions have taken place during the year:
	(i) Key Managerial Personnel (KMP) and their relatives : (a) Dr. Atul Kapoor, Managing Director (b) Dr. Rashmi Kapoor, Whole Time Director (c) Mr. Anant Ram Kapoor (d) Mr. Abhishek Kapoor (e) Mr. Arun Kapoor (f) Mrs. Soni Kapoor
	(iii) Enterprises owned or significantly influenced by Key Managerial Personnel and their relatives: (a) HCG Regency Oncology Healthcare Private Limited (b) Regency Nephrocare Private Limited (c) Regency Lifecare Private Limited

(b) Transactions with related parties :

Name of Person	Relation with Company	Description of transactions during the year	31st March, 2014 (Rs.)	31st March, 2013 (Rs.)
Mr. Anant Ram Kapoor	Relative of Managing Director	Remuneration	180,000	180,000
		Land Rent	1,015,093	922,818
Dr. Atul Kapoor	Managing Director	Remuneration	3,699,800	3,000,000
		Lease Rent	900,000	1,274,100
Dr. Rashmi Kapoor	Whole Time Director	Remuneration	3,413,632	2,400,000
		Lease Rent	3,900,000	2,894,000
Mrs. Soni Kapoor	Relative of Managing Director	Interest	1,552,219	862,787
		Remuneration	960,000	910,000
Shri Arun Kapoor	Relative of Managing Director	Remuneration	9,60,000	910,000
Mr. Abhishek Kapoor	Relative of Managing Director	Remuneration	1,800,000	1,350,000
HCG Regency Oncology Healthcare Private Limited	Subsidiary Company	Investment in Equity Shares (including premium)	570,99,990	9,099,990
Regency Nephrocare Private Limited	Associate Company	Investment in Equity Shares	14,210,000	----
		Payment of Medical Services	3,740,704	----
		Receiving of Services		
		(a) Non Competing Fee	13,210,015	----
		(b) Lease rent from Medical Equipment	1,104,819	----
		(c) Lease rent from Building	1,535,100	----
Regency Lifecare Private Limited	Wholly Owned Subsidiary	Investment in Equity Shares	9,99,990	----

Note 32 : Remuneration to Auditors (excluding service tax):

Particulars	As at 31st March, 2014	As at 31st March, 2013
a) Audit Fees	125,000	125,000
b) Tax Audit Fees	25,000	25,000
c) Certification & Other Professional Matters	50,000	50,000

Note 33:

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office etc.). These leasing arrangements which are not non- cancellable range between 11 months and 30 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable during the year are charged as "Rent" under Note 27.

With regard to certain other non cancellable operating leases for premises, the future minimum rentals are as follows:

Particulars	As at 31st March, 2014	As at 31st March, 2013
Later than one year and not later than five year	31,016,143	1,19,16,860
Later than five years	30,900,000	51,16,376

Note 34 : Details of dues due to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Government of India has promulgated an Act namely The Micro, Small and Medium Enterprises Development Act, 2006 which comes into force with effect from October 2, 2006. As per the Act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. The management has confirmed that none of the suppliers have confirmed that they are registered under the provision of the Act. In view of this, the liability of the interest and disclosure are not required to be disclosed in the financial statements.

Note 35 : Sundry Debtors, Loans and Advances:

- Sundry Debtors represent the debt outstanding on treatment of employees of corporate clients with whom company is empanelled.
- In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated, if realised in ordinary course of business and provision for depreciation and other known liabilities is adequate.

Note : 36 : STATEMENT OF PROFIT AND LOSS:
(a) Value of Imports calculated on CIF basis:

Particulars	As at 31st March, 2014	As at 31st March, 2013
i Raw Materials	----	----
ii Capital Goods	----	9,294,988
iii Stores and spare parts	----	----

(b) Expenditure in Foreign Currency :

Particulars	As at 31st March, 2014	As at 31st March, 2013
Interest, Commitment and Bank Charges	1,309,318	1,131,362

Note 37:
DERIVATIVE INSTRUMENTS

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:-

Particulars	31st March, 2014		31st March, 2013	
	Foreign Currency	Amount Rs	Foreign Currency	Amount Rs
Amount Payable in Foreign Currency on account of the following Buyer's Credit				
	\$ 837630	50,205,532	\$ 837630	4,55,58,110
	Euro 27000	2,229,044	Euro 27000	18,77,682
Total		52,434,576		47,435,792

Note 38 :

Previous year figures have been reclassified /regrouped wherever necessary to correspond with the Current year's classification/disclosure.

Note 39 :

These financial statements have been prepared in the format prescribed by the revised Schedule VI to the Companies Act, 1956. Previous period figures have been recasted /restated to confirm to the classification of the current period.

As per our report of even date

FOR JAIN DHINGRA & ASSOCIATES
Chartered Accountants
Firm Registration No.: 000987C

R.N.Dhingra
Partner
Membership No.15385

14th August, 2014
Kanpur

For and on behalf of the Board

Ratan Lal Srivastava
Chairman

Dr. Rashmi Kapoor
Whole Time Director

Deepak Kumar Gupta
Chief Financial Officer

Dr.Atul Kapoor
Managing Director

Anil Kumar Khemka
Director

Ankit Mishra
Company Secretary

REGENCY HOSPITAL LIMITED

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

CIN: L85110UP1987PLC008792

e-mail: investor@regencyhospital.in ; **website:** www. regencyhospital.in

Ph: 2242201 to 03, 2234306, 2242201 to 08; **Fax:** (91) (512) 2213407

PROXY FORM

[Pursuant to Section 105(6) of Companies Act, 2013
and Rule 19(3) of Companies (Management and
Administration) Rules, 2014]

25TH ANNUAL GENERAL MEETING SEPTEMBER 30, 2014

Name of the Member(s):

Registered address:

E-mail:

--

Folio No./Client ID: DP

--	--	--	--	--	--	--	--

ID:

--	--	--	--	--	--	--	--

I/ We, being the member(s) of shares of Regency Hospital Limited,
hereby appoint:

Name:Email:

Address:

.....Signature:, or
failing him/ her;

Name:Email:

Address:

.....Signature:, or
failing him/ her;

Name:Email:

Address:

.....Signature:, or
failing him/ her;

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 25th Annual General Meeting of the Company, to be held on Tuesday, September 30, 2014, at 11:00 a.m. at the Registered Office at A-2, Sarvodaya Nagar, Kanpur-208005, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolutions	Vote (Optional see Note 2)	
		For	Against
Ordinary Business			
1	Adoption of Financial Statements for the financial year ended March 31, 2014 and Reports of Board of Directors and Auditors		
2	To appoint a Director in place of Dr. Rashmi Kapoor (DIN: 01818323), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.		
3	Appointment of Jain Dhingra & Associates, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration		
Special Business			
4	Approval of the remuneration to the Managing Director		
5	Approval of the remuneration to the Whole-time Director		
6	Appointment of Mr. Anil Kumar Khemka as an Independent Director of the Company.		
7	Appointment of Mr. Rajiv Kumar Bakshi as an Independent Director of the Company.		
8	Approval for mortgage or charge of any movable/ immovable properties of the Company.		
9	Approval for borrowings for the purposes of business of the Company.		
10	Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013		
11	Entering of related party transaction with Regency Nephrocare Pvt. Ltd.		

Signed thisday of2014

Affix revenue
stamp of not
Less Than
Rs. 0.15

.....
Signature of the member

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

Notes:

1. Appointing a proxy does not prevent a member from attending the meeting in person if he/ she so wishes.
2. It is optional to indicate your preference. Please put a tick mark in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/ she may deem appropriate.

REGENCY HOSPITAL LIMITED
Registered Office: A-2, Sarvodaya Nagar, Kanpur - 208005

CIN: L85110UP1987PLC008792

e-mail: investor@regencyhospital.in; **website:** www.regencyhospital.in
Ph: 2242201 to 03, 2234306, 2242201 to 08; **Fax:** (91) (512) 2213407

ASSENT/ DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

1. Name(s) & Registered Address :
of the sole/ first named Member

2. Name(s) of the Joint-Holder(s), if any :

3. i) Registered Folio No. :

ii) *DP ID No. & Client ID No. :

[*Applicable to Members holding shares in dematerialized form]

4. Number of Share(s) held :

5. I/ We hereby exercise my/ our vote in respect of the following resolutions to be passed for the business stated in the Notice of Annual General Meeting dated August 14, 2014, by conveying my/ our assent or dissent to the resolutions by placing a tick mark in the appropriate box below:

RESOLUTIONS		No. of Shares	I/ We assent to Resolution (FOR)	I/ We Dissent to Resolution (AGAINST)
Ordinary Business				
1	Adoption of Financial Statements for the financial year ended March 31, 2014 and Reports of Board of Directors and Auditors			
2	To appoint a Director in place of Dr. Rashmi Kapoor (DIN: 01818323), who retires by rotation at this Annual General Meeting and being eligible has offered herself for reappointment.			
3	Appointment of Jain Dhingra & Associates, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration			
Special Business				
4	Revision of the remuneration for Managing Director			
5	Revision of the remuneration of Wholtime Director			
6	Appointment of Mr. Anil Kumar Khemka as an Independent Director of the Company.			
7	Appointment of Mr. Rajiv Kumar Bakshi as an Independent Director of the Company.			
8	Approval for mortgage or charge of any movable/immovable properties of the Company.			
9	Approval for borrowings for the purposes of the business of the Company.			
10	Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013			
11	Entering of related party transaction with Regency Nephrocare Pvt. Ltd.			

Place:

Date:

Signature of the Member or Authorised Representative

- Notes: (i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
(ii) Last date for receipt of Assent/ Dissent Form by the scrutinizer: September 26, 2014 (6.00 pm)
(iii) Please read the instructions printed overleaf carefully before exercising your vote.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

ATTENDANCE SLIP

25th Annual General Meeting - September 30, 2014

I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 25th Annual General Meeting of the Company at the Registered Office of the Company ay A-2, Sarvodaya Nagar, Kanpur-208005, on Tuesday September 30, 2014, at 11.00 A.M.

.....
Member's Folio/DP.ID-Client ID No.

.....
Name of the member/ proxy
(in BLOCK LETTERS)

.....
Signature of Member/ proxy

- Note:
1. Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.
 2. No bags, briefcases, drinks and eatables will be allowed to be carried inside the auditorium.

E - VOTING PARTICULARS

EVEN (E-VOTING EVENT NUMBER)	USER ID	PASSWORD / PIN

- Note :
- Please read the instructions given at Note No. 11 & 12 of the Notice of the 25th Annual General Meeting carefully before voting electronically.

Life Is Precious
Cherish Your
Health



If undelivered, Please return to :
REGENCY HOSPITAL LIMITED
A-2, Sarvodaya Nagar,
Kanpur-208 005