

August 31, 2018

Dept of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
21st Floor, Fort
Mumbai – 400 023

Dear Sirs,

Sub: 24th Annual Report of 2017-18 as per Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Ref: Scrip Code 526783

With reference to the above, please find enclosed the copy of our 24th Annual Report for the year ended 31st March 2018.

Also, we wish to inform you that the enclosed financial statements and the reports for the Board of Directors and Auditors have been adopted and approved at our 24th Annual General Meeting held on 30th August 2018 (Thursday) at 11.00 a.m. at No.19 (Old No.13) Cathedral Road, Chennai – 600 086.

Request you to kindly take the same on records and acknowledge.

Thanking You.

Yours' Faithfully



S. LAKSHMI NARASIMHAN
COMPANY SECRETARY & COMPLIANCE OFFICER
DR. AGARWAL'S EYE HOSPITAL LTD

Registered Office

3rd Floor, Buhari Towers, No.4, Moores Road, Off Greaves Road, Near Asan Memorial School, Chennai - 600 006.

Tel: 91-44-3991 6600 Fax: 91-44-3991 6645

Corporate ID Number: L85110TN1994PLC027366 GST No. 33AAACD2373G1Z2

Email: dragarwal@vsnl.com | Website: www.dragarwal.com

24th ANNUAL REPORT
2017-2018



Dr. Agarwal's
Eye Hospital Ltd.

OUR VISION

To focus on being different
through continuous innovation
and use best-in-class
technology to win





PROF. (DR.) AMAR AGARWAL
CHAIRMAN CUM MANAGING DIRECTOR

Prof. Dr Amar Agarwal – Chairman cum Managing Director (M.S. FRCS, FRCOphth) is a widely respected Ophthalmic Surgeon

Various Scientific Contributions

- Developed the Phakonit procedure for Cataract Surgery – First to remove Cataracts through a 1mm incision
- Developed “no anaesthesia” Cataract Surgery and FAVIT – a new technique to removed Dropped Nuclei
- First in the world to implant a Glued IOL. First to use Trypan Blue for staining Epiretinal Membranes
- Performed the first innovative PDEK surgery technique (in 2013)
- Discovered a new refractive error called Aberroopia
- Trains doctors from all over the world on Phaco, Bimanual Phaco, LASIK and Retina
- Authored 50+ books published in various languages

Awards & Associates

- Voted #2 on the “100 most influential people in ophthalmology” by “the Ophthalmologist” (leading international publication) has in its 2014 & 2015 “Power List”
- Has received many awards in ophthalmology including GOLDEN APPLE AWARD, BARRAQUER AWARD and the KELMAN AWARD
- Has received the BEST DOCTOR AWARD from the Govt. of Tamilnadu in 2014

Positions held

- He was the President of International Society of Refractive Surgery (ISRS), partner of the American Academy of Ophthalmology
- He is the Secretary General and Chairman Scientific Committee of the Intraocular Implant & Refractive Society (IIRSI), India and Professor of ophthalmology at Ramachandra Medical College in Chennai.



DR. ATHIYA AGARWAL
WHOLE-TIME DIRECTOR

- Dr. Athiya Agarwal is one of the leading Anterior Segment Surgeons and Ocular Pathologists in India
- She was trained in Ophthalmology and Pathology in the world famous Moorfields Eye Hospital London
- An Active Member of the All India Ophthalmology society and conducts training programs for the post graduate students in modern surgical procedures.
- She is in-charge of the research activities of the Group



MR. M R G APPARAO
DIRECTOR

Mr M R G Apparao graduated from Loyola College, Madras Institute of Technology and IIM Calcutta.

He started his career by being a faculty at Indian Institute of Management Ahmedabad. He taught quantitative methods and computer applications. He setted India's first time-share computer system at IIM Ahmedabad. He later founded a management and computer consultancy organization in 1976. He has been the management consultant to many companies in India and Abroad such as Reserve Bank of India and Murugappa. His current areas of Research are Quantum Computing, Blockchain, and applications of IoT for Precision Agriculture.

As he has a passion for teaching, he served as the Director of a Thiagarajar School of Management for 7 years. He is a visiting professor at many educational institutions. He has taught Critical Thinking and Logic to schools students and Decision Support Systems to students of MBA. He has brought cutting edge of technology to the institutions he has been connected with. He is also a member of boards and management committes of listed and private companies along with NGOs.

Since childhood he was very interested in sports and has played several sports and games including Horse Racing, Formula-1, Football etc. He was the Secretary of Bridge Federation of India. On the other front, he also has his personal library of over 5,000 books.



MR. SANJAY ANAND
DIRECTOR

Sanjay Anand is a Chartered Accountant. He has done his schooling from Delhi Public School and D.A.V. Gopalapuram, Chennai. He was a Topper in Commerce Group. He graduated from University of Madras. He qualified with distinction from Academy of Accounting at SIRC, ICAI. He's an alumnus of IIM Ahmedabad.

He has one of the largest organized business of office supplies - "Office #1" – a leading entity to capitalize on the organized office supplies and Consumables Trades. He is the Founder Promoter of IIGM Pvt. Ltd., one of the largest in Industrial Garments machines.

He has 4 decades of advisory expertise in Capital – Stock Markets. He also Specializes in investments Equity, Mutual Funds, Commodities Gold, Platinum, Real Estate, Travel and Tourism.

He has been in the directorship of Dr Agarwal's Group over a decade with immense experience in healthcare industry

CHAIRMAN'S DESK



Dear Shareholders,

We started our journey 60 years ago, to build an organization that would offer high quality eye care at affordable prices. We have earned the trust of millions of people across the world while staying true to our vision of being a truly global healthcare organization which imbibes the best practices from different sectors while relying on continuous innovation and cutting –edge technology.

We clocked 155.62 INR crores as total income for the year FY 2017-18. The operating margin for FY 2017-18 stood at 17% compared to an operating margin of 15% for the last financial year. With a focus on better cost control, we hope to improve our operating margins for the current financial year. Known for its tradition as a good dividend paying company, our dividend payout ratio stands at 12% this year. We have decided to invest more in advertising to reach out to the masses, which would help us grow in our traditional stronghold of Tamilnadu. While affirming our faith that innovation and technology will be at the forefront of our growth, we will also be investing more on bio-medical equipments and Infrastructure this year.

As we move ahead further on the path of value creation for all our stakeholders, I would like to commend the effort of our management and staff. I thank all the directors for their valued insights and directions imparted to the Company. Your trust and confidence fuels us on the path of excellence, dear shareholders, and I look forward to your continued support in the days ahead.

Regards,

Dr. Amar Agarwal

Chairman and Managing Director,
Dr. Agarwal's Eye Hospital Limited



INDUSTRY UPDATE

Healthcare has become one of India's largest sectors - both in terms of revenue and employment. The health care sector is expected to be the core of economy with a meaningful contribution to growth. The health care growth remains intact with increased income levels, ageing population, growing health awareness and changing attitude towards preventive health care. While the outlook for the healthcare industry is optimistic, there is a need to move towards an integrated healthcare delivery system, which leverages technology and has the patient at its center. In the health care industry, the eye care segment holds a special position. This is due to the fact that India is home to 18 percent of the world's population and approximately 30 percent of the world's blind people. There is a tremendous unmet need for ophthalmic care.

Over the past 70 years, India's life expectancy rate has seen exceptional growth from a life expectancy of age 27 in 1947 to age 70 in 2016. By 2021, more than 10 percent of the population—over 140 million people—will be age 60 or over. Additional factors expected to fuel India's ophthalmic market growth include an upsurge in dietary change-related eye diseases, growing incidence of myopia, a growing middle class, and improved access to care. In terms of treatments for diseases or disorders, the largest markets are for cataract surgery, retinal drugs, and glaucoma medications.

Revenues from cataract surgery in India are expected to generate more than a quarter of the total ophthalmic market revenues in the country. In revenue terms, the two largest submarkets are cataract surgery and diagnostic equipment, followed by retina and glaucoma. Small-incision cataract surgery (SICS) is the dominant surgical procedure used to remove cataracts, accounting for over half of all cataract surgeries, but ultrasonic phacoemulsification is gaining ground. Femtosecond laser-assisted cataract surgery is also has a major presence in the market. Surgeons typically use foldable IOLs and ophthalmic viscoelastic devices with either SICS or phacoemulsification. Growth in the diagnostic equipment industry will be driven by expansion of telemedicine, advancements to automate medical records, enhanced imaging technologies, consolidations of hospitals, and a rise in Indian companies entering the market. Glaucoma, the third-largest ophthalmic submarket in India, is mainly a pharmaceutical market, and the main driver of revenue growth will be better access to glaucoma medicines. Dr Agarwal's Eye Hospital Limited, being a pioneer in eye care services for almost six decades, and being at the fore- front of innovation and patient care is in pole position to address the growing eye care needs of India's population.

FINANCIAL HIGHLIGHTS

Total Income (in ₹ Cr.)

FY 13-14
115.94

CAGR 8%

FY 17-18
155.62

EBITDA (in ₹ Cr.)

FY 13-14
13.22

CAGR 18%

FY 17-18
25.73

PBT (in ₹ Cr.)

FY 13-14
3.72

CAGR 38%

FY 17-18
13.36

PAT (in ₹ Cr.)

FY 13-14
2.43

CAGR 28%

FY 17-18
6.5



PRESS CLIPPINGS

Eye surgery made safer

'New device clears blood clots in the eye without damage'

SPECIAL CORRESPONDENT
CHENNAI

At Dr. Agarwal's Eye Hospital on Wednesday, C. Vanitha was a happy woman. Her left eye, which had been filled with blood in June and through which she could not see, is now completely healed. "I was nervous when I was told that I was undergoing a new procedure," said the 40-year-old, "but now my vision is completely restored."

The procedure Ms. Vanitha underwent was hypersonic vitrectomy using a new device, Bausch & Lomb's Hypersonic Vitrectomy System, New Stellaris Elite Vision Enhancement System, chairman of the hospital Amar Agarwal told mediapersons. "Bleeding in the eye can be caused due to uncontrolled diabetes, hypertension or even because of an injury. Up until now, removing blood clots from the eye and fixing the retina in-



Mission vision: Dr. Amar Agarwal, chairman, Dr. Agarwal's Eye Hospital, explains the functioning of the new device – Hypersonic Vitrectomy System. ■ M. KARUNAKARAN

involved using a cutter – a device that could perform 5,000 cuts per minute. This creates traction, and pulls on the retina. The new ultrasound device however, liquefies the blood and sucks it out. This increases the cutting rate to approximately 1.7 million cuts per minute, decreasing the traction, mak-

ing the procedure much safer, with no damage to neighbouring structures in the eye, and the results much better," he said.

The device has been approved by the Food and Drug Administration (FDA), USA, he said. "The device can also seal holes in the retina," he said.

அல்ட்ரா சவுண்டை பயன்படுத்தி

கண்ணில் படர்ந்த ரத்தத்தை அகற்றும் நவீன சிகிச்சை

உலகில் முதல் முறையாக அகர்வால் கண் மருத்துவமனை அறிமுகம்

சென்னை, நவ.24-
அல்ட்ரா சவுண்டை
பயன்படுத்தி கண்ணில்
படர்ந்த ரத்தத்தை அகற்
றும் நவீன சிகிச்சை முறை
உலகில் முதல் முறையாக
அகர்வால் கண் மருத்து
வமனை அறிமுகம் செய்
துள்ளது.

நவீன சிகிச்சை

சென்னை நுங்கம்பாக்கத்
தில் உள்ள டாக்டர் அகர்வால்
கண் மருத்துவமனை, புதிதாக
நவீன கண் அறுவை சிகிச்சை
முறையை அறிமுகம் செய்துள்
ளது. அதாவது, ஹைப்பர்
சானிக் விட்ரெக்டாமி சிஸ்டம்,
நியூஸ்டெல்லாரிஸ் எலீட்
விஷன் என்ஹான்ஸ்மென்ட்
சிஸ்டம் என்ற நவீன கண்
அறுவை சிகிச்சை முறையா
னது உலகிலேயே முதன்முறையாக
இங்கு தான் அறிமுகம்
செய்யப்பட்டுள்ளது.

இந்த புதிய தொழில்நுட்பம்
மூலம், வெட்டும் சாதனங்கள்
தவிர்க்கப்பட்டு, அல்ட்ரா
சவுண்ட் (மனிதனால் கேட்க
முடியாத ஒலி) மூலம் கண்
ணில் படர்ந்த ரத்தத்தை
அகற்ற முடியும். இத்தகைய
நவீன சிகிச்சை முறையில்,
வனிதா என்ற 40 வயது பெண்



வனிதாவுக்கு இடது கண்ணில் செய்யப்பட்ட நவீன சிகிச்சை
முறை குறித்து டாக்டர் அமர் அகர்வால் விளக்கும் காட்சி.

னுக்கு இடது கண்ணில்
படர்ந்த ரத்தம் அகற்றப்பட்
டுள்ளது.

கண்ணில் படர்ந்த ரத்தம்

வனிதாவுக்கு கடந்த ஜூன்
மாதம் கண்ணில் ரத்தம்
படர்ந்து, கண்சிவந்து பார்வை
தெரியாத நிலை ஏற்பட்டது.
அதன்பிறகு, அகர்வால் கண்
மருத்துவமனையில் சிகிச்
சைக்காக வந்த அவருக்கு,
இந்த புதிய தொழில்நுட்பம்
மூலம் அறுவை சிகிச்சை செய்

யப்பட்டது. தற்போது, வனி
தாவுக்கு இடது கண்ணில்
ஏற்பட்ட பார்வை குறைபாடு
சரியாகியுள்ளது.

இந்த நவீன சிகிச்சை குறித்து,
டாக்டர் அகர்வால் கண் மருத்
துவமனையின் தலைவர்
டாக்டர் அமர் அகர்வால்
கூறும்போது, "கண் விழித்
திரை பிரச்சினைகள் உள்ள
நோயாளிகளுக்கு இந்த புதிய
தொழில் நுட்பம் மூலம் மிகச்
சிறந்த சிகிச்சையை வழங்க
முடியும்" என்றார்.

**கருவிழிக் கூம்பல் நோய்க்கு
உலகத்தரம் வாய்ந்த அறுவை சிகிச்சை**

டாக்டர் அகர்வால்ஸ் கண் மருத்துவமனை சாதனை



சென்னை, 2018, ஏப்ரல் 27 : கருவிழிக் கூம்பல் நோய்க்கு அறுவைசிகிச்சையை வெற்றிகரமாக செய்திருப்பதாக டாக்டர். அகர்வால்ஸ் கண் மருத்துவமனை அறிவித்திருக்கிறது.

இந்த கண் நோயில் கருவிழிப்படலமானது மென்மையாகி, படிப்படியாக ஒரு கூம்பு வடிவமாக மாறுவதால் பார்வைத்திறனில் கடுமையான பாதிப்பை உருவாக்குகிறது.

உலகில் முதன்முறையாக நிகழ்த்தப் பட்டிருக்கிற இந்த புத்தாக்கமான அறுவைசிகிச்சை, பார்வைத்திறன் இழப்பால் அவதியுற்ற 25 வயதான உள்அலங்கார சேவை வடிவமைப் பாளருக்கு வெற்றிகரமாக செய்யப் பட்டது.

இந்த சிகிச்சை உத்தியை கண்டு பிடித்தவரும் டாக்டர். அகர்வால்ஸ் ரிஃபார்க்ட்டிவ் அண்டு கார்னியா

பவுண்டேஷனின் தலைவரும் இயக்கு நருமான டாக்டர். சூசன் ஜேக்கப், இது குறித்து விளக்கமளிக்கையில், “இந்த நோயாளிக்கு இரு கண்களிலும் கருவிழிக்கூம்பல் பாதிப்பு இருப்பது கண்டறியப்பட்டது. இத்தகைய ஒரு சூழ்நிலையின் கீழ், கருவிழியை வலுப்படுத்தும் சிகிச்சை முறையானது, அதிக பவர் மற்றும் சீரற்ற கருவிழிப் படலத்தோடே நோயாளியை இருக்கச் செய்யும். எனினும், இந்த புதிய, புத்தாக்கமான CAIRS சிகிச்சை உத்தியோடு சேர்த்து கருவிழியை வலுப்படுத்தும் செய்முறையும் மேற்கொள்ளப் பட்ட போது, நோயாளியின் பார்வைத் திறனானது, 6/12க்கு நன்றாக அபிவிருத்தி அடைந்தது. அத்துடன் கண் கண்ணாடிகளை அணியும்போது, 6/6 ஆக மேலும் முன்னேற்றம் கண்டது,” என்று கூறினார்.



Surgery helps 4-year-old see through his right eye

● **Express News Service**

Doctors at Dr Agarwal's Eye Hospital successfully performed eye surgery on a four-year-old boy from Krishnagiri district. He had been diagnosed with congenital eye muscle problem.

According to the doctors, S Karthick was diagnosed with congenital ptosis, a condition of drooping eyelid, and also *Monocular Elevation Deficiency (MED)*, a condition of downward squint in the right eye. This interfered with his vision.

From birth, he couldn't open his right eye. His parents consulted various hospitals before approaching Dr Agarwal's Eye Hospital. "Most doctors and several well-meaning people said it'll be corrected as the child grows up," said S Meenakshi, mother of Karthick.

Speaking to reporters at a press conference on Wednesday, Dr Manjula Jayakumar, paediatric ophthalmologist, who performed the procedure said, children who have congenital ptosis will also have MED. "But the prevalence of such a condition is 0.5% of all squint cases," added Dr Manjula.

Conventionally, the downward squint will be corrected in two sittings and in the third sitting the drooping of the eyelid will be corrected. "But in this case, downward squint was corrected in single sitting and after a gap of three to four weeks, the drooping eyelid was corrected," she explained.

The first procedure was performed on August 15 and the second procedure on September 10 and the child was discharged. "Now my son can see clearly with his right eye," smiled Meenakshi.

Dr Ashvin Agarwal, executive director of the hospital, said this surgical procedure is being reviewed by the Journal of American Association for Pediatric Ophthalmology and Strabismus.

His VISION becomes CLEAR now

◆ ***Dr Agarwal's Eye Hospital performs special procedure to correct cornea***

| NT Bureau |

Chennai, Apr 27:

Dr Agarwal's Eye Hospital successfully conducted a surgical treatment for Keratoconus, which is a common eye disease where the cornea bulges into a conical shape, becoming thin and seriously affecting the vision.

This procedure to correct the eye problem is called Corneal Allogenic Intra-Stromal Ring Segment (CAIRS) and was performed on G H Mohanraj (25), an interior designer, who had the disease on both eyes.

A native of Arni, he came for medical help after he found it difficult to read large letters even with the help of glasses.

Speaking at a press conference here on Thursday, Dr Agarwal's Eye Hospital executive director Dr Ashvin Agarwal said, the innovative technique called CAIRS has been proved successful and in the past one-and-a-half years, over 50 patients have been benefited from it.

CAIRS procedure is performed for patients by implanting corneal segments in the form of two semi-circular rings which alters the shape of the cornea and gives improvement in vision. It replaces



Dr Agarwal's Reflective and Cornea Foundation director and chief Dr Soosan Jacob, patient G H Mohanraj and Dr Agarwal's Eye Hospital executive director Dr Ashvin Agarwal addressing the media in Chennai on Thursday.

the usual synthetic material within the human body, he said.

Dr Agarwal's Reflective and Cornea Foundation director and chief Dr Soosan Jacob who developed the procedure said, 'This is a 20-minute procedure. The cone was stretched to make it flat using a donor tissue. Post the surgery, Mohan can now see clearly and even better with glasses. We used the synthetic prosthesis as a tool to insert the donor tissue. It is cost effective procedure.'

Mohan who was the first patient to undergo the surgery said, 'Earlier,

I could not see things which was 60 meters away, it became increasingly difficult for me to read even large letters. I could see object only when I am five meters close to it.'

It is said that youngsters are more prone to the condition. Thirteen-35 people are affected and also 2.3 per cent of the population.

Dr Ashvin said, 'If any child is seen excessively rubbing of the eyes and if the power changes every few months, then it is a warning for the disease. Family history is also another reason.'

கண் தசைகள் பாதிப்பு கொண்ட 4 வயது குழந்தைக்கு தனிச்சிறப்பான கண் அறுவைசிகிச்சை

சென்னை: பிறவி நிலை இமை இறக்கத்துடன் ஒற்றைக்கண் உயர்த்தல் குறைபாட்டை (MED) குணப்படுத்துவதற்கான, 4 வயது குழந்தைக்கு சிறப்பு

சோதனை மேற்கொள்ளப் பட்டபோது, மரபு ரீதியாக பிறப்பிலிருந்தே டபுள் எலி வேட்டர் பால்சி நிலையின் காரணமாக இக்குழந்தைக்கு வலதுகண்ணில் தீவிர



அறுவை சிகிச்சையை, உலகில் முதல் முறையாக வெற்றிகரமாக செய்துள்ளதை, சென்னை டாக்டர். அகர்வால்ஸ் கண் மருத்துவமனைகளின் குழுமத்தின் செயலாக்க இயக்குநர் டாக்டர். அஸ்வின் அகர்வால் அறிவித்தார்.

மேற்புற கண்ணிமை இறக்க குறைபாட்டுடன் உயர்த்தும் திறன் இல்லாத காரணத்தால் வலதுகண்ணில் கீழ்நோக்கிய இடம் மாற்ற பிரச்சினையுள்ள 4 வயதாகும் குழந்தைக்கு இந்த அறுவைசிகிச்சை செய்யப்பட்டது. இப்பிரச்சினையினால் பிறப்பிலிருந்தே சோம்பல் கண்ணின் காரணமாக, இக்குழந்தைக்கு பார்வைத்திறன் குறைபாடு இருந்து வந்தது.

முழுமையான பரி

ப்பார்வைத்திறன் பாதிப்பு இருந்தது அறியப்பட்டது. இத்தகைய நிலையானது, அனைத்து மாறுகண் நேர்வுகளில் 0.5% ஆக காணப்படுகிறது.

இந்த சிகிச்சை குறித்து, அகர்வால்ஸ் கண் மருத்துவமனையின் குழந்தைகளுக்கான கண் சிகிச்சை நிபுணர் டாக்டர். மஞ்சளா ஜெயக்குமார் பேசுகையில், வழக்கமாக மேற்கொள்ளப்படும் அறுவை சிகிச்சை நடைமுறை என்பது, முதல் அமர்வின்போது இன்ஃப்ரீயர் தசை வலுவிறப்பை செய்யப்படும். அதைத் தொடர்ந்து சுமார் 4 மாதங்கள் கழித்து க்னாப்ஸ் அறுவைசிகிச்சை செய்யப்படும். இதில் பலவீனமான சுப்பீரியர் தசைக்கு உயர்த்துதல் திறனை வழங்க இரு கிடை

மட்டமான தசைகள் இடமாற்றம் செய்யப்படுகின்றன. இந்த இரு அமர்வுகள் அறுவைசிகிச்சையை 4 மாத இடைவெளியோடு செய்வதற்கு பதிலாக இந்நோயாளிக்கு ஒரே அமர்விலேயே இந்த தனித்துவமான அறுவைசிகிச்சை செய்யப்பட்டுள்ளது.

இன்ஃப்ரீயர் தசை வலுவிறப்பானது, பலவீனமான சுப்பீரியர் தசைக்கு ஒரேயொரு தசை இடமாற்றத்தோடும் மற்றும் உயர்த்துதலுக்கான மேம்பாட்டுக்கு அதிகமாக்குதல் செயல்பாடும் சிறப்பான அறுவைசிகிச்சை பலனை விளைவித்திருக்கிறது. இந்த சிகிச்சைமுறையின் ஆதாயம் என்னவென்றால், மாறுகண் பிரச்சினைக்கு ஒரே அறுவைசிகிச்சை மூலம் விரைவான சரிசெய்யும் சிகிச்சை பலன் குழந்தைக்கு கிடைத்திருக்கிறது. மாறுகண் பிரச்சினைக்கு ஒரேயொரு அறுவைசிகிச்சை செய்வதன் மூலம் கண்ணிமை இறக்க பிரச்சினையானது, 3 வாரங்களில் சரி செய்யப்படுவதன் மூலம் நோயாளிக்கு விரைவாகவே பார்வைத்திறன் சீரமைப்பு கிடைக்கப்பெறுகிறது. வழக்கமான அறுவைசிகிச்சையில் முழுமையான அறுவைசிகிச்சை பலனை பெற்று குணமடைய குறைந்தபட்சம் 5 மாத காலஅளவே தேவைப்படும். அறுவைசிகிச்சை செய்யப்பட்ட எங்களுக்கு நோயாளிக்கு விரும்பத்தக்க அளவில் எழிலூட்டல் கிடைத்திருப்பதோடு, பார்வைத்திறனும் 6/60-லிருந்து 6/18 ஆக முன்னேற்றம் அடைந்திருக்கிறது என்று கூறினார்.

Awards & Honours



PDEK Book Release

Hon'ble Vice President of India, Shri. M. Venkaiah Naidu released a book on Pre Descemets Endothelial Keratoplasty(PDEK) by Prof. Dr. Amar Agarwal in the presence of Hon'ble Health Minister of Tamilnadu Shri. Dr. C. Vijayabasker and Hon'ble Shri. D. Jayakumar, Minister of Fisheries, Tamilnadu.



Visionary Award

Dr. Ashvin Agarwal was awarded the prestigious "Visionary award" at American - European congress of Ophthalmic Surgery(AECOS).

Dr. Ashvin Agarwal is the only Indian and the youngest person to receive this eminent award for his contribution to the field of Ophthalmology.



CNBSC TV 18 Indian Healthcare And Wellness Award In Ophthalmology

Dr. Agarwal's Eye Hospital has won centre of excellence in best ophthalmology @ India Healthcare and Wellness Awards by CNBC-TV18 and ICICI Lombard.



RECEPTION

The image shows the reception area of Dr. Agarwal's Eye Hospital. The word 'RECEPTION' is written in white capital letters on a blue background. Below it, the hospital's logo is visible, featuring a stylized eye and the name 'Dr. Agarwal' in blue. The background wall is white with blue dots. The foreground shows a white reception counter.

Dr. Agarwal

NABH Accredited
DR. AGARWALS EYE HOSPITAL
PORUR

PHARMACY

HOW MANY
FACES DO YOU SEE?

Comment on Facebook or
Tweet to us at @dragarwal_eye



NABH Accredited
DR. AGARWALS EYE HOSPITAL
SALEM



மதுரை



Dr. Agarwal's
Eye Hospital
For eyes like new

LAUNCH OF
DR. AGARWALS EYE HOSPITAL
MADURAI - KK NAGAR





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CORPORATE INFORMATION

DIRECTORS

Dr. Amar Agarwal (DIN 00435684)	Chairman Cum Managing Director
Dr. Athiya Agarwal (DIN 01365659)	Wholetime Director
Dr. Adil Agarwal (DIN 01074272) (upto 28.09.2017)	Director
Dr. Anosh Agarwal (DIN 02636035) (upto 28.09.2017)	Director
Mr. M.R.G Apparao (DIN 01002591)	Independent Director
CA Sanjay Anand (DIN 02501139)	Independent Director

CHIEF FINANCIAL OFFICER

Mr. R. Sabesan (upto 31.03.2018) Presently Ms. Saradha Govindarajan

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Hema Nagarajan (upto 31.05.2017) Presently Mr. S. Lakshmi Narasimhan

AUDITORS

M/s. Deloitte Haskins & Sells.
Chartered Accountants,
ASV N Ramana Towers, 52, Venkatanarayana Road,
T.Nagar, Chennai – 600 017.
Ph: 044-6688500

BANKERS TO THE COMPANY

State Bank of India,
Industrial Finance Branch
Chennai-600 002

REGISTERED OFFICE

3rd Floor, Buhari Towers, No. 4, Moores Road
Off Greams Road, Chennai- 600 006
Website: www.dragarwal.com
CIN NO: L85110TN1994PLC027366
Telephone: 91-44-39916600
Email: investor@dragarwal.com

SHARE TRANSFER AGENTS

Integrated Registry Management Services Private Limited.
2nd floor, Kences Towers,
No.1 Ramakrishna Street
North Usman Road, T Nagar
Chennai - 600 017
Tel - 2814 0801-03
Email: corpserv@integratedindia.in



₹ in crore

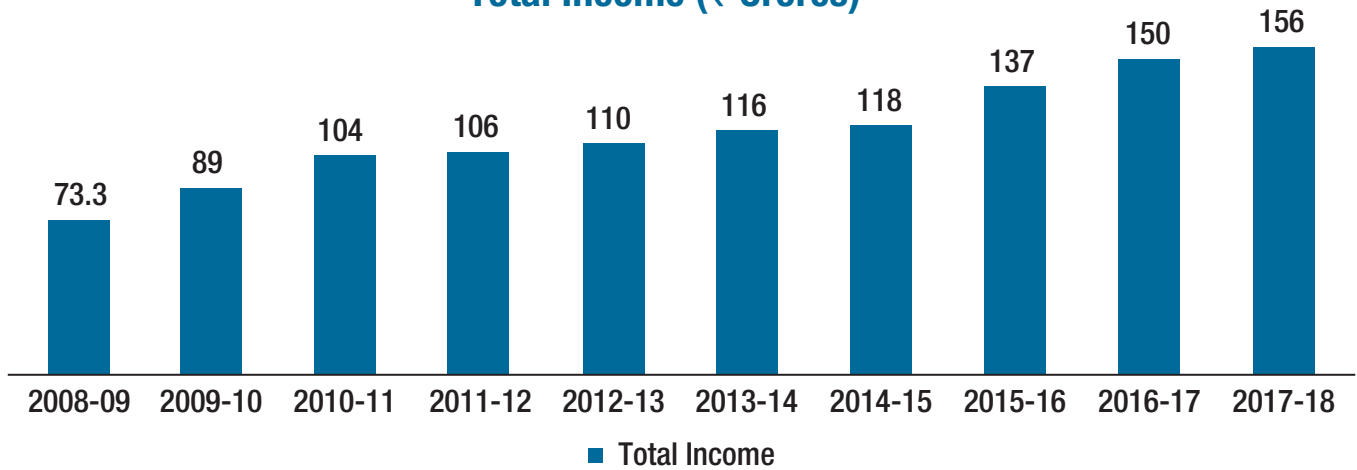
10 YEAR FINANCIAL HIGHLIGHTS

For the year ended	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Total Income	155.62	150.20	136.84	118.37	115.94	109.73	105.68	104.01	88.89	73.30
EBITDA	25.73	23.05	14.64	14.73	13.22	13.39	13.00	13.77	11.42	9.69
EBITDA%	17%	15%	11%	12%	11%	12%	12%	13%	13%	13%
Depreciation	9.78	8.74	11.38	6.15	6.05	5.38	5.56	6.15	6.44	5.48
PBT	13.36	10.97	-0.48	5.36	3.72	4.43	2.92	3.60	0.99	0.60
PBT%	8.59%	7.31%	-0.35%	4.53%	3.21%	4.04%	2.76%	3.46%	1.11%	0.82%
PAT	6.50	7.07	0.03	5.70	2.43	3.14	1.60	2.05	0.52	0.20
Profit After Tax %	4.18%	4.71%	0.02%	4.82%	2.10%	2.86%	1.51%	1.97%	0.58%	0.27%
Equity Share capital	4.7	4.70	4.70	4.70	4.70	4.50	4.50	4.50	4.50	4.50
Reserves	30.36	24.70	18.72	19.06	14.28	11.14	8.63	7.02	5.60	5.50
Net Worth (NW)	35.06	29.40	23.42	23.76	18.98	15.64	13.13	11.52	10.10	10.00
Loan funds	17.67	21.73	24.92	18.81	18.89	19.55	20.99	24.16	26.78	29.93
Capital Employed (CE)	52.73	51.13	48.34	42.57	37.87	35.19	34.12	35.68	36.88	39.93
Return on Networth %	18.55%	24.05%	0.13%	23.99%	12.81%	20.08%	12.19%	17.80%	5.15%	2.00%
Return on Capital Employed %	48.80%	45.08%	30.29%	34.60%	34.91%	38.05%	38.10%	38.59%	30.97%	24.27%
Debt/ Equity ratio	0.50	0.74	1.06	0.79	1.00	1.25	1.60	2.10	2.65	2.99
Dividend	12%	15%	8%	12%	12%	12%	-	12%	8%	-
Earnings Per Share ₹	15.05	13.84	0.08	12.12	5.25	6.98	3.56	4.55	1.16	0.44

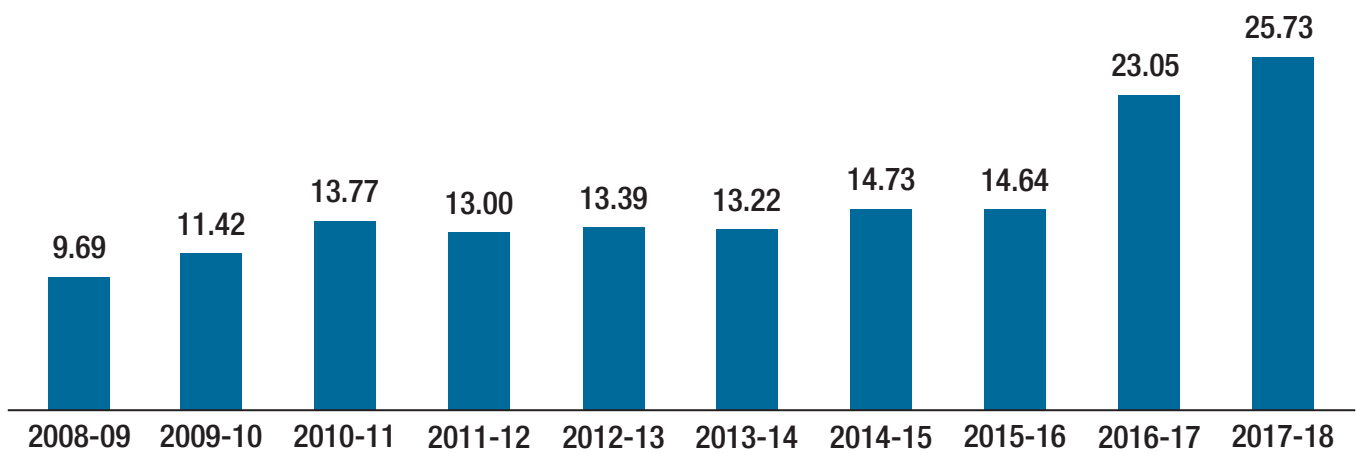
Note:- The numbers for FY 2017-18 and FY 2016-17 have been re-stated as per IND-AS



Total Income (₹ Crores)



EBITDA (₹ Crores)





Notice to shareholders

NOTICE IS HEREBY GIVEN that the 24th Annual General Meeting of the shareholders of the company will be held on Thursday, August 30th 2018 at 11.00 am at No 19 (Old no 13), Cathedral Road, Chennai 600086 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2018 and statement of Profit and Loss for the year ended on that date, the Report of the Directors and Auditor's thereon.
2. To declare dividend.
3. To appoint a director in place of Dr. Athiya Agarwal who retires by rotation and being eligible offers herself for re-appointment

SPECIAL BUSINESS:

4. Ratification of Remuneration to Cost Auditor for the Year 2017-18

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 Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable for the year 2017-18 to Mr. P. Raju Iyer, Cost Accountant (Membership No: 6987) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-18, amounting to a remuneration of ₹ 65,000 plus service applicable tax and re-imbursement of out of pocket expenses incurred by him in connection with the aforesaid audit be and is hereby ratified and confirmed."

For and on behalf of the Board

Sd/-

Place: Chennai
Date: May 28, 2018

DR AMAR AGARWAL
Chairman Cum Managing Director

NOTES:-

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business set out in the Notice is annexed.
2. A MEMBER OF THE COMPANY, WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM / HER AND THE PROXY NEED NOT BE A MEMBER.
3. Instrument of Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the Annual General Meeting. A Form of Proxy for the AGM is enclosed.
4. The Register of Directors and KMPs and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
5. Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of members and the share transfer books of the company will remain closed from August 24, 2018 to August 30, 2018 (both days inclusive).
7. **Dividend if declared, will be paid to the Members whose names appear on the Register of Members as on August 23, 2018 and in respect of shares held in Electronic Form, to the beneficial owners, as per list that will be furnished by National Securities Depository Limited/ Central Depository Services (India) Limited, as on August 23, 2018.**
8. Members are requested to notify immediately, changes in their respective addresses through their registered email address, if any, quoting their folio number so that the dividend warrants are correctly despatched.



9. Shareholders / proxy holders are requested to bring their copy of the annual report with them at meeting and to produce at the entrance, the attached admission slip duly completed and signed, for admission to the meeting hall.
10. Members who hold their shares in electronic mode are requested to direct change of address notifications and updates of saving bank account details to their DPs. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
11. Members are requested to write to the Registrar and Share Transfer Agents of the Company, Integrated Registry Management Services Private Limited, Chennai for more information, if any needed, on Nomination facility and/ or to get a copy of Nomination Form, for shares held in physical mode. For shares held in demat mode, Members are requested to contact their respective Depository Participant for availing Nomination facility.
12. Members desirous of getting any information about the accounts and operation of the company are requested to address their query to the company at the Registered Office of the company well in advance so that the same may reach at least seven days before the date of meeting to enable the management to keep the required information readily available at the meeting.
13. Under the provisions of Section 124 of the Companies Act, 2013 (Section 205 A of the Companies Act, 1956), dividends remaining unpaid for a period of 7 years will be transferred to the Investor Education and Protection Fund (IEP Fund) of the Central Government. It may also be noted that once the unclaimed dividend is transferred to IEP Fund, no claim shall lie in respect thereof. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company or Share Transfer Agent for claiming the amount before it is transferred to the Fund. The details of due dates for transfer of such unclaimed dividend to the said Fund are given below.

Financial year ended	Dividend %	Date of declaration Dividend	Due date for transfer to IEPF Authority	Amount ₹
2010-11	12%	23.08.2011	28.09.2018	₹1,65,424.80
2011-12	NIL	NA	NA	NIL
2012-13	12%	13.08.2013	19.09.2020	₹1,92,176.40
2013-14	12%	09.09.2014	15.10.2021	₹1,97,492.40
2014-15	12%	10.09.2015	16.10.2022	₹1,95,300.00
2015-16	8%	23.08.2016	29.09.2023	₹1,34,224.00
2016-17	15%	23.08.2017	29.09.2024	₹2,55,316.50

The Shareholders who have not claimed the dividends are requested to claim the same before the due dates as mentioned above after which the amount will be transferred to IEP Authority.

14. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the step towards Corporate Governance" to allow paperless compliance by the corporate sector. MCA, vide its Circular dated 21st April 2011, has now made permissible the service of documents through electronic mode to shareholders.

To support the Green Initiative of MCA, it is proposed to send, henceforth, all Notices, Annual Report and other communications through e-mail. For the above purpose, we request you to send an e-mail confirmation to our designated ID mentioning your name, DP/Customer ID or Folio number and your email ID for communication.

On this confirmation, we would, henceforth, send all Notices, Annual Report and other communications through e-mail. Copies of the said documents would be available in the Company's website for your access. We request you to support the Green Initiative of the Government by opting for electronic mode of receiving our corporate communications.

15. Wherever the name of the director appears the same to be read with the DIN no. of the concerned Director as appearing above in this Notice.

INSTRUCTION FOR REMOTE E-VOTING

1. In compliance with provision of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014 as amended by the Companies (M&A) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to offer the option of Remote e-voting to all the members of the Company to cast their vote on resolution proposed to be considered at the ensuing Annual General Meeting (AGM). The facility of casting the votes by the members using Remote e-voting system from a place other than venue of the AGM will be provided by National Securities Depository Limited (NSDL).



2. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on August 27, 2018 (9:00 am) and ends on August 29, 2018 (5:00 pm). During this period members of the company holding shares either in physical form or in dematerialized form, as on the cut-off date of August 23, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, he / she shall not be allowed to change it subsequently.
5. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the company / Depository Participant(s)].
 - i. Open email and open PDF file viz. "Dr. Agarwal's Eye Hospital remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/ PIN for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on shareholder- Login
 - iv. Put user ID and password as initial password / PIN noted in step (i) above.
 - v. Click Login. Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep you password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select EVEN (E-Voting Event Number) of Dr. Agarwal's Eye Hospital Limited.
 - viii. Once you enter the number, the 'Cast Vote' Page will open. Now you are ready for remote e-voting.
 - ix. Cast your vote by selecting appropriate option and click on Submit and also click on Confirm when prompted.
 - x. Upon confirmation, the message 'Vote Cast Successfully' will be displayed.
 - xi. Kindly note that vote once cast cannot be modified.
 - 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, etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at bhansalifcs@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM (for members whose e-mail IDs are not registered with the Company/ Depository participant(s) or requesting physical copy)
 - i. Initial Password is provided as below/ at the bottom of the Attendance Slip for the AGM.

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN
 - ii. Please follow all steps from "Sl.No.ii to Sl.No.xii" above, to caste vote.
6. In case of any queries you may refer the Frequently Asked Question (FAQs) for members and remote e-voting user manual for members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact NSDL by email at evoting@nsdl.co.in



7. If you are already registered with NSDL remote e-voting then you can use your existing user ID and password / PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
8. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).
9. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date of August 23, 2018.
10. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e August 23, 2018 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.
If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
11. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the AGM through ballot paper.
12. Mr. N.K Bhansali Practicing Company Secretary (Membership No. FCS 3942), has been appointed as the scrutinizer to scrutinize the voting at the AGM and remote e voting process in a fair and transparent manner.
13. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" / "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility,
14. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, within 48 hours of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
15. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.dragarwal.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The result shall also be immediately forwarded to the BSE Limited.
16. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, brief profile of the Directors seeking re-appointment at the forthcoming Annual General Meeting is as follows:

Name of Director	Expertise in Specific Functional Areas	Qualifications	Directorship in Other Listed Companies	No. equity shares held in the Company	Relationship with other Directors	Chairman / Member of Committee in other Listed Companies
Dr. Athiya Agarwal	A leading Anterior Segment surgeon and Ocular Pathologist	MD, F.R.S.H (Lon), DO.	NIL	NIL	She is related to Dr. Amar Agarwal, Dr. Adil Agarwal* & Dr. Anosh Agarwal* *Up to 28/09/2017	NIL

For and on behalf of the Board

Sd/-

Place : Chennai
Date : May 28, 2018

DR AMAR AGARWAL
Chairman Cum Managing Director



EXPLANATORY STATEMENT U/S 102 OF THE COMPANIES ACT 2013:

ITEM NO 4:

In terms of Section 148 of the Act and the Rules made thereunder, the Company is required to maintain Cost Audit records and to have the same audited by a Cost Auditor. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 17th August, 2017, appointed Mr. P. Raju Iyer, Cost Accountant (Membership No: 6987) , as Cost Auditor, for conducting the Cost Audit for the year 2017-18 at a remuneration of ₹ 65,000/- plus applicable service tax and reimbursement of out-of-pocket expenses at actuals. Rule 14 of Companies (Audit and Auditors) Rules, 2014, as amended, requires that the remuneration payable to the Cost Auditor be ratified by the members. Hence the resolution at Item No.4 of the Notice.

The Board recommends that the remuneration payable to the Cost Auditor in terms of the resolution set out at Item No.4 of the accompanying Notice be confirmed, approved and ratified by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except as a member of the company.

For and on behalf of the Board

Sd/-

Place : Chennai

Date : May 28, 2018

DR AMAR AGARWAL

Chairman Cum Managing Director



DIRECTORS' REPORT

Your Directors have pleasure in presenting before you the Twenty Fourth Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2018

PERFORMANCE:

The highlights of the financial of your company are as under:

₹ in Lakhs

Particulars		March 31, 2018	March 31, 2017
I	Revenue from Operations	15,332.13	14,854.19
II	Other Income	230.00	165.35
III	Total Income (I+II)	15,562.13	15,019.54
IV	Expenses		
	Purchases of Stock-in-trade	1,896.47	1,751.75
	Changes in inventory of stock-in-trade	(81.82)	72.52
	Employee benefit expense	3,198.03	3,249.33
	Finance costs	259.04	333.30
	Depreciation and amortisation expense	978.18	874.18
	Other expenses	7,976.14	7,640.98
	Total expenses (IV)	14,226.04	13,922.06
V	Profit before tax (III-IV)	1,336.09	1,097.48
VI	Tax expense		
	(a) Current tax (including prior years)	644.35	460.00
	(b) Deferred tax	14.22	(96.35)
		658.57	363.65
VII	Profit for the Year (V-VI)	677.52	733.83
VIII	Other Comprehensive Income		
	Items that will not be reclassified to profit or loss		
	(a) Remeasurements of the defined benefit liabilities / (asset)	(38.19)	(40.75)
	(b) Income tax relating to items that will not be reclassified to profit or loss	11.12	14.10
	Total other comprehensive (loss) / income for the year	(27.07)	(26.65)
IX	Total comprehensive income for the year (VII+VIII)	650.45	707.18

Note:-The company has implemented IND AS wef 01/04/2017 with a transition date of 01/04/2016 . Consequently, results for the financial year ended 31/03/2018 have been prepared in accordance with Ind AS prescribed under section 133 of the CA 2013 and other accounting principles generally accepted in India The previous year figures have been reclassified to conform to Ind AS presentation requirement



COURSE OF BUSINESS AND OUTLOOK / BUSINESS PERFORMANCE

During the year under review, the company had achieved a turnover of ₹ 153 crores, as compared to ₹ 149 crores in the previous year's financial years. The profit before tax at ₹ 13.36 crores as compared to last year's profit of 10.97 Crore. We were able to make significant improvements in key business parameters relating to Margins, Costs, Working Capital management and Finance Charges. Over the past few years, we have made sustained efforts to improve competitiveness through a number of initiatives. Most of these have reached maturity. The steady improvement over the past few years and the positive results during the year is a result of these initiatives.

DIVIDEND

Your Directors recommend a dividend of 12 % on the paid up equity share capital of your Company, for the financial year ended 31st March 2018 exclusive of dividend distribution tax, which will result in the out flow of ₹ 56.4 lacs.

TRANSFER TO RESERVES:

Your Company does not propose to transfer any amount to the General Reserve during the year.

DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the said financial year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees and made any investments as covered under the provisions of section 186 of the Companies Act, 2013 during the said financial year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has an adequate system of internal control in place, which has been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting.

DIRECTORS / KEY MANAGERIAL PERSONNEL:

In accordance with Section 152 of the Companies Act 2013 and as per the Articles of Association of your Company, Dr. Athiya Agarwal, Whole Time Director, retires by rotation at the ensuing Annual General Meeting, and being eligible offers herself for being re-appointed. The Board recommends for her re-appointment.

During the year under review, Ms. Hema Nagarajan, the Company Secretary had resigned from the services on 31st May 2017.

Mr. S. Lakshmi Narasimhan was appointed as Company Secretary effective 22nd November 2017.



All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The composition of the Board of Directors of the Company and other details related to the board is furnished in the Corporate Governance Report annexed to this report.

BOARD EVALUATION

The nomination & remuneration committee as well as the board have reviewed the evaluation of performance of the board as a whole, various committees and also of the individual directors. The manner in which the evaluation was carried out has been disclosed in the CGR attached to this report. The Board carries out the annual performance evaluation of its own performance, of the Directors individually as well as the evaluation of working of its various Committees. A structured analysis is done after taking into consideration the inputs received from Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, Execution and Performance of specific duties, obligations and governance. A separate exercise is carried out to evaluate the performance of individual Directors including the Chairman of the Board, who are evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and of its minority shareholders etc.

COST AUDITOR:

Pursuant to Section 148 of the Companies Act 2013, read with relevant rules, and based on the Audit Committee, the Board of Directors approved the appointment of Mr.P. Raju Iyer (Membership No 6987) as the Cost Auditor of the Company for the Financial Year 2017-18.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure-I** to this report.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are being annexed as part of the Annual Report as **Annexure-II** to this report.

SECRETARIAL AUDIT REPORT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. N.K Bhansali Practising Company Secretary (Membership No: FCS 3942) to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit report is annexed as **Annexure- III** to this report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Management Discussion and Analysis Report is annexed as **Annexure - IV** to this report.

RISK MANAGEMENT:

Your Company continues to have an effective Risk Management. The management continuously oversees the risk management process including identification, impact assessment and drawing mitigation plans. The details of risks perceived by the Management are annexed as part of the Management Discussion and Analysis Report.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE:

The Company is exploring new technologies and improving the existing technologies applicable to the Hospital Business. In all its new locations, the company has been using LED technology lamps to conserve energy as well as costs.

FOREIGN EXCHANGE EARNINGS / OUTGO:

Foreign Earnings : Nil (Previous Year ₹ 6.53 lakhs on account of services rendered)

Foreign Outgo : ₹ 270.74 lakhs (Previous Year ₹ 264.24 lakhs) towards Purchase of Consumables.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134 clause (C) of sub-section (3) of the Companies Act, 2013, the Directors would like to state that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The directors have prepared the annual accounts on a going concern basis.
- (v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Vigil Mechanism / Whistle Blower Mechanism

The Company has a vigil mechanism to deal with instances of fraud and mismanagement, if any. The details of the Policy is posted on the website of the Company.

Corporate Social Responsibility (CSR) Committee

The Company has constituted CSR Committee and following are the members:-

- a Dr. Athiya Agarwal- Chairperson
- b Dr. Amar Agarwal, Member
- c. CA Sanjay Anand- Member



The CSR policy pursuant to the provisions of Section 135 of the Companies Act, 2013 is available in your company's website www.dragarwal.com. Your Company has incurred expenditure amounting to ₹ 9.80 lakhs by way of contribution towards CSR responsibilities (please refer details as per annexure).

The Company's total spending on CSR is 2% of the average net profit for the immediately preceding three financial years. The report on CSR activities is given in **Annexure V** forming part of this Report.

Report on Corporate Governance

A report on Corporate Governance as well as a certificate from a Practicing Company Secretary confirming the compliance with the conditions of the Corporate Governance are annexed as **Annexure - VI** to this Report.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been setup by your Company to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18

- a. No. of complaints received : Nil
- b. No of complaints disposed off : NA

EMPLOYEE RELATIONS:

Employee relations throughout the company were harmonious. The board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the company's vision and strategy to deliver another record performance.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have potential conflict with interest of the company at large. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, and the Rules there under. This policy was considered and approved by the Board has been uploaded on the website at www.dragarwal.com



ANNEXURES FORMING A PART OF THIS REPORT OF THE DIRECTORS:

The following annexures referred in this report and other information which are required to be disclosed are attached and forms an Integral part of this report

ANNEXURE	PARTICULARS
I	Extract of Annual Return (MGT 9)
II	Information required under section 197 of the Companies Act, 2013
III	Secretarial Audit Report
IV	Management Discussions and Analysis Report
V	Report on Corporate Social Responsibility Activities
VI	Corporate Governance Report

ACKNOWLEDGEMENTS:

Your directors wish to place on record their appreciation for the continuous support received from the members, customers, suppliers, various statutory bodies of the Government of India and the company's employees at all levels.

For and on behalf of the Board

Sd/-

Place: Chennai

Date: May 28, 2018

DR AMAR AGARWAL

Chairman Cum Managing Director



Annexure - I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018

Of

DR. AGARWAL'S EYE HOSPITAL LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013

And

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN:	L85110TN1994PLC027366
ii.	Registration Date [DDMMYY]	22/04/1994
iii.	Name of the Company	DR. AGARWAL'S EYE HOSPITAL LIMITED
iv.	Category / Sub-category of the Company	1. Public Company 2. Limited by shares
v.	Address of the Registered office and contact details	3 rd Floor, Buhari Towers, No.4, Moores Road, off Greams Road, Chennai - 600 006, Tamilnadu Tel : 91-44-39916669 Fax: 91-44-39916645 narasiman.l@dragarwal.com
vi.	Whether listed company Yes /No	Yes (Listed in BSE only)
vii.	Name and Address of Registrar & Transfer Agents (RTA)	
	Registrar & Transfer Agents (RTA):-	Integrated Registry Management Services Private Limited
	Address	2 nd floor, Kences Towers, No.1 Ramakrishna Street, North Usman Road, T Nagar
	Town / City	Chennai
	State	Tamilnadu
	Pin Code:	600 017
	Telephone (With STD Area Code Number)	044 - 2814 0801 / 03
	Fax Number :	44 - 2814 2479

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Hospital & Health related services, nursing homes, clinics, medical, research and other institutions and establishments for eye care and treatment, other health care facilities.	85110	74.49
2	Hospital Related Trading and other Activities	47721	25.51

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of Shares held	Applicable Section
1	Dr. Agarwal' s Health Care Ltd	U85100TN2010PLC075403	Holding	71.75	2(46) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April -2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s	-	-	-	-	-	-	-	-	-
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	145,800	145,800	3.10	-	145,800	145,800	3.10	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3,372,408	-	3,372,408	71.75	3,372,408	-	3,372,408	71.75	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Specify)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	3,372,408	145,800	3,518,208	74.86	3,372,408	145,800	3,518,208	74.86	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2) Non-Institutions									
a) Bodies Corp.									
i) Indian	109,965	7,500	117,465	2.50	129,421	4,500	133,921	2.85	0.35
ii) Overseas	-	17,300	17,300	0.37	-	-	-	-	(0.37)
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	458,337	252,366	710,703	15.12	448,396	161,441	609,837	12.98	(2.15)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	328,862	-	328,862	7.00	328,289	-	328,289	6.98	(0.01)
c) Others:-Unclaimed Securities Sus A/c	4000	-	4,000	0.09	1,700	-	1,700	0.04	(0.05)
Non Resident Indians	3,143	-	3,143	0.07	6,805	-	6,805	0.14	0.08
IEPF Authority	-	-	-	-	101,139	-	101,139	2.15	2.15
Clearing Members	319	-	319	0.01	100	-	100	0.00	(0.00)
Limited liability partnership	-	-	-	-	1	-	1	0.00	0.00
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	904,626	277,166	1,181,792	25.14	1,015,851	165,941	1,181,792	25.14	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	904,626	277,166	1,181,792	25.14	1,015,851	165,941	1,181,792	25.14	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4,277,034	422,966	4,700,000	100.00	4388,259	311,741	4,700,000	100.00	(0.00)



ii. Shareholding of Promoter:

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (31/03/2017)			Share holding at the end of the year (31/03/2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dr. Sunita Agarwal	145700	3.10	0	145700	3.10	0	0
2	Pankaj Sondhi	100	0.00	0	100	0.00	0	0
3	Dr. Agarwal's Health Care Limited	3372408	71.75	28.72	3372408	71.75	71.75	0
	Total	3518208	74.86	28.72	3518208	74.86	71.75	0

iii. Change in Promoters' Shareholding (please specify, if there is no change):

Sl No	Share Holders Name	Shareholding at the beginning of the year (31/03/2017)		Cumulative Shareholding during the year (31/03/2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dr. Sunita Agarwal				
	At the beginning of the year	145,700	3.1	145,700	3.1
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	145,700	3.1	145,700	3.1
2	Mr.Pankaj Sondhi				
	At the beginning of the year	100	0	100	0
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	100	0	100	0
3	Dr. Agarwal's Health Care Limited				
	At the beginning of the year	3,372,408	71.75	3,372,408	71.75
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	3,372,408	71.75	3,372,408	71.75



iv. Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Changes during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ASHA MUKUL AGRAWAL						
	At the beginning of the year	55453	1.18				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):						
	At the end of the year	-	-			55453	1.18
2	DINERO WEALTH ADVISORS PRIVATE LIMITED						
	At the beginning of the year	49398	1.051				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):						
	At the end of the year	-	-			49398	1.051
3	DIPAN MAHENDRABHAI DESAI						
	At the beginning of the year	45457	0.967				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):						
	At the end of the year	-	-			45457	0.967
4	MIHIR JANAK JESRANI						
	At the beginning of the year	45360	0.965				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):						
	16/06/2017			640	0.014	46000	0.979
	14/07/2017			1000	0.021	47000	1
	At the end of the year	-	-			47000	1
5	P SRIDHAR						
	At the beginning of the year	38434	0.818				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-			-	-
	22/12/2017			428	0.009	38862	0.827
	At the end of the year	-	-			38862	0.827



Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Changes during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	S BRINDA						
	At the beginning of the year	28732	0.611				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-			-	-
	5/1/2018			1164	0.025	29896	0.636
	At the end of the year					29896	0.636
7	ARIHANT SECURITIES LIMITED						
	At the beginning of the year	23643	0.503				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-			-	-
	At the end of the year					23643	0.503
7	MUKESH KANOOGA S						
	At the beginning of the year	23585	0.502				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-			-	-
	13/10/2017			-5000	-0.106	18585	0.395
	10/11/2017			-314	-0.007	18271	0.389
	17/11/2017			-335	-0.007	17936	0.382
	1/12/2017			-500	-0.011	17436	0.371
	8/12/2017			-47	-0.001	17389	0.37
	5/1/2018			-220	-0.005	17169	0.365
	30/03/2018			-1501	-0.032	15668	0.333
	At the end of the year					15668	0.333
8	PARAS KANOOGA M						
	At the beginning of the year	22627	0.481				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):						
	At the end of the year					22627	0.481
10	GLOBAL PRESENCE HOLDINGS LIMITED						
	At the beginning of the year	17300	0.368				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-			-	-
	30/03/2018			-17300	-0.368	0	0
	At the end of the year					0	0

V. Shareholding of Directors and Key Managerial Personnel:

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	CA Sanjay Anand, Independent Director				
	At the beginning of the year	12603	0.268	12603	0.268
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	12603	0.268	12603	0.268

VI. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	200,037,893	-	-	200,037,893
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,927,002	-	-	1,927,002
Total (i+ii+iii)	201,964,895	-	-	201,964,895
Change in Indebtedness during the financial year				
Addition	5,620,000	-	-	5,620,000
Reduction	72,889,513	-	-	72,889,513
Net Change	(67,269,513)	0	0	(67,269,513)
Indebtedness at the end of the financial year				
i) Principal Amount	132,768,380			132,768,380
ii) Interest due but not paid	1,178,773			1,178,773
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	133,947,153	0	0	133,947,153



VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Sl. No	Particulars of Remuneration	Total Amount		
		Dr Amar Agarwal	Dr. Athiya Agarwal	Total
1	Gross salary	6,580,645	6,580,645	13,161,290
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total (A)	6,580,645	6,580,645	13,161,290
	Ceiling as per the Act	8,400,000	8,400,000	18,200,000

B. Remuneration to Other Directors (exclusive of tax):

Sl. No	Particulars of Remuneration	Name of Directors		
		Mr. M.R.G. Apparao	CA Sanjay Anand	Total
1	Independent Directors	50000	50000	100000
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	50000	50000	100000
2	Other Non-Executive Directors	-	-	-
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	0.00	0.00	0.00
	Total (B)=(1+2)	50000	50000	100000
	Total Managerial Remuneration	50000	50000	100000
	Overall Ceiling as per the Act	1000000	1000000	2,000,000


C. Remuneration to Key Managerial Personnel other than MD/Managers/ WTD:

SI No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS *	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	6,89,056.00	3,545,400.00	4,234,456.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	6,89,056.00	3,545,400.00	4,234,456.00

*Consisting the remunerations paid to Ms. Hema Nagarajan, erstwhile CS and Mr. S Lakshmi Narasimhan, present CS

VIII. PENALTIES / PUNISHMENT / COMPUNDING OF OFFENCES:

There were no penalties / punishments / compounding of offences for the year ended 31st March 2018.



Annexure - II

The information required under Section 197 of the Companies Act, 2013 and Rules made there-under, in respect of employees of the Company is as follows:-

INFORMATION REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013:

1. Ratio of the remuneration of each director to the median remuneration;

Director	Ratio
Dr. Amar Agarwal	36.56
Dr. Athiya Agarwal	36.56

2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Director	% Increase
Dr. Amar Agarwal	133
Dr. Athiya Agarwal	133
Key Managerial Personnel (KMP)	
Mr. S.Lakshmi Narasimhan- Company Secretary *	NA
Mr. R. Sabesan- Chief Financial Officer	6%

*S.Lakshmi Narasimhan had joined as Company Secretary in the month of November 2017.

3. The Percentage increase in the median remuneration of employees in the financial year - 10.50 %

4. The number of permanent employees on the rolls of company - 830

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof;

Refer point 3

6. Affirmation that the remuneration is as per the remuneration policy of the company;

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2018;

- (a) Personnel who are in receipt of remuneration aggregating not less than ₹ 120,00,000 per annum and employed throughout the financial year: Nil



The details of top ten employees in terms of remuneration drawn during the financial year 2017-2018 as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 duly amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules 2016, are as follows:

Name and Age	Designation/Nature of duties	Gross Remuneration paid (₹)	Qualification & Experience (years)	Date of Commencement	Previous
				of Employment	Employment
JAGANNATHAN V (57)	GROUP PRESIDENT	8,151,000	BSC PGDM 36 years	2-Dec-13	Spencer & Company Limited
Dr.ATUL DHAWAN(41)	DOCTOR	4,807,700	MBBS, MS, FELLOWSHIP (11 years)	15-Sep-08	MLN Medical College
SARADHA GOVINDARAJAN (32)	VICE PRESIDENT - STRATEGY & OPERATIONS	4,803,416	PGDBM & 8 years	11-Feb-15	Mahindra Two wheelers
Dr.SOUNDARI S (41)	DOCTOR	4,233,400	MBBS,DO,DNB,FRCS (14 years)	20-Jun-06	Appasamy Eye Hospital
SANJOY KUMAR DAS (46)	SENIOR GENERAL MANAGER - OPERATIONS	4,199,623	PASM,24 Years	16-Jul-14	TAJ HOTELS
Dr.PALANIVEL V (44)	DOCTOR	3,952,566	MBBS,MS (17 years)	8-Jan-01	NA
SABESAN R (50)	CHIEF FINANCIAL OFFICER	3,801,195	ACA, AICWA & 25 years	2-Dec-13	Spi Cinemas P Ltd
BHARATH KANTH REDDY (43)	VICE PRESIDENT - OPERATIONS	3,640,668	Hospital Mgmt & 21 years	3-Apr-06	Appollo medical centre
DILIP RAMADASAN (39)	GENERAL MANAGER - IT	3,526,210	BE & 11 Years	23-Mar-15	Mahindra Holidays & Resorts India Limited
Dr.LAVANYA MUNAGAPATI (34)	DOCTOR	3,281,500	MBBS ,DO,FELLOWSHIP (7 Years)	1-Aug-11	
VENKATESH VAIDYANATHAN (40)	VICE PRESIDENT - PROJECTS	3,277,740	Bsc & 12 years	3-Nov-14	Future Group

**Annexure - III**

Form No. MR - 3
SECRETARIAL AUDIT REPORT
Of
DR.AGARWAL'S EYE HOSPITAL LIMITED
FOR THE FINANCIAL YEAR ENDED 31/03/2018

*(Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014*

To

The Members,

DR.AGARWAL'S EYE HOSPITAL LIMITED

CIN No:L85110TN1994PLC027366

3rd Floor,Buhari Towers,

No.4, Moores Road,

Off Grems Road,

Chennai-600086

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DR.AGARWAL'S EYE HOSPITAL LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts with statutory compliances and expressing our opinion thereon.

The company's management is responsible for preparation and maintenance of secretarial and other records and devising proper system to ensure compliance with the provisions of applicable laws and regulations

Based on our verification of the company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31/03/2018 complied with the statutory provisions listed hereunder i.e

- i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act,1999 and the Rules and Regulations made there under



v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations(2015) as applicable from time to time;
- c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d) The Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations,2015;

We have also examined the compliance of the applicable clauses of Secretarial Standard with respect to board meetings and General meetings as prescribed by the Institute of Company Secretaries of India and the listing agreement entered by the company with BSE Ltd under SEBI (Listing Obligations and disclosure requirements) Regulations,2015 .

We have examined the books, papers, minute books, forms and returns filed and other records maintained by ("the Company") for the financial year ended on 31/03/2018 according to the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder;

During the period under review the Company has complied with the provisions of the Companies Act, Rules, Regulations, Guidelines, Standards, etc. and the Secretarial Standards issued by The Institute of Company Secretaries of India, as applicable and to the extent possible, during the year.

We further report that Based on the information provided by the Company, its officers and authorised representatives during the conduct of audit and also on the review of compliance report by respective department heads, in our opinion, there are adequate systems, processes and control mechanism exists in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable general laws like labour & employment laws, industrial laws, environmental laws and other general laws and, rules, regulations and guidelines made.

We further report that the compliance of by the Company of other applicable laws like direct and indirect tax laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professional.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition / designation of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes recorded and signed by the Chairman, the decisions of the board were unanimous and no dissenting views are captured have recorded as part of the minutes wherever applicable.



We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no incidence / events / actions having a major bearing on the Company's affairs in pursuance of the various laws, rules, regulations, guidelines, standards, etc. referred to above.

This report is to be read with our letter of even date which is annexed as **Annexure -1** which forms an integral part of this report.

For **N .K.BHANSALI AND CO**
Company Secretaries

sd/-

Place : Chennai
Date : May 28, 2018

(N. K. BHANSALI)
Proprietor FCS 3942 PCS 2321

Annexure -1

To

The Members,

DR.AGARWAL'S EYE HOSPITAL LIMITED

CIN No:L85110TN1994PLC027366

3rd Floor,Buhari Towers,

No.4, Moores Road,

Off Greams Road,

Chennai-600 006

Our report of even date is to be read along with this letter

1. It is the management's responsibility to identify the laws, rules, regulations, guidelines and directions which are applicable to the company depending upon the industry in which it operates and to comply and maintain those records with the same in letter and in spirit. Our responsibility is to express opinion on these records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the secretarial records .The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required we have obtained the management's representations about the compliance of laws, rules, regulations, guidelines and directions and happening of event etc.,
5. This report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **N .K.BHANSALI AND CO**
Company Secretaries

sd/-

Place : Chennai
Date : May 28, 2018

(N. K. BHANSALI)
Proprietor FCS 3942 PCS 2321

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE LISTING AGREEMENT (SCHEDULE V PART E)

The Members of

Dr. Agarwal's Eye Hospital Limited

Chennai - 600006

1. We have examined the compliance of conditions of corporate governance by M/S DR. AGARWAL'S EYE HOSPITAL LIMITED, for the year ended on 31.03.2018 as stipulated in the Listing Agreement of the said company with stock exchange (s).
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. We certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement .
4. We state that no investor grievance is pending for a period exceeding one month against the company as per records maintained by the Stakeholders Relationship Committee.
5. 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 **N. K.BHANSALI AND CO**
Company Secretaries

Sd/-

Place : Chennai
Date : May 28, 2018

(N. K. BHANSALI)
Proprietor FCS 3942 PCS 2321



ANNEXURE - IV : MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Industry Structure and Developments:

Healthcare Comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players.

Indian healthcare delivery system is categorized into two major components – public and private. The Government, i.e, public healthcare system comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centres (PHCs) in rural areas. The private sector provides majority of secondary, tertiary and quaternary care institutions with a major concentration in metros, tier I and tier II cities.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost competitive compared to its peers in Asia and Western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe.

During 2018-22, the market is expected to record a Compounded Annual Growth Rate (CAGR) of 16 to 17%. The total Industry size is expected to touch USD 370 billion by 2022. Indian Companies are entering into Merger and Acquisitions with domestic and foreign companies to drive growth and gain new markets.

The hospital industry in India stood at ₹ 4 billion (USD 60 billions) in 2017 and is expected to increase at CAGR of 16-17% to reach ₹ 8.6 trillions (US Dollars 133 billion) by the year 2023.

b) Opportunities and threats:

i. OPPORTUNITIES

- Being a Pioneer in ophthalmology space with best track record of clinical outcomes, the Company is best placed to grow its patient base and related financial outcomes.
- The Company has got tremendous learning from the positives and significant challenges encountered by peers, against which it is de-risking itself.
- The Company is guided by a very strong promoter team with right blend of Clinical and managerial expertise.
- Over a period of time, the Company has achieved significant efficient in tis capital structure with low leverage position to enable aggressive ramp up
- The recent relocation of its branches creates a well set platform / robust operating model to drive expansion.
- Middle class population is expected to grow at a faster pace, resulting in higher Spend on health care. The spend is expected to double from the current levels in the next 8-10 years' time
- With increase in affluence and the onset of lifestyle related conditions, India's disease is shifting towards Chronic diseases. Growing size of population above 60 years will also be a key factor

ii. THREATS

- While the segment is reasonable insulated from recession in the economy the elective nature continues to be threat.
- Lands on which our hospitals are located are on leasehold premises. In the event of non-renewal or if the renewal is not in favorable terms to us, our business may face disruptions.
- Competition from the Institutional hospitals in the industry

c) Segment-wise or product-wise performance:

The Company has reviewed its business oversight mechanism and has realigned all its operations under single business segment i.e. "Eye Care related Sales and Services", based on the assessment of overall risks and rewards. Accordingly, the figures appearing in these financial statements relate to "Eye Care related sales and services" segment

d) Industry outlook:

Looking ahead, the health care sector is expected to be the core of economy with a meaningful contribution to growth. The health care growth remains intact with increased income levels, ageing population, growing health awareness and changing attitude towards preventive health care.

e) Risks and concerns and mitigations thereof:

- (1) Competition intensity and new entrants to the market:
 - (i) Many competitors attempt capturing market by offering similar treatment through use of primitive technology. This can significantly impact Companies bottom line.
 - (ii) Risk Mitigation: The Company believes that in the long run, quality is the sole consideration and has never compromised on its ability in conducting high end, state of art technology.
- (2) Pace of obsolescence of technology and treatment methods
 - (i) Eye care segment used a number of equipment in its business, which needs to be constantly tested, monitored for technology obsolescence.
 - (ii) Risk Mitigation: Company utilises a dedicated Research & Development function, which develops near term and incremental improvements, as well as step change improvements to existing products and processes, resulting in minimal obsolescence.
- (3) Materials risk:
 - (i) Non availability of good quality materials could impact on time delivery of service to clients.
 - (ii) Risk Mitigation: The Company procures its materials directly from manufacturers on a sustained basis on account of large volumes and timely payments.
- (3) Labour shortage and attrition of key staff including medical professionals
 - (i) Non availability / attrition of key staff including Skilled Doctors: Non availability of key / skilled Doctors could negate the quality and quantitative performance of the business
 - (ii) Risk Mitigation: The Company has been continuously recruiting / training Doctors and building its capabilities
- (4) Increased compliance and regulatory challenges
 - (i) The evolution of the global regulatory environment has resulted into increased regulatory scrutiny that has raised the minimum standards to be maintained. This signifies the alignment of corporate performance objectives, while ensuring compliance with regulatory requirements
 - (ii) Risk Medication: Company recognises that regulatory requirements can at times be challenging, and therefore will strive to understand the changing regulatory standards, so as to strengthen its decision making processes and integrate these in the business strategy in which it operates.

f) Internal controls and systems and their adequacy:

The company has an adequate system of internal control in place which has been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting.

g) Material developments in human resources / industrial relations front including number of people employed:

The total employees as at the yearend were 830. The details regarding developments in Human resources is dealt in the "Particular of Employees" forming part of the of the Directors' Report.

Cautionary Statement

Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic business environment, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation etc.



Annexure - V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:

REPORT ON CSR ACTIVITIES		
1	A Brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	1. The Company is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. 2. In line with its broad principles and radical outlook the Company would have freedom and flexibility to choose from any of the activities specified in schedule VII of Companies Act, 2013, as amended from time to time 3. As per the Companies Act 2013, Dr Agarwal's Eye Hospital Ltd (The Company) has a policy of Corporate Social Responsibility (hereinafter referred as CSR) whereby it is mandatory to spend atleast 2% of average net profits of the immediately preceding 3 financial years on "CSR" activities. CSR activities at The Company are carried out through- a. Directly by the Company for fulfilling its responsibilities towards various stakeholders b. Contribution / donation made to such other Organization / Institutions as may be permitted under the applicable laws from time to time. The Company has formulated a CSR policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is www.dragarwal.com/corporate_policies.php
2	The Composition of the CSR Committee	1. Dr Athiya Agarwal, Chairperson 2. CA Sanjay Anand, Member, 3. Dr.Amar Member
3	Average net profits of the Company for last three financial years	₹ 4.893 Crores
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above (Amount in lacs)	₹ 9.80 lacs
5	Amount unspent, if any	NIL
6	Details of CSR spent during the financial year: a) Total Amount to be spent for the financial year b) Amount unspent, if any; c) Manner in which the amount spent during the financial year	a) ₹ 9.80 lacs b) NIL c) The manner in which the amount is spent is detailed below.



REPORT ON CSR ACTIVITIES							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2) Specify the State and district	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub- heads: (1) Direct Expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct
1	Contribution to Udavum Karangal	Feeding & Educational expenses for poor Children	Chennai, Tamilnadu	₹ 3.80 lacs	₹ 3.80 lacs	₹ 3.80 lacs	₹ 3.80 lacs
2	Contribution to Cheer	Promoting Gender equality	Chennai, Tamilnadu	₹ 3.00 lacs	₹ 3.00 lacs	₹ 3.00 lacs	₹ 3.00 lacs
3	Contribution to Indian Institute of Animal Welfare	Clean, Hygenic, and comfortable shelters to cows, buffalos, etc.,	Chennai, Tamilnadu	₹ 3.00 lacs	₹ 3.00 lacs	₹ 3.00 lacs	₹ 3.00 lacs
	TOTAL			₹ 9.80 Lacs	₹ 9.80 Lacs	₹ 9.80 Lacs	₹ 9.80 Lacs

1. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report:-

Not Applicable since the Company has sent more than the required amount as per Section 135 of the Companies Act, 2013.

Responsibility Statement of the CSR Committee

2. The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the company.

sd/-

Dr Amar Agarwal
Chairman cum Managing Director

Place : Chennai
Date: May 28, 2018

sd/-

Dr. Athiya Agarwal
(Chairperson CSR Committee)



ANNEXURE - VI : CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Good Corporate governance practices is intrinsic to the management of the affairs of the company. Its businesses focus on getting best returns on assets and capital deployed with minimum risks. Therefore, it always ensures that its targets and performance are met with integrity and accountability to investors and all other associates, governmental and non-governmental agencies.

With emphasis on transparency, integrity and accountability, the Board of Directors adopted the principles of good corporate governance by setting up an Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee.

2. BOARD OF DIRECTORS:

(a) The Company's board strength is 4 comprising of 2 Executive Directors and 2 Independent Directors.

Composition and Category of Directors:

Name	Designation	Category	No. of Board Meetings attended during 2017-18	Whether attended last AGM	No. of directorships in other public companies	No. of committee memberships/ (chairmanship) in other public companies*	
						Member	Chairman
Dr.Amar Agarwal	Chairman-cum-Managing Director	Executive & Non-independent (Promoter)	5	YES	1	NIL	
Dr.Athiya Agarwal	Whole Time Director	Executive & Non-independent (Promoter)	5	YES	2	NIL	
Dr.Adil Agarwal (up to 28.09.2017)	Director	Executive & Non-independent (Promoter)	2	YES	1	NIL	
Dr.Anosh Agarwal (up to 28.09.2017)	Director	Executive & Non-independent (Promoter)	2	YES	2	0/1	
CA Sanjay Anand	Independent Director	Non-Executive Independent	5	YES	1	1/0	
Mr. M R G Appa Rao	Independent Director	Non-Executive Independent	5	No	NIL	NIL	

*Covers only the membership/chairmanship in Audit Committee and Stakeholders Relationship Committee.

(b) Meetings:

During the year 2017-18, 5 (Five) Board Meetings were held at Chennai on the following dates: 23/05/2017, 17/08/2017, 28/09/2017, 22/11/2017 and 02/02/2018

(c) Directors seeking Reappointment:

The required information regarding the details of director who is seeking appointment or reappointment is set out in the notes to the notice.

(d) Disclosure of Director's Interests in Transaction with the Company:

None of the non-executive directors had any pecuniary relationship or transaction with the company pursuant to the provisions of SEBI LODR Regulations, 2015 other than that of sitting fees.



Except sitting fees, no director has been paid any remuneration as the Director of the Company except the executive directors who were being paid remuneration for acting as Managing / Whole Time Director of the Company.

(e) Code of Conduct:

The Board of directors had implemented a Code of Conduct to be applicable to all Board members and Senior Management of the Company. The same has been posted on the Company's website - www.dragarwal.com

3. BOARD COMMITTEES:

3.1 AUDIT COMMITTEE:

I. Terms of Reference:

The Audit Committee of the company has been mandated with the same terms of reference as specified in Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015 as well as Section 177 of the Companies Act, 2013. The Objectives of the Audit Committee are as follows.

- Assisting the Board in its responsibility for overseeing the processes related to the financial accounting, auditing and reporting practices of the Company and its compliances with legal and regulatory requirements, the audits of the Company's financial statements and shall, inter alia, include, the recommendation for appointment, remuneration and terms of appointment of auditors of the Company; review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the Company with related parties; scrutiny of inter-corporate loans and investments.
- Reviewing the Company's financial reporting process.
- Reviewing the Quarterly and Annual results before it is considered by the Board of Directors, the Group Company transactions, Internal Auditors Report and the Action Taken Report thereon. Besides its regular responsibilities, your Company's Audit Committee also carried out the following specific tasks.

II. Composition:

The Committee consists of 3 directors.

Mr. M .R. G Apparao	-	Chairman
CA Sanjay Anand	-	Member
Dr. Anosh Agarwal (upto 28.09.2017)	-	Member
Dr Amar Agarwal from 28/09/2017	-	Member

Among the three members of the Committee, two are Independent. They have considerable financial expertise and experience. The Chief Financial Officer and the Statutory Auditors are permanent invitees to the committee. The Company Secretary shall act as the secretary to the committee.

III. Meetings and Attendance:

Audit committee meetings held during the year and attendance details:

DATE OF MEETING	NO OF MEMBERS PRESENT
24/04/2017	3
23/05/2017	3
17/08/2017	3
22/11/2017	3
02/02/2018	3



3.2 NOMINATION & REMUNERATION COMMITTEE:

The Company has constituted 'Nomination and Remuneration Committee', meeting the requirements of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015 as well as Section 178 of the Companies Act, 2013.

(i) Composition:

The Committee consists of 3 directors. Among the three members of the Committee, two are Independent.

Mr. M .R. G Apparao	-	Chairman
CA Sanjay Anand	-	Member
Dr. Anosh Agarwal (upto 28.09.2017)	-	Member
Dr. Amar Agarwal (from 28.09.2017)	-	Member

(ii) Terms of Reference:

The Nomination & Remuneration Committee has been constituted to formulate, review and recommend a policy relating to remuneration of directors, key managerial personnel and other employees. The Committee also formulates the criteria for evaluation of Independent Directors and the Board.

(iii) Meetings & Attendance:

During the year 2017-18, there was no meeting of the Nomination and Remuneration Committee was held.

3.3 Remuneration Policy:

The Nomination and Remuneration committee has adopted a Charter which, inter alia deals with the manner of criteria for determining qualifications positive attributes of Independent Directors and a remuneration policy for Directors, key managerial personnel and other employees. This Policy is accordingly derived from the said Charter.

(I) Criteria for Determining Qualifications, Positive Attributes & Independence of Director:

(i) Qualifications of Independent Director:

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

(ii) Positive attributes of Independent Directors:

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

(iii) Independence of Independent Directors:

An Independent director should meet the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, concerning independence of directors.

(II) Remuneration Policy for Directors, Key Managerial Personnel and other employees:

(a) NON-EXECUTIVE DIRECTORS (NEDs):

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

(b) MANAGING DIRECTOR(MD) & KEY MANAGERIAL PERSONNEL & OTHER EMPLOYEES:

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to Managing Director shall take into account the Company's overall performance, MD's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture. The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.



Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company.

3.4 Independent Directors Meeting:

During the year under review, the Independent Directors met once in the year without the attendance of Non- Independent Directors, inter alia, to discuss the following matters:

- Evaluation of the performance of Non Independent Directors and Board of Directors as a Whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

3.5 Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was constituted in compliance with the requirements of the Listing Agreement and Section 178 of the Companies Act, 2013.

The Stakeholders Relationship Committee has been constituted by the Board to monitor the redressal of the shareholders / investors grievances. The Committee reviews the status of complaints received from shareholders/investors and redressal thereof. A status report of shareholders complaints and redressal thereof is prepared and placed before the Committee. As on 31st March 2018 no shares / debentures are pending for transfer for more than 15 days.

As required by the regulations of SEBI, the issued and listed capital of the Company is reconciled with the aggregate of the number of shares held by Investors in physical mode and in the demat mode. A certificate is being obtained on a quarterly basis to this effect from a Practicing Company Secretary and submitted to the Stock Exchanges where the Company's Shares are listed. As on 31st March 2018, there were no differences between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories.

Composition

The Committee consists of 3 directors. Among the three members of the Committee, two are Independent.

Mr. M .R. G Apparao	-	Chairman
CA Sanjay Anand	-	Member
Dr. Anosh Agarwal (upto 28.09.2017)	-	Member
Dr. Amar Agarwal (from 28.09.2017)	-	Member

The Company is in compliance with the SCORES, which has initiated by SEBI for processing the investor complaints centralized web based redress system and online redressal of all the shareholders complaints.

There were no outstanding complaints as on 31/03/2018.

4. GENERAL BODY MEETINGS:

I. Meeting Details:

Year	Location	Date	Time	Number of Special Resolution passed
2015	19,Cathedral Road, Chennai-86	10/09/2015	11.00 am	Nil
2016	19,Cathedral Road, Chennai-86	23/08/2016	11.00 am	2
2017	19,Cathedral Road, Chennai-86	23/08/2017	11.00 am	Nil

II. Postal Ballot:

No resolutions were passed in the year 2017-2018 through Postal Ballot



5. DISCLOSURES:

I. Related Party Transactions:

There has been no materially significant related party transaction with promoters, directors, management or their relatives which may have a potential conflict with the interests of the company.

II. Compliance with Regulations:

The company has complied fully with the requirements of the regulatory authorities on capital markets. There have been no instances of non-compliance by the company on any matters related to the capital markets, nor as any penalty or stricture been imposed on the Company by Stock Exchange, SEBI or any other Statutory authority.

III. Whistle Blower Policy/Vigil Mechanism:

The Company has adopted Whistle Blower Policy where it has a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct / Business Ethics. No personnel have been denied access to the Audit Committee.

IV. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

During the year, the Company has fully complied with the mandatory requirements of the Listing Regulations to the extent applicable

6. CEO/CFO CERTIFICATION:

The Managing Director and Chief Financial Officer of the Company give annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The annual Compliance Certificate given by Managing Director and Chief Financial Officer forms part of the Annual Report.

7. MEANS OF COMMUNICATION:

The quarterly/half-yearly/annual financial results are published in Business Standards, News Toady, Trinity Mirror (English Daily) and Makkal Kural, Malai Sudar (Tamil Daily). The financials results are also placed on the Company's website.

GENERAL SHAREHOLDER INFORMATION:

I. 24th Annual General Meeting:

The 24th Annual General Meeting will be held on Thursday, August 30th 2018 at 19, Cathedral Road, Chennai - 600086. The financial year pertains to 1st April 2017 to 31st March 2018.

II. Tentative Financial Reporting Calendar:

Financial reporting 2018	From	To	Date
1 st quarter	April	June	On or before August 14, 2018
2 nd quarter	July	September	On or before November 14, 2018
3 rd quarter	October	December	On or before February 14, 2019
4 th quarter	January	March	On or before May 30, 2019
Annual general meeting	April 2018	March 2019	On or before September 30, 2019

III. Book Closure:

The date of book closure is from 24/08/2018 to 30/08/2018 (inclusive of both days).



IV. Dividend Payment Date:

The dividend, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting will be paid within twenty days from the date of the Annual General Meeting.

V. Stock Exchange Listing and Stock Code:

Stock Exchange	Stock Code	Listing Fees Paid Up to	ISIN No.
Bombay Stock Exchange	526783	31-03-2019	INE934C01018

VI. Market price data:

High and low prices of Equity shares in the financial year 2017-18 were as follows:

Month	Bombay Stock Exchange	
	High (₹)	Low (₹)
April 2017	318.60	276.00
May 2017	315.95	280.00
June 2017	314.90	281.00
July 2017	404.95	298.00
August 2017	444.20	308.75
September 2017	444.20	444.20
October 2017	703.75	466.40
November 2017	757.75	651.10
December 2017	715.00	636.00
January 2018	850.10	684.90
February 2018	790.00	580.45
March 2018	639.45	551.00

VII. Registrar and Transfer Agents:

Integrated Registry Management Services Private Limited
2nd Floor, "Kences Towers" No.1, Ramakrishna Street
North Usman Road, T. Nagar, Chennai- 600 017
Phone: 044 28140801, 28140803
Fax: 044- 28143378, 28142479
Email: corpsserv@integratedindia.in

VIII. Share Transfer System:

The Share Transfer work is being handled by Company's Registrar and Transfer Agents. Share transfers are processed and share certificates duly endorsed are returned within the stipulated period as specified under the Companies Act, 2013 and the listing agreement with the Stock Exchange, from the date of receipt if the documents are correct and valid in all respects.

The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI (LODR) Regulations 2015 and files a copy of the said certificate with the Stock Exchange.



IX. Equity Shares in Suspense Account:

As per Regulation 39(4) read with Schedule VI of the SEBI (LODR), 2015, the Company reports following details in respect of Equity Shares lying in the “Unclaimed Suspense Account”.

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense Account lying as on April 1, 2017	6	4000
Number of shareholders who approached the Company for transfer of shares from the suspense account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense Account lying as on March 31, 2018	1	1700

The voting rights of the shares outstanding in the Suspense Account as on March 31, 2018 shall remain frozen till the rightful owner of such shares claims the shares

X. Distribution of shareholding:

As on 31st March, 2018

S. No	Category	Number of Shares held	% of holding
1	Promoters		
	- Indian	35,18,208	74.86
	- Foreign	- NIL -	- NIL -
2.	Persons acting in concert	- NIL -	- NIL -
3.	Institutional Investors		
	a. Mutual Funds & UTI	- NIL -	- NIL -
	b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Inst./Non-Govt. Inst)	- NIL -	- NIL -
	c. FIs	- NIL -	- NIL -
4.	Others		
	- Bodies Corporate	117465	2.50
	- Indian Public	1,039,565	22.12
	- NRIs / OCBs	20,443	0.43
	- LLP	0	0
	- Other than specified above Clearing Members	4,319	0.09
	Total	47,00,000	100
	Paid-up Shares	47,00,000	100



XI. DISTRIBUTION SCHEDULE:

As on 31st March 2018

S. No	Category	Holders		Shares	
		Nos.	%	Nos.	%
1	Upto 500	2580	91.98	226792	4.82
2	501 - 1000	88	3.14	71126	1.51
3	1001 - 2000	55	1.96	85372	1.82
4	2001 - 3000	19	0.68	48238	1.03
5	3001 - 4000	14	0.50	47875	1.02
6	4001 - 5000	11	0.39	53859	1.15
7	5001 - 10000	17	0.61	128523	2.73
8	Above 10001	21	0.75	4038215	85.92
Total		2805	100.00	4700000	100.00

XII. Address for Correspondence:

Registered Office: 3rd floor, Buhari Towers, No.4, Moores Road, Off Greams Road, Chennai – 600 006.

XIII. Dematerialisation of Shares and Liquidity:

The equity shares of the company are required to be compulsorily traded and settled only in the dematerialised form. Approximately, 43,88,259 being 93.37 % shares have already been dematerialized.

XIV. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

For and on behalf of the Board

Sd/-

Place: Chennai

Date: May 28, 2018

DR AMAR AGARWAL

Chairman Cum Managing Director



CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To
The Board of Directors,
Dr. Agarwal's Eye Hospital Ltd
Chennai-600006

We the undersigned in our respective capacity as CEO AND CFO of the company to the best of our knowledge and belief certify that:

- A. We have examined the financial statement and the cash flow statement for the year ended 31/03/2018 and based on our knowledge and belief we state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- i. that there are no significant changes in internal control over financial reporting during the year;
 - ii. that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. that there are no Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-

Dr.Amar Agarwal
Chairman cum Managing Director

Sd/-

Ms. Saradha Govindarajan
Chief Financial Officer

Place : Chennai
Date : May 28, 2018



Annual Compliance of the Code of Conduct for the Financial Year 2017-2018

I, Dr. Amar Agarwal, Chairman cum Managing Director of the Company, hereby declare that the Board of Directors has laid down a code of conduct for its Board Members and Senior Management Personnel of the Company pursuant to the Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 and the Board Members and Senior Management Personnel have affirmed compliance with the said code of conduct.

For and on behalf of the Board

Sd/-

Place: Chennai

Date: May 28, 2018

DR AMAR AGARWAL

Chairman Cum Managing Director



INDEPENDENT AUDITOR'S REPORT

To The Members of **DR. AGARWAL'S EYE HOSPITAL LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **DR. AGARWAL'S EYE HOSPITAL LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 on these Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Sd/-
V Balaji
(Partner)
(Membership No. 203685)

Place : Chennai
Date : 28 May, 2018



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Dr. Agarwal's Eye Hospital Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2018, based on the criteria for internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Sd/-
V Balaji
(Partner)
(Membership No. 203685)

Place : Chennai
Date : 28 May, 2018



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i) (c) of the CARO 2016 is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. No material discrepancies were noticed on physical verification during the year and the other discrepancies noticed have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2016, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- Except for certain delays in remittance of Value Added Tax and Professional Tax, the Company has generally been regular in depositing other undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Customs Duty, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year.
 - In respect of undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Customs Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues, there were no such dues in arrears as at 31 March 2018 for a period of more than six months from the date they became payable. In respect of professional tax, there were undisputed dues as at 31 March 2018, which were in arrears for a period of more than six months from the date they became payable, the details of which are given below:

Name of the Statute	Nature of the due	Amount (₹ In Lakhs)	Period to which the Amount Relates	Due Date
Tamil Nadu Tax on Professions, Trades, Callings and Employment Act, 1992	Professional Tax	0.03	October to March 2017	31 March 2017
		0.21	April to September 2017	30 September 2017

- (c) Details of Income Tax and Value Added Tax, which have not been deposited as at 31 March 2018 on account of disputes are given below:

Name of the Statute	Nature of dues	Forum where Dispute is pending	Period to which the Amount Relates (Financial Year)	Amount Involved (₹ In Lakhs)	Amount Unpaid (₹ In Lakhs)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2008-09	90.22	75.23
		Assessing Officer	2009-10	125.97	69.42
		Assessing Officer	2010-11	208.92	52.96
		Commissioner of Income Tax (Appeals)	2013-14	466.38	175.63



- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowings from government and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. Further, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Sd/-
V Balaji
(Partner)
(Membership No. 203685)

Place : Chennai
Date : 28 May, 2018



BALANCE SHEET AS AT MARCH 31, 2018

		Amount ₹ In Lakhs		
Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
I. ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	5	3,215.86	3,282.07	3,390.62
(b) Capital work-in-progress		342.76	121.63	76.20
(c) Intangible assets (including goodwill)	6	343.52	38.97	12.33
(d) Financial assets				
(i) Loans	7	1,018.14	833.81	739.46
(e) Non-current income tax assets (net)	8.1	165.83	293.27	434.93
(f) Deferred tax assets (Net)	9.1	656.97	660.07	549.62
(g) Other non-current assets	10	54.36	9.84	40.43
Total Non - current Assets		5,797.44	5,239.66	5,243.59
(2) Current assets				
(a) Inventories	11	733.55	612.54	986.60
(b) Financial assets				
(i) Trade receivables	12	707.10	662.80	758.65
(ii) Cash and cash equivalents	13(a)	182.85	228.38	186.33
(iii) Other Bank balances	13(b)	55.86	56.51	55.90
(iv) Loans	7	-	6.74	55.50
(v) Other Financial Assets	14	205.07	100.35	97.89
(c) Other current assets	10	415.62	327.62	354.06
Total current assets		2,300.05	1,994.94	2,494.93
TOTAL ASSETS		8,097.49	7,234.60	7,738.52
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share capital	15	470.00	470.00	470.00
(b) Other equity	16	3,035.91	2,470.31	1,808.38
Total Equity		3,505.91	2,940.31	2,278.38
(2) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	533.54	1,291.22	1,754.24
(b) Provisions	18	100.30	84.56	30.12
(c) Other non-current liabilities	19	241.69	173.65	112.50
Total Non - Current Liabilities		875.53	1,549.43	1,896.86
(3) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	500.40	323.11	628.70
(ii) Trade payables	21	1,754.35	1,383.75	1,825.98
(iii) Other financial liabilities	22	1,212.62	777.85	818.47
(b) Provisions	18	93.12	89.73	64.02
(c) Other current liabilities	19	155.56	170.42	226.11
Total Current Liabilities		3,716.05	2,744.86	3,563.28
Total Liabilities		4,591.58	4,294.29	5,460.14
TOTAL EQUITY AND LIABILITIES		8,097.49	7,234.60	7,738.52

See accompanying notes forming part of the financial statements
In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
V. Balaji
Partner

Place : Chennai
Date : 28 May, 2018

Sd/-
Dr. Amar Agarwal
Chairman & Managing Director

Sd/-
Ms. Saradha Govindarajan
Chief Financial Officer

Sd/-
Dr. Athiya Agarwal
Wholetime Director

Sd/-
Mr. Lakshmi Narasimhan
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Amount ₹ In Lakhs

Particulars	Note No.	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
I Revenue from Operations	23	15,332.13	14,854.19
II Other Income	24	230.00	165.35
III Total Income (I+II)		15,562.13	15,019.54
IV Expenses			
Purchases of Stock-in-trade	25	1,896.47	1,751.75
Changes in inventory of stock-in-trade	26	(81.82)	72.52
Employee benefit expense	27	3,198.03	3,249.33
Finance costs	28	259.04	333.30
Depreciation and amortisation expense	5	978.18	874.18
Other expenses	29	7,976.14	7,640.98
Total expenses (IV)		14,226.04	13,922.06
V Profit before tax (III-IV)		1,336.09	1,097.48
VI Tax expense			
(a) Current tax (including prior years)	8.2	644.35	460.00
(b) Deferred tax	9.2	14.22	(96.35)
		658.57	363.65
VII Profit for the Year (V-VI)		677.52	733.83
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		(38.19)	(40.75)
(b) Income tax relating to items that will not be reclassified to profit or loss		11.12	14.10
Total other comprehensive (loss) / income for the year		(27.07)	(26.65)
IX Total comprehensive income for the year (VII+VIII)		650.45	707.18
Earnings per equity share (Face value of ₹ 10/- each)	37		
(a) Basic (in ₹)		14.42	15.61
(b) Diluted (in ₹)		14.42	15.61

See accompanying notes forming part of the financial statements
In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
V. Balaji
Partner

Place : Chennai
Date : 28 May, 2018

Sd/-
Dr. Amar Agarwal
Chairman & Managing Director

Sd/-
Ms. Saradha Govindarajan
Chief Financial Officer

Sd/-
Dr. Athiya Agarwal
Wholetime Director

Sd/-
Mr. Lakshmi Narasimhan
Company Secretary



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A. Equity share capital

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balance as at beginning of the Year	470.00	470.00	470.00
Changes in equity share capital during the year	-	-	-
Balance at the end of reporting period	470.00	470.00	470.00

B. Other Equity

Amount ₹ In Lakhs

Particulars	Reserves and Surplus			Other Comprehensive Income	Total Other Equity
	Securities Premium Account	General Reserve	Retained Earnings	Remeasurements of the defined benefit obligations	
Balance as at 1 April 2016 [Refer Note 39]	551.00	83.00	1,174.38	-	1,808.38
Profit for the year	-	-	733.83	-	733.83
Remeasurements of the defined benefit plans (net of taxes)	-	-	-	(26.65)	(26.65)
Payment of Dividend on equity shares	-	-	(37.60)	-	(37.60)
Payment of Dividend Distribution Tax on equity shares	-	-	(7.65)	-	(7.65)
Balance as at 31 March 2017 [Refer Note 39]	551.00	83.00	1,862.96	(26.65)	2,470.31
Profit for the year	-	-	677.52	-	677.52
Remeasurements of the defined benefit plans (net of taxes)	-	-	-	(27.07)	(27.07)
Payment of Dividend on equity shares	-	-	(70.50)	-	(70.50)
Payment of Dividend Distribution Tax on equity shares	-	-	(14.35)	-	(14.35)
Balance as at 31 March 2018	551.00	83.00	2,455.63	(53.72)	3,035.91

See accompanying notes forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Dr. Amar Agarwal
Chairman & Managing Director

Sd/-
Ms. Saradha Govindarajan
Chief Financial Officer

Sd/-
Dr. Athiya Agarwal
Wholetime Director

Sd/-
Mr. Lakshmi Narasimhan
Company Secretary

Sd/-
V. Balaji
Partner

Place : Chennai

Date : 28 May, 2018

CASH FLOW STATEMENT AS ON MARCH 31, 2018

Amount ₹ In Lakhs

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flows from operating activities			
Profit after tax for the year		677.52	733.83
Adjustments for:			
Income taxes (current and deferred taxes)	8, 9	658.57	363.65
Depreciation and Amortisation Expenses	5	978.18	874.18
Finance Costs / Interest Expense on financial liabilities at amortised cost	28	259.04	333.30
Interest Income on Deposits with Banks	24	(71.32)	(55.99)
Loss from Sale of Fixed Assets / Assets discarded (Net)	29	-	41.50
Allowance for Expected Credit Losses	29	96.80	(84.10)
Provision for Contingencies	29	-	20.81
Operating Profit before Working Capital and Other changes		2,598.79	2,227.18
Movements in working capital:			
(Increase)/decrease in inventories	11	(121.01)	374.06
(Increase) / Decrease in trade receivables	12	(141.10)	179.95
(Increase) / Decrease in Other Non current and Current Financial assets and Non current and Current assets	7, 10, 14	(367.39)	(32.05)
Increase / (Decrease) in Trade Payables, Other Current and Non-current liabilities and Provisions	18, 19, 21, 22	404.72	(418.17)
Changes in Working Capital and Other changes		(224.78)	103.79
		2,374.01	2,330.97
Income taxes (paid) - net of refunds	8	(516.91)	(318.34)
Net cash generated by operating activities		1,857.10	2,012.63
B. Cash flows from investing activities			
Capital Expenditure on Property, Plant and Equipment	5, 6	(1,143.60)	(852.52)
Proceeds from Sale of Property, Plant and Equipment	5, 6	-	3.25
Increase in Bank balances not considered as Cash and cash equivalents	13 (b)	0.65	(0.61)
Interest Received on Fixed Deposit	14, 24	68.40	53.23
Net cash (used in) investing activities		(1,074.55)	(796.65)



CASH FLOW STATEMENT AS ON MARCH 31, 2018

		Amount ₹ In Lakhs	
Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
C. Cash flows from financing activities			
Long-term borrowing taken	17, 22	56.20	200.00
Long-term borrowing (repaid)	17, 22	(711.37)	(685.08)
Short-term borrowings taken/(repaid) (net)	20	177.29	(305.59)
Dividend paid (including tax thereon)	22	(83.68)	(43.92)
Finance costs paid on borrowings	28, 22	(266.52)	(339.34)
Net cash (used in) financing activities		(828.08)	(1,173.93)
Net (decrease) / increase in cash and cash equivalents [A+B+C]		(45.53)	42.05
Cash and cash equivalents at the beginning of the year	13(a)	228.38	186.33
Cash and cash equivalents at the end of the year	13(a)	182.85	228.38

See accompanying notes forming part of the financial statements
In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
V. Balaji
Partner

Place : Chennai
Date : 28 May, 2018

Sd/-
Dr. Amar Agarwal
Chairman & Managing Director

Sd/-
Ms. Saradha Govindarajan
Chief Financial Officer

Sd/-
Dr. Athiya Agarwal
Wholetime Director

Sd/-
Mr. Lakshmi Narasimhan
Company Secretary



Notes to the Financial Statements for the Year Ended March 31, 2018

1 CORPORATE INFORMATION

Dr. Agarwal's Eye Hospital Limited ('the Company') was incorporated on April 22, 1994 and is primarily engaged in providing eye care and related services. As at 31 March 2018, the Company is operating in 22 locations in India. Dr. Agarwal's Health Care Limited is the holding Company as at 31 March 2018.

2 APPLICATION OF NEW AND REVISED IND AS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in the preparing these financial statements. There is no other Indian Accounting Standard that has been issued as of that date but was not mandatorily effective.

Recent Standards notified but not effective:

Ind AS 115 - "Revenue from Contracts with Customers":

On 28 March 2018, the Ministry of Corporate Affairs (MCA), notified Ind AS 115, Revenue from Contracts with Customers, as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is based on IFRS 15, Revenue from Contracts with Customers. The standard is effective for the accounting periods commencing on or after 1 April 2018.

Ind AS 115 replaces Ind AS 11 Construction contracts and Ind AS 18 Revenue. The core principle of Ind AS 115 is that an entity recognises revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

- Identify the contract(s) with a customer – assess whether the contract is within the scope of Ind AS 115. 'Customer' has now been defined.
- Identify the performance obligations in the contract – determine whether the goods and services in a contract are distinct.
- Determine the transaction price – transaction price will include fixed, variable and non cash considerations.
- Allocate the transaction price to the performance obligations in the contract – allocation based on a stand-alone selling price basis using acceptable methods.
- Recognise revenue when (or as) the entity satisfies a performance obligation – i.e. recognise revenue at a point in time or over a period of time based on performance obligations.

The Company is evaluating the requirements of the standards, and the transition effects on the financial statements."

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, the Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the effect of this on the financial statements.

Standards yet to be notified:

Ind AS 116 - "Leases":

On 18 July 2017, the Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) issued an Exposure Draft (ED) of Ind AS 116, Leases. Ind AS 116 is largely converged with IFRS 16. When notified, Ind AS 116 will replace Ind AS 17 Leases.

Ind AS 116 sets out a comprehensive model for identification of lease arrangements and their treatment in the financial statements of the lessor and lessee. Ind AS 116 applies a control model for the identification of leases, distinguishing between leases and service contracts on the basis of whether there is an identified asset controlled by the customer. The Company is evaluating the requirement of the standard and the effect on the financial statements upon notification is being evaluated.



Notes to the Financial Statements for the Year Ended March 31, 2018

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of Compliance

On 16 February 2015, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Rules, 2015. The Rules specify the Indian Accounting Standards (Ind AS) to certain class of companies and sets out the date of applicability. Dr. Agarwal's Eye Hospital Limited, being a listed Company with net worth of less than ₹ 500 Crores, for whom Ind AS is applicable in Phase II as defined in the said notification, is required to apply the standards as specified in the Companies (Indian Accounting Standards) Rules, 2015.

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1 April 2016. Up to the year ended 31 March 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April 2016. Previous year figures in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 31 March 2017 and 1 April 2016 and of the other comprehensive income for the year ended 31 March 2017. Refer Note 39.

3.2 Basis of Preparation and Presentation of Financial Statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.3 Use of Estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

3.4 Cash and Cash Equivalents (for the purpose of Cash Flow Statement)

Cash comprises cash on hand, cheques and demand drafts on hand, balances with banks in current accounts / demand deposits. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition),



Notes to the Financial Statements for the Year Ended March 31, 2018

highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

3.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.6 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupees (₹), the national currency of India, which is the functional currency of the Company. All the financial informations have been presented in Indian Rupees except for share data and as otherwise stated.

3.7 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.8 Property, Plant & Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net of Value Added Tax (VAT)/ Goods and Service Tax(GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of property, plant and equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalized separately, based on the technical assessment of the Management.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work- in- Progress".

Depreciation

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on tangible property, plant and equipment has been provided on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Improvements to Leasehold Premises is amortised over the remaining primary lease period.

Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as on April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed costs as of the transition date.



Notes to the Financial Statements for the Year Ended March 31, 2018

3.9 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses (if any). Software is amortised on a straight line basis over the license period or three years, whichever is lower. Other intangibles are amortised based on the estimated useful life as determined. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An Intangible assets is derecognised on disposal or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible assets measured as the difference between the net disposal proceeds and the carrying amount of the asset as recognised in profit or loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.10 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.11 Inventories

Inventory of Traded Goods comprising Opticals, Pharmaceutical Products, Contact Lenses and Accessories, Consumables and Provisions - Food Items are valued at lower of cost ascertained using the First-in-First-out method and net realisable value. Cost includes cost of purchase, freight, taxes, duties and other charges incurred for bringing the goods to the present location and condition and are net of VAT/GST credit, where applicable.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Due allowance is estimated and made for unusable/ non-saleable/ expired items of inventory wherever necessary, based on the past experience of the Company and such allowances are adjusted against the inventory carrying value.

Notes to the Financial Statements for the Year Ended March 31, 2018

3.12 Revenue Recognition

(i) Revenue from Operations

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised on accrual basis as and when products are sold or services are rendered, to the extent there is no uncertainty in ultimate realisation. Sales and Service Income exclude Value Added Tax (VAT) / Service Tax/ Goods and Service Tax (GST) and are net of trade / volume discounts, where applicable.

Sale of products comprises Sale of Optical Frames and Lens, Pharmaceutical Products, Contact Lens and related accessories and food items is recognised on delivery of items to the customers and where the risks and rewards are passed on to the customers.

Sale of services comprises Income from Consultation, Surgeries, Treatments and Investigations performed are recognised on rendering the related services.

(ii) Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend Income is accounted for when right to receive it is established.

3.13 Foreign Currency Transactions

Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences:

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

3.14 Employee Benefits

Retirement benefit costs and termination benefits:

i) Defined Benefit Plans:

Employee defined benefit plans include gratuity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.



Notes to the Financial Statements for the Year Ended March 31, 2018

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement"

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

ii) Defined Contribution Plans

Employee defined contribution plans include provident fund and Employee State Insurance.

Provident Fund and Employee State Insurance:

All employees of the Company receive benefits from Provident Fund and Employees' State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equalling to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employees' State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

3.15 Borrowing Costs

Borrowing costs include interest, amortisation 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 utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.16 Government Grants, Subsidies and Export Incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidies will be received. Government grants whose primary condition is that



Notes to the Financial Statements for the Year Ended March 31, 2018

the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits, if any, are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are accounted in Reserves and Surplus in Other Equity. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

3.17 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

3.18 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating Lease:

Rental expense from operating leases is generally recognised on a straight-line basis over the term of relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the periods in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.19 Earnings Per Share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



Notes to the Financial Statements for the Year Ended March 31, 2018

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease earnings per share from continuing operations. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

3.20 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Minimum Alternate Tax (MAT) paid as current tax expense in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as tax credit and recognised as deferred tax asset when there is reasonable certainty that the Company will pay normal income tax in the future years and future economic benefit associated with it will flow to the Company. The carrying amount is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.21 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) 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 and measured using the present value of cash flows estimated to settle the present obligations (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) 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. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

3.22 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.



Notes to the Financial Statements for the Year Ended March 31, 2018

3.23 Financial instruments

Initial Recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

3.23.1 Financial Assets

(a) Recognition and initial measurement

- (i) The Company initially recognises loans and advances, deposits and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy in financial assets measured at amortised cost, refer Note 3.23.1 (e)

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

(c) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.

(d) Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.



Notes to the Financial Statements for the Year Ended March 31, 2018

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(e) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

(f) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise



Notes to the Financial Statements for the Year Ended March 31, 2018

been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(g) Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.
- Changes in carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains or losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

3.23.2 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

(a) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(c) Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking;

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;

(d) Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums



Notes to the Financial Statements for the Year Ended March 31, 2018

or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(e) Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on amortised cost of the instruments and are recognised in the Statement of Profit and Loss.

The fair value of the financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses recognised in the Statement of profit and Loss.

(f) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised the Statement of Profit and Loss.

3.24 Service Tax Input Credit / Goods & Service Tax Input Credit

Service Tax Input Credit / Goods & Service Tax Input Credit is accounted for in the books during the period in which the underlying service received is accounted and where there is no uncertainty in availing/utilizing the same.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (i) Useful lives of Property, plant and equipment (Refer Note 3.8)
- (ii) Assets and obligations relating to employee benefits (Refer Note 3.14)
- (iii) Valuation and measurement of income taxes and deferred taxes (Refer Note 3.20)
- (iv) Provisions for disputed statutory and other matters

Determination of functional currency:

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (INR) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).

Notes to the Financial Statements for the Year Ended March 31, 2018

5 PROPERTY, PLANT AND EQUIPMENT

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Carrying amounts of :			
Leasehold Improvements	822.74	882.84	860.66
Medical Equipments	1,541.84	1,542.37	1,588.64
Office Equipments	20.59	25.70	22.44
Vehicles	164.75	104.09	152.21
Computers	57.74	57.25	45.53
Electrical Fittings	484.86	532.48	569.97
Furniture and Fixtures	105.39	125.42	131.36
Lab Equipments	16.95	10.46	17.69
Kitchen Equipments	1.00	1.46	2.12
Total	3,215.86	3,282.07	3,390.62

5.1 Details of movement in the carrying amounts of property, plant and equipment

Amount ₹ In Lakhs

Description of Assets	Leasehold Improvements	Medical Equipments	Office Equipments	Vehicles	Computers	Electrical Fittings	Furniture and Fixtures	Lab Equipments	Kitchen Equipments	Total
I. Gross carrying value										
As at 1 April 2016	860.66	1,588.64	22.44	152.21	45.53	569.97	131.36	17.69	2.12	3,390.62
Additions	176.17	352.87	16.25	0.68	64.42	128.89	43.08	0.36	-	782.72
Disposals / Adjustments during the year	(14.41)	(360.48)	(12.87)	(26.55)	(32.25)	(34.55)	(51.77)	(7.17)	-	(540.05)
As at 31 March 2017	1,022.42	1,581.03	25.82	126.34	77.70	664.31	122.67	10.88	2.12	3,633.29
As at 1 April 2017	1,022.42	1,581.03	25.82	126.34	77.70	664.31	122.67	10.88	2.12	3,633.29
Additions	147.49	341.65	6.74	119.79	55.27	113.07	22.17	11.68	-	817.86
Disposals / Adjustments during the year	-	-	-	-	-	-	-	-	-	-
As at 31 March 2018	1,169.91	1,922.68	32.56	246.13	132.97	777.38	144.84	22.56	2.12	4,451.15
II. Accumulated depreciation and impairment										
As at 1 April 2016	-	-	-	-	-	-	-	-	-	-
Charge for the year	153.99	369.86	12.48	47.47	51.90	161.78	43.44	4.93	0.66	846.51
Disposals / Adjustments during the year	(14.41)	(331.20)	(12.36)	(25.22)	(31.45)	(29.95)	(46.19)	(4.51)	-	(495.29)
As at 31 March 2017	139.58	38.66	0.12	22.25	20.45	131.83	(2.75)	0.42	0.66	351.22
As at 1 April 2017	139.58	38.66	0.12	22.25	20.45	131.83	(2.75)	0.42	0.66	351.22
Charge for the year	207.59	342.18	11.85	59.13	54.78	160.69	42.20	5.19	0.46	884.07
Disposals / Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	347.17	380.84	11.97	81.38	75.23	292.52	39.45	5.61	1.12	1,235.29
Net carrying value as at 31 March 2018	822.74	1,541.84	20.59	164.75	57.74	484.86	105.39	16.95	1.00	3,215.86
Net carrying value as at 31 March 2017	882.84	1,542.37	25.70	104.09	57.25	532.48	125.42	10.46	1.46	3,282.07
Net carrying value as at 1 April 2016	860.66	1,588.64	22.44	152.21	45.53	569.97	131.36	17.69	2.12	3,390.62



Notes to the Financial Statements for the Year Ended March 31, 2018

6 INTANGIBLE ASSETS

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Carrying amounts of:			
Goodwill	-	-	-
Computer software	343.52	38.97	12.33
Total	343.52	38.97	12.33

6.1 Details of movement in the carrying amounts of goodwill and other intangible assets

Amount ₹ In Lakhs

Description of Assets	Goodwill	Computer Software	Total
I - Gross carrying value			
As at 1 April 2016	-	12.33	12.33
Additions	-	54.31	54.31
Disposals / Adjustments during the year	-	(7.64)	(7.64)
As at 31 March 2017	-	59.00	59.00
As at 1 April 2017	-	59.00	59.00
Additions	-	398.66	398.66
Disposals / Adjustments during the year	-	-	-
As at 31 March 2018	-	457.66	457.66
II. Accumulated depreciation and impairment			
As at 1 April 2016	-	-	-
Charge for the year	-	27.67	27.67
Disposals / Adjustments during the year	-	(7.64)	(7.64)
As at 31 March 2017	-	20.03	20.03
As at 1 April 2017	-	20.03	20.03
Charge for the year	-	94.11	94.11
Disposals / Adjustments during the year	-	-	-
Balance as at 31 March 2018	-	114.14	114.14
Net carrying value as at 31 March 2018	-	343.52	343.52
Net carrying value as at 31 March 2017	-	38.97	38.97
Net carrying value as at 1 April 2016	-	12.33	12.33

7 LOANS

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current, at amortised cost			
(a) Rental Deposits			
- Related Parties (Refer Note 34.4)	340.75	330.70	295.77
- Others	602.62	429.81	373.01
(b) Security deposits	74.77	73.30	70.68
Total	1,018.14	833.81	739.46
Current			
(a) Rental Deposits			
- Others	-	6.74	55.50
	-	6.74	55.50

Note:

(i) Due from firm in which director of the Company is a partner	340.75	330.70	295.77
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Notes to the Financial Statements for the Year Ended March 31, 2018

8 INCOME TAX

8.1 Non-current income tax assets

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Income tax payments made against returns filed /demands received (including taxes deducted at source)	2,332.18	1,815.27	1,496.93
Less: Provision for tax as carried for the respective years netted off against the payments made	(2,166.35)	(1,522.00)	(1,062.00)
Tax Refund receivable (net)	165.83	293.27	434.93

8.2 Income tax expense

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(A.1) Income Tax recognised in statement of profit and loss		
(i) Current Tax:		
- in respect of current year	603.40	460.00
- in respect of prior years	40.95	-
Total (A)	644.35	460.00
(ii) Deferred Tax:		
- in respect of current year	14.22	(96.35)
Total (B)	14.22	(96.35)
Total income tax expense recognised in profit and loss account (A+B)	658.57	363.65
(A.2) Income tax recognised in other Comprehensive income		
Deferred tax related to items recognised in other comprehensive income during the year:		
- Remeasurement of defined benefit obligations - Deferred Tax Asset	11.12	14.10
Total	11.12	14.10
Classification of income tax recognised in other comprehensive income		
- Income taxes related to items that will be reclassified to profit or loss	-	-
- Income taxes related to items that will not be reclassified to profit or loss	11.12	14.10
Total	11.12	14.10
(A.3) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:		
Profit before tax	1,336.09	1,097.48
Income Tax using the Company's domestic Tax rate	462.40	379.82
Tax Effect of :		
- Effect of expenses that are non-deductible in determining taxable profit	20.30	3.07
- Adjustments recognised in current year in relation to current tax of prior years	40.95	-
- Change in Tax Rate	134.92	(19.24)
Income Tax expense recognised in statement of profit or loss from continuing operations	658.57	363.65

The tax rate used for the year ended 31 March 2018 and 31 March 2017 reconciliations above is the corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under Indian Income Tax Laws.



Notes to the Financial Statements for the Year Ended March 31, 2018

9 DEFERRED TAXES

9.1 Deferred Tax Balances

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
The following is the analysis of the net deferred tax asset/ (liability) position as presented in the financial statements			
Deferred tax assets	656.97	660.07	549.62
Less: Deferred tax liabilities	-	-	-
Deferred tax asset - net	656.97	660.07	549.62

9.2 Movement in Deferred Tax Balances

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018				
	As at 31 March 2017	Charge/(Credit) recognised in			As at 31 March 2018
		Statement of Profit and Loss	Other Comprehensive Income	Directly in Other Equity	
Tax effect of items constituting (deferred tax liabilities)/deferred tax assets					
Property, plant and equipment and intangible assets	479.58	(35.47)	-	-	444.11
Financial assets at fair value through profit & loss	8.05	(0.21)	-	-	7.84
Employee Benefits	62.66	(9.14)	11.12	-	64.64
Provisions	49.68	20.32	-	-	70.00
Other items	60.10	10.28	-	-	70.38
Net Tax Asset /(Liabilities)	660.07	(14.22)	11.12	-	656.97

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2017				
	As at 1 April 2016	Charge/(Credit) recognised in			As at 31 March 2017
		Statement of Profit and Loss	Other Comprehensive Income	Directly in Other Equity	
Tax effect of items constituting (deferred tax liabilities)/deferred tax assets					
Property, Plant and Equipment and Intangible Assets	396.71	82.87	-	-	479.58
Financial assets at Fair Value Through Profit & Loss	6.33	1.72	-	-	8.05
Employee Benefits	36.94	11.62	14.10	-	62.66
Provisions	72.47	(22.79)	-	-	49.68
Other items	37.17	22.93	-	-	60.10
Net Tax Asset /(Liabilities)	549.62	96.35	14.10	-	660.07



Notes to the Financial Statements for the Year Ended March 31, 2018

10 OTHER ASSETS (Unsecured, Considered good)

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other non-current assets			
(a) Capital Advances	54.36	9.84	30.34
(b) Balances Receivable from Government Authorities			
- Paid under Protest	-	-	10.09
Total	54.36	9.84	40.43
Other current assets			
(a) Prepaid Expenses	290.07	284.50	299.20
(b) Advances to Suppliers	112.85	35.14	54.86
(c) Balances Receivable from Government Authorities			
- Paid under Protest	-	7.98	-
(d) Balances with Government Authorities			
- Input Credit Receivables	12.70	-	-
Total	415.62	327.62	354.06

11 INVENTORIES (at lower of cost and net realisable value)

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a) Traded Goods			
- Opticals	164.37	122.36	247.54
- Pharmaceutical Products	240.44	200.11	153.18
- Contact Lens and Accessories	27.21	28.00	22.17
(b) Consumables (goods held for use in rendering services)	300.85	261.66	563.20
(c) Provisions - Food Items	0.68	0.41	0.51
Total	733.55	612.54	986.60

Notes:

- The cost of inventories recognised as an expenses during the year 3,356.39 3,507.41
- The cost of inventories recognised as an expense, includes write downs of inventory to net realisable value, amounting - 96.90
- The mode of valuation of inventories has been stated in Note 3.11.

12 TRADE RECEIVABLES

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current			
(i) Unsecured, considered Good	707.10	662.80	758.65
(ii) Unsecured, considered Doubtful	224.95	128.15	212.25
	932.05	790.95	970.90
Less: Allowance for expected credit losses	224.95	128.15	212.25
	707.10	662.80	758.65



Notes to the Financial Statements for the Year Ended March 31, 2018

12.1 Credit period and risk

Significant portion of the Company's business is against receipt of advance. Credit is provided mainly to Insurance Companies, Corporate customers and Government Undertakings. The Insurance Companies are required to maintain minimum reserve levels and pre-approve the insurance claim, Government undertakings and the Corporate Customers are enterprises with high credit ratings. Accordingly, the Company's exposure to credit risk in relation to trade receivables is low.

Trade receivables are non-interest bearing and are generally on terms of upto 30 days. Of the Trade Receivable as at 31 March 2018, ₹ 725.60 lakhs (As at 31 March 2017: ₹ 712.04 lakhs; As at 1 April 2016 : ₹ 620.22 lakhs) are due from seven of the Company's customers i.e having more than 5% of the total outstanding trade receivable balance. There are no other customers who represent more than 5% of the total balance of trade receivables.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

12.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix, considering the amounts due from the government undertakings and the other undertakings.

The provision matrix at the end of the reporting period (31 March 2018) is as follows:

Particulars	Expected Credit loss (%)
Within the credit period	2% to 3%
1-90 days past due	2% to 3%
91-180 days past due	10% to 21%
181-270 days past due	15% to 42%
271-360 days past due	25% to 100%
361-450 days past due	36% to 100%
451-540 days past due	51% to 100%
541-630 days past due	77% to 100%
More than 630 days past due	100%

Age of receivables

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Within the credit period	318.11	479.94	366.80
1-90 days past due	268.15	133.27	252.14
91-180 days past due	0.49	5.23	66.52
181-270 days past due	40.76	43.39	42.98
271-360 days past due	28.82	12.87	53.54
361-450 days past due	18.20	20.41	27.70
451-540 days past due	26.25	13.98	11.48
541-630 days past due	231.27	17.09	17.03
More than 630 days past due	-	64.79	132.71
Total	932.05	790.95	970.90

Notes to the Financial Statements for the Year Ended March 31, 2018

12.3 Movement in the allowance for doubtful receivables (including expected credit loss allowance) Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Balance at beginning of the year	128.15	212.25
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	96.80	(84.10)
Balance at end of the year	224.95	128.15

During the year, the Company made no write-offs of trade receivables, it does not expect to receive future cash flows/recoveries from trade receivables previously written off.

13 CASH AND BANK BALANCES

13 (a) Cash and cash equivalents Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(a) Cash on Hand	32.72	26.67	45.64
(b) Balances with Banks			
- In Current Accounts	150.13	201.71	140.69
Total	182.85	228.38	186.33

13 (b) Other Bank Balances Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(a) In Fixed Deposits - under Lien (Refer Note (i) below)	44.46	46.28	47.00
(b) In Earmarked Accounts			
- Unpaid Dividend Accounts	11.40	10.23	8.90
Total	55.86	56.51	55.90
Note:			
(i) Deposit under Lien represents deposits placed for Bank Guarantees (maturity of less than 12 months) obtained by the Company from Banks towards:			
- Central Government Health Scheme (CGHS)	8.50	8.50	11.50
- Ex-Servicemen Contributory Health Scheme (ECHS)	13.75	13.28	11.00
- Southern Railways	0.50	-	-
- National Savings Certificate	0.03	-	-
- Rajasthan Commercial Tax	21.68	24.50	24.50

14 OTHER FINANCIAL ASSETS Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current			
(a) Receivable on Sale of Fixed Assets	-	-	23.29
(b) Interest accrued not due on fixed deposits	11.79	8.87	6.11
(c) Advances to Employees	5.26	5.35	0.85
(d) Others			
- Receivable from Related Parties (Refer Note 34.4)	188.02	86.13	67.64
Total	205.07	100.35	97.89



Notes to the Financial Statements for the Year Ended March 31, 2018

15 EQUITY SHARE CAPITAL

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity share capital	4,700,000	470.00	4,700,000	470.00	4,700,000	470.00
Authorised Share capital :						
20,000,000 Equity shares of ₹ 10 each	20,000,000	2,000.00	20,000,000.00	2,000.00	20,000,000	2,000.00
Issued and subscribed capital comprises:						
4,700,000 fully paid equity shares of ₹ 10 each	4,700,000	470.00	4,700,000	470.00	4,700,000	470.00
Total		470.00		470.00		470.00

15.1 Reconciliation of the Number of Shares and Amount Outstanding at the Beginning and at the End of the Reporting Period:

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Shares outstanding as at the beginning of the year	4,700,000	470.00	4,700,000	470.00	4,700,000	470.00
Add: Fresh issue of shares during the year	-	-	-	-	-	-
Less: Buy-back of shares during the year	-	-	-	-	-	-
Shares outstanding as at the end of the year	4,700,000	470.00	4,700,000	470.00	4,700,000	470.00

15.2 Terms / rights attached to Equity Shares :

The Company has only one class of equity shares having a par value of ₹ 10. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting except in case of interim dividend. Repayment of capital will be in accordance with the terms of the Articles of Association and in proportion to the number of equity shares held.

The Board of Directors, at their meeting held on 28 May 2018, have proposed a final dividend of ₹ 1.20 per equity share, aggregating to ₹ 56.40 lakhs, for the year ended 31 March 2018. The dividend proposed by the Board of Directors is subject to the approval of shareholders at the ensuing Annual General Meeting.

15.3 Details of shares held by Dr. Agarwal's Health Care Limited (Holding Company)

Class of Shares	Number of Shares As at 31 March 2018	Number of Shares As at 31 March 2017	Number of Shares As at 1 April 2016
Equity Shares of ₹ 10/- each	3,372,408	3,372,408	3,372,408

15.4 Details of shares held by each shareholder holding more than 5% shares

Class of Shares	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of Shares held	% holding of equity shares	Number of Shares held	% holding of equity shares	Number of Shares held	% holding of equity shares
Equity shares						
Dr. Agarwal's Health Care Limited	3,372,408	71.75	3,372,408	71.75	3,372,408	71.75

Notes to the Financial Statements for the Year Ended March 31, 2018

16 OTHER EQUITY

Amount ₹ In Lakhs

Particulars	Note	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
General reserve	16.1	83.00	83.00	83.00
Securities premium reserve	16.2	551.00	551.00	551.00
Retained earnings	16.3	2,455.63	1,862.96	1,174.38
Total Reserves and Surplus		3,089.63	2,496.96	1,808.38
Remeasurement of net defined benefit obligation	16.4	(53.72)	(26.65)	-
Total Other Comprehensive Income		(53.72)	(26.65)	-
Total		3,035.91	2,470.31	1,808.38

16.1 General reserve

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Opening Balance	83.00	83.00	83.00
Add: Transferred from surplus in Statement of Profit and Loss	-	-	-
Closing Balance	83.00	83.00	83.00

The general reserve represents appropriation of retained earnings by transferring profits. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

16.2 Securities premium reserve

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Opening Balance	551.00	551.00	551.00
Add : Premium on Shares issued during the Year	-	-	-
Closing Balance	551.00	551.00	551.00

Amounts received on issue of shares in excess of the par value has been classified as securities premium

16.3 Retained earnings

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Opening Balance	1,862.96	1,174.38	1,174.38
Adjustments			
Profit attributable to owners of the Company	677.52	733.83	-
Dividends distributed to Equity Shareholders	(70.50)	(37.60)	-
Tax on Dividend	(14.35)	(7.65)	-
Closing Balance	2,455.63	1,862.96	1,174.38

Retained earnings comprise the Company's undistributed earnings after taxes.

16.4 Other Comprehensive Income

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Remeasurement of net defined benefit liability or asset			
Opening Balance	(26.65)	-	-
Add/(Less): Other Comprehensive Income for the year, net of income tax	(27.07)	(26.65)	-
Closing Balance	(53.72)	(26.65)	-



Notes to the Financial Statements for the Year Ended March 31, 2018

16.5 In respect of the year ended 31 March 2018, the directors propose that a dividend of ₹ 1.20 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

17 NON-CURRENT BORROWINGS

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Borrowings measured at amortized cost:			
Secured borrowings : Term Loans (Refer Note (17.1) below)			
- From Banks	533.54	1,230.56	1,621.17
- From Other Parties	-	60.66	133.07
Total	533.54	1,291.22	1,754.24

17.1 Details of Term Loan from Banks / Others - Secured

The details of tenor, interest rate, repayment terms of the same are given below:

S.No.	Original Tenor (in Months)	Interest Rate	No. of Instalments outstanding as at 31 March 2018	Repayment Terms	Loan Amount As at 31 March 2018 Amount ₹ In Lakhs	Loan Amount As at 31 March 2017 Amount ₹ In Lakhs	Loan Amount As at 1 April 2016 Amount ₹ In Lakhs
I - Term Loans from State Bank of India (Refer Note (i) below)							
1	64	SBI Base Rate + applicable spread	8	Principal Quarterly, Interest Quarterly	193.43	293.90	395.32
2	83		-		-	-	73.15
3	80		5		275.51	523.47	722.11
4	60		8		295.57	419.80	518.29
5	60		8		296.65	394.93	467.43
6	60		16		160.62	200.03	-
			Sub-Total		1,221.78	1,832.13	2,176.30
II - Vehicle Loans from HDFC Bank, ICICI Bank and Kotak Mahindra Bank (Refer Note (ii) below)							
1	36	10.42%	-	Principal Monthly, Interest Monthly	-	-	-
2	60	12.14%	-		-	-	14.06
3	36	10.56%	-		-	-	0.26
4	36	13.81%	-		-	-	1.71
5	36	14.08%	-		-	-	3.86
6	36	11.93%	-		-	-	0.53
7	36	11.93%	-		-	-	0.53
8	35	14.03%	-		-	-	1.55
9	36	14.08%	-		-	-	2.87
10	36	11.93%	-		-	-	0.53
11	36	11.93%	-		-	-	0.53
12	36	11.93%	-		-	-	0.53
13	36	10.88%	-		-	-	3.97
14	60	11.95%	-		-	-	33.06
15	36	12.99%	4		2.11	8.08	13.32
16	48	11.99%	5		1.32	4.43	7.20
17	36	10.24%	-		-	5.14	10.27
18	36	8.20%	26		41.81	-	-
			Sub-Total		45.24	17.65	94.78

Notes to the Financial Statements for the Year Ended March 31, 2018

S.No.	Original Tenor (in Months)	Interest Rate	No. of Instalments outstanding as at 31 March 2018	Repayment Terms	Loan Amount As at 31 March 2018 Amount ₹ In Lakhs	Loan Amount As at 31 March 2017 Amount ₹ In Lakhs	Loan Amount As at 1 April 2016 Amount ₹ In Lakhs
Total of borrowings from Banks					1,267.02	1,849.78	2,271.08
Less : Current Maturities of long-term borrowings (Refer Note 22)					(733.48)	(619.22)	(649.91)
Long-term Borrowings from Banks					533.54	1,230.56	1,621.17
III - Equipment Loans from Siemens Financials Services Private Limited (Refer Note (iii) below)							
1	48	12.75%	9	Principal Monthly, Interest Monthly	60.66	133.07	196.85
Total of borrowings from Others					60.66	133.07	196.85
Less : Current Maturities of long-term borrowings (Refer Note 22)					(60.66)	(72.41)	(63.78)
Long Term Borrowings from Others					-	60.66	133.07

Notes:

- (i) The details of Security provided against the Term Loans are as follows:
- Extension of first charge on the entire Property, Plant and Equipment of the Company and first charge on the assets to be created out of the Term Loan.
 - Extension of equitable mortgage on a property owned by Orbit International.
 - Extension of first charge on the entire Fixed assets of the company and first charge on the assets to be created out of the Term Loan.
 - Pledge of 1,350,000 Shares of the Company held by Dr. Agarwal's Health Care Limited.
 - Corporate Guarantee provided by Dr. Agarwal's Health Care Limited and Orbit International.
 - Personal Guarantees of Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal, Dr. Anosh Agarwal, Dr. Ashar Agarwal, Dr. Ashwin Agarwal, being the promoter and relatives of the promoter.
- (ii) The loans are secured by hypothecation of respective vehicles financed by the Banks.
- (iii) The loans are secured by hypothecation of surgical equipments.

18 PROVISIONS

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current portion			
(a) Provision for Employee Benefits:			
- Gratuity Payable (Refer Note 33.3)	100.30	84.56	30.12
Total Non-current	100.30	84.56	30.12
Current portion			
(a) Provision for Employee Benefits:			
- Compensated Absences (Refer Note 33.2)	77.69	74.30	54.40
(b) Provision for Contingencies (Refer Note 18.1)	15.43	15.43	9.62
Total Current	93.12	89.73	64.02



Notes to the Financial Statements for the Year Ended March 31, 2018

18.1 The Company carries a 'provision for contingencies' towards various claims against the Company not acknowledged as debts (Refer Note 32), based on Management's best estimate. The details are as follows:

Particulars	As at 31 March 2018 Amount ₹ In Lakhs	As at 31 March 2017 Amount ₹ In Lakhs
Opening Balance	15.43	9.62
Provision made during the year	-	20.81
Amounts Utilised during the year	-	(15.00)
Unused Amounts Reversed during the year	-	-
Closing Balance	15.43	15.43

Note:

Whilst the provision as at 31 March 2018 is considered as short term in nature, the actual outflow with regard to said matters depends on the exhaustion of remedies available under the law based on various developments. No recoveries are expected against the provision.

19 OTHER LIABILITIES

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current liabilities			
Trade Payables :			
- Other than Acceptances (Refer Note 30)			
- Dues of Micro Enterprises and Small Enterprises	-	-	-
- Dues of Creditors Other than Micro Enterprises and Small Enterprises	241.69	173.65	112.50
Total non-current liabilities	241.69	173.65	112.50
Current Liabilities			
(a) Gratuity Payable (Refer Note 33.3)	45.00	22.19	27.22
(b) Statutory Remittances	109.81	113.79	101.12
(c) Advances from Customers	0.75	34.44	97.77
Total current liabilities	155.56	170.42	226.11

20 CURRENT BORROWINGS

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(a) Loans Repayable on Demand			
(i) From Banks - Secured			
- Cash Credit Facility (Refer Notes (i) and (ii) below)	500.40	323.11	628.70
Total	500.40	323.11	628.70

Notes :

(i) The details of interest rate, repayment and other terms of the Short Term Borrowings are as follows:

Type	Name of the Party	Interest Rate	Repayment Terms	Loan Amount As at 31 March 2018 Amount ₹ In Lakhs	Loan Amount As at 31 March 2017 Amount ₹ In Lakhs	Loan Amount As at 1 April 2016 Amount ₹ In Lakhs
Cash Credit facility from Bank	SBI	11.30%	On Demand	500.40	323.11	628.70

Notes to the Financial Statements for the Year Ended March 31, 2018

- (ii) The Cash credit facility availed by the Company as at 31 March 2018 is secured by the following:
- Hypothecation of all the current assets of the Company.
 - Extension of equitable mortgage on a property owned by Orbit International.
 - Pledge of 1,350,000 shares of the Company held by Dr. Agarwal's Health Care Limited.
 - Corporate Guarantee provided by Dr. Agarwal's Health Care Limited and Orbit International.
 - Personal Guarantees of Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal, Dr. Anosh Agarwal, Dr. Ashar Agarwal and Dr. Ashwin Agarwal being the promoter and relatives of the promoter.

21 TRADE PAYABLES - CURRENT

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade Payables :			
- Other than Acceptances (Refer Note 30)			
- Dues of Micro Enterprises and Small Enterprises	-	-	-
- Dues of Creditors Other than Micro Enterprises and Small Enterprises	1,754.35	1,383.75	1,825.98
Total	1,754.35	1,383.75	1,825.98

22 OTHER FINANCIAL LIABILITIES

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current			
(a) Payables towards purchase of Property, Plant and Equipment	395.29	56.72	70.57
(b) Current Maturities of Long-Term Borrowings			
- from Banks - Secured (Refer Note 17.1)	733.48	619.22	649.91
- from Other Parties - Secured (Refer Note 17.1)	60.66	72.41	63.78
(c) Interest Accrued But Not Due on Borrowings			
- from Banks	11.64	18.95	24.84
- from Other Parties	0.15	0.32	0.47
(d) Unpaid Dividends	11.40	10.23	8.90
Total	1,212.62	777.85	818.47

23 REVENUE FROM OPERATIONS

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Sale of Products (Refer Note (i) below)	3,911.33	3,706.20
(b) Sale of Services (Refer Note (ii) below)	11,420.80	11,147.99
Total	15,332.13	14,854.19



Notes to the Financial Statements for the Year Ended March 31, 2018

Notes :

(i) Sale of Products comprises the following:

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Traded Goods :		
(i) Opticals	2,449.83	2,508.20
(ii) Pharmaceutical Products	1,262.35	977.32
(iii) Contact Lens and Accessories	146.24	150.38
(iv) Sale of Food Items	52.91	70.30
Total - Sale of Products	3,911.33	3,706.20

ii) Sale of Services comprises the following:

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(i) Income from Surgeries	10,393.04	9,751.30
(ii) Income from Consultation	705.69	771.40
(iii) Income from Treatments and Investigations	322.07	625.29
Total - Sale of Services	11,420.80	11,147.99

The services are rendered to various patients and there are no patients who represent more than 10% of the total revenue. However, the Hospital also serves patients who are covered under insurance / health schemes run by insurance companies, corporates and the Central / State Government agencies, wherein the services rendered to the patient is on credit to be reimbursed by the said insurance company, corporate or government agency.

24 OTHER INCOME

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Interest Income - Bank Deposits	3.82	3.69
(b) Interest income - Other Financial Asset at amortised cost	67.50	52.30
(c) Interest income - Others	27.61	-
(d) Profit on sale of Property, Plant and Equipment (Net)	-	0.74
(e) Allowance for Expected Credit Losses - Written Back	-	84.10
(f) Income from Business Support Services	86.20	-
(g) Miscellaneous Income	44.87	24.52
Total	230.00	165.35

25 PURCHASE OF STOCK IN TRADE

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Opticals	980.68	824.51
(b) Pharmaceuticals Products	809.49	796.73
(c) Contact Lens and Accessories	78.92	93.30
(d) Provisions - Food Items	27.38	37.21
Total	1,896.47	1,751.75

Notes to the Financial Statements for the Year Ended March 31, 2018

26 CHANGES IN INVENTORIES OF STOCK IN TRADE

A. Inventories at the beginning of the year:

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Opticals	122.36	247.54
(b) Pharmaceuticals Products	200.11	153.18
(c) Contact Lens and Accessories	28.00	22.17
(d) Provisions - Food Items	0.41	0.51
Total (A)	350.88	423.40

B. Inventories at the end of the year:

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Opticals	164.37	122.36
(b) Pharmaceuticals Products	240.44	200.11
(c) Contact Lens and Accessories	27.21	28.00
(d) Provisions - Food Items	0.68	0.41
Total (B)	432.70	350.88
Total (A) - (B)	(81.82)	72.52

27 EMPLOYEE BENEFITS EXPENSE

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Salaries and Bonus	2,889.34	2,989.19
(b) Contributions to Provident and Other Funds (Refer Note 33)	190.48	163.47
(c) Staff Welfare Expenses	118.21	96.67
Total	3,198.03	3,249.33

28 FINANCE COSTS

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Interest on Loan		
(i) On Term Loans	191.48	296.60
(ii) On Others	14.38	28.34
(b) Interest on delayed remittance of statutory dues	53.18	8.36
Total	259.04	333.30



Notes to the Financial Statements for the Year Ended March 31, 2018

29 OTHER EXPENSES

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Consultancy Charges	2,002.75	1,935.34
(b) Consumables	1,541.74	1,683.14
(c) Power and Fuel	277.52	299.78
(d) Water Consumption	10.18	8.68
(e) Rent (Refer Note 34.2 and 36)	1,717.98	1,644.09
(f) Repairs & Maintenance		
- Equipments	259.18	205.27
- Others	169.20	123.14
(g) Hospital Maintenance Charges	204.84	163.35
(h) Brokerage and Commission	15.46	74.37
(i) Insurance	49.12	39.87
(j) Rates and Taxes	10.40	41.88
(k) Communication	149.75	147.86
(l) Travelling and Conveyance		
- Domestic	308.76	152.67
- Foreign	-	29.66
(m) Printing and Stationery	91.45	93.47
(n) Legal and Professional Charges	201.49	118.97
(o) Software Maintenance Charges	56.26	53.01
(p) Business Promotion and Entertainment	239.45	134.00
(q) Marketing Expenses	327.11	334.39
(r) Payments to Auditors (Refer Note 29.1 Below)	35.36	35.82
(s) Provision for Contingencies (Refer Note 18.1)	-	20.81
(t) Bank Charges	81.63	82.55
(u) Net Loss on Foreign Currency Transactions and Translation	7.82	0.05
(v) Expenditure on Corporate Social Responsibility (CSR) (Refer Note 29.2 below)	9.80	5.70
(w) Bad Receivables Written off	-	55.25
(x) Loss on Property, Plant and Equipment discarded	-	42.24
(y) Allowance for expected credit losses	96.80	-
(z) Miscellaneous Expenses	112.09	115.62
Total	7,976.14	7,640.98

Notes to the Financial Statements for the Year Ended March 31, 2018

29.1 Payments to the Auditors Comprises:

Amount ₹ In Lakhs

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) As Auditors:		
- For Statutory Audit and Limited Review	27.50	27.50
- For Tax Audit	2.50	2.50
- Service Tax / Goods and Service Tax	4.32	4.54
- Reimbursement of Expenses	0.33	0.59
(b) To cost auditors for cost audit	0.71	0.69
Total	35.36	35.82

29.2 Details of Corporate Social Responsibility expenditure

The Company identifies and incurs expenses towards Corporate Social Responsibility ('CSR'), in accordance with its CSR Policy in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The necessary disclosures are as below:

Particulars	For the Year Ended 31 March 2018 Amount ₹ In Lakhs	For the Year Ended 31 March 2017 Amount ₹ In Lakhs
(i) Gross amount required to be spent by the Company during the year [Determined in accordance with the notification as issued by the Ministry of Corporate Affairs]	9.80	5.70
(ii) Amount spent during the financial year		
a) Construction or acquisition of any asset	-	-
b) On purpose other than (a) above		
- Paid	9.80	5.70
- Yet to be Paid	-	-

30 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	2017-2018 Amount ₹ In Lakhs	2016-2017 Amount ₹ In Lakhs
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

31 Capital Commitments

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017
(i) The estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for	-	17.96



Notes to the Financial Statements for the Year Ended March 31, 2018

32 Contingent Liabilities

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017
Consumer Claims against the Company not acknowledged as debt	87.43	87.43
Income Tax demands - Disputed	699.98	614.65
Indirect Tax demands - Disputed	-	0.72

Notes:

- Based on Professional Advice / Management's assessment of all the above claims, the Company expects a favourable decision in respect of the above claims and hence no specific provision has been considered for the above claims. Also refer Note 18.1.
- The amounts shown above represent the best possible estimates arrived at on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various legal proceedings which have been initiated by the Company or the Claimants, as the case may be and, therefore, cannot be predicted accurately.

33 Employee Benefits

33.1 Defined Contribution plans

- The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employees State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

- Expenses recognised:

Amount ₹ In Lakhs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(i) Included under 'Contributions to Provident and Other Funds' (Refer Note 27)		
Contributions to provident and pension funds	140.94	124.76
(ii) Included under 'Staff Welfare Expenses' (Refer Note 27)		
Contributions to Employees State Insurance	48.37	35.23

33.2 Compensated Absences

Amount ₹ In Lakhs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(a) Included under 'Salaries and Bonus' (Refer Note 27)	3.39	19.90

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(b) Net asset / (liability) recognised in the Balance Sheet	77.69	74.30	54.40
Current portion of the above	77.69	74.30	54.40
Non - current portion of the above	-	-	-

The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	2017-2018	2016-2017	2015-2016
Discount Rate (% p.a)	7.08%	6.69%	7.80%
Future Salary Increase (% p.a)	6.00%	6.00%	5.00%

Notes to the Financial Statements for the Year Ended March 31, 2018

33.3 Defined benefit plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2018 by Mr. Srinivasan Naga Subramanian, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

- (a) Amount recognised in the statement of profit & loss (including other comprehensive income) in respect of the defined benefit plan are as follows :

Particulars	For the year ended 31 March 2018 Amount ₹ In Lakhs	For the year ended 31 March 2017 Amount ₹ In Lakhs
Amounts recognised in Statement of Profit & Loss in respect of these defined benefit plans are as follows:		
Service Cost [Refer Note(i) below] :		
- Current Service Cost	43.96	36.91
- Net interest expense	5.58	1.80
Components of defined benefit costs recognised in the Statement of Profit and Loss	49.54	38.71
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	0.37	1.76
Actuarial gains and loss arising from changes in financial assumptions	(3.40)	12.79
Actuarial gains and loss arising from experience adjustments	41.22	26.20
Components of defined benefit costs recognised in other comprehensive income	38.19	40.75
Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income	87.73	79.46

- (i) The current service cost and interest expense for the year are included in Note 27 - "Employee Benefit Expenses" in the statement of profit & loss under the line item "Contribution to Provident and Other Funds"
- (ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

- (b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Net Asset/(Liability) recognised in the Balance Sheet			
1. Present value of defined benefit obligation	283.48	255.51	227.94
2. Fair value of plan assets	138.18	155.83	170.60
Net asset / (liability) recognised in the Balance Sheet	(145.30)	(99.68)	(57.34)
Current portion of the above	45.00	22.19	27.22
Non - current portion of the above	100.30	84.56	30.12



Notes to the Financial Statements for the Year Ended March 31, 2018

(c) Movement in the present value of the defined benefit obligation are as follows:

Amount ₹ In Lakhs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Present value of defined benefit obligation at the beginning of the year	255.51	227.94
Expenses Recognised in Statement of Profit and Loss:		
- Current Service Cost	43.96	36.91
- Interest Expense (Income)	15.64	12.42
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	(3.40)	12.80
iii. Experience Adjustments	41.22	26.20
Benefit payments	(69.44)	(60.76)
Present value of defined benefit obligation at the end of the year	283.48	255.51

(i) The weighted average duration of the benefit obligation as at March 31, 2018 is 3.5 years.

(d) Movement in fair value of plan assets are as follows:

Amount ₹ In Lakhs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Fair value of plan assets at the beginning of the year	155.83	170.61
Expenses Recognised in Statement of Profit and Loss:		
- Expected return on plan assets	10.06	10.62
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial gains and loss arising from changes in financial assumptions	(0.37)	(1.76)
- Return on plan assets (excluding amount included in net interest expense)	-	-
Contributions by employer	42.10	37.12
Benefit payments	(69.44)	(60.76)
Fair value of plan assets at the end of the year	138.18	155.83

(e) The fair value of plan assets plan at the end of the reporting period are as follows:

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investment Funds with Insurance Company			
- Life Insurance Corporation of India	138.18	155.83	170.61

(i) The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.

(f) The Actual return on plan asset for the year ended 31 March 2018 was ₹ 9.70 lakhs (For the year ended - 31 March 2017: ₹ 8.86 lakhs).

Notes to the Financial Statements for the Year Ended March 31, 2018

(g) Actuarial assumptions

Investment Risk:

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Interest Risk:

A decrease in the yield of Indian government securities will increase the plan liability.

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Discount rate	7.08%	6.69%	7.80%
Expected rate of salary increase	6.00%	6.00%	5.00%
Expected return on plan assets	7.08%	6.69%	8.50%
Expected Attrition rate based on Past Service (PS) (% p.a)	28%	28%	28%
Mortality	Indian Assured Lives (2006-2008)	Indian Assured Lives (2006-2008)	Indian Assured Lives (2006-2008)

- The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund (maintained by the Life Insurance Corporation ("LIC") and is well diversified.

Sensitivity Analysis

The benefit obligation results of such a scheme are particularly sensitive to discount rate, longevity risk, salary growth and employee attrition, if the plan provision do provide for such increases on commencement of pension.

The following table summarizes the impact in financial terms on the reported defined benefit obligation at the end of the reporting period arising on account of changes in these four key parameters:

Impact on the Defined benefit Obligation	Amount ₹ In Lakhs		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(i) Discount Rate			
Increase by 100 bps	8.35	7.32	17.82
Decrease by 100 bps	(8.89)	(7.82)	5.49
(ii) Mortality Rate			
Increase by 10%	(0.10)	(0.09)	11.77



Notes to the Financial Statements for the Year Ended March 31, 2018

Amount ₹ In Lakhs

Impact on the Defined benefit Obligation	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(iii) Salary growth rate			
Increase by 100 bps	(6.36)	(5.21)	7.49
Decrease by 100 bps	6.17	5.00	16.09
(iv) Attrition rate			
Increase by 100 bps	0.61	0.55	11.89
Decrease by 100 bps	(0.61)	(0.55)	11.83

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

(h) Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

(i) Effect of Plan on Entity's Future Cash Flows

A) Funding Arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

B) The Company expects to make a contribution of ₹ 45 lakhs during the next financial year.

C) The weighted average duration of the benefit obligation at March 31, 2018 is 3.05 years (as at March 31, 2017 is 3.05 years).

D) Maturity profile of defined benefit obligation:

Expected cash flows over the next (valued on undiscounted basis):	Amount ₹ In Lakhs
Within 1 year	81.76
2 to 5 years	155.76
6 to 10 years	58.36
More than 10 years	65.76

(j) Experience Adjustments*

Amount ₹ In Lakhs

Particulars	2017-18	2016-17	2015-16
Defined Benefit Obligations	283.48	255.51	227.94
Plan Assets	138.18	155.83	170.60
Surplus / (Deficit)	(145.30)	(99.68)	(57.34)
Experience Adjustments on Plan Liabilities	41.22	26.20	-
Experience Adjustments on Plan Assets	-	-	-

Experience adjustments related to prior years have been disclosed based on the information to the extent available.

Notes to the Financial Statements for the Year Ended March 31, 2018

34 Related Party Disclosure

34.1 Names of Related Parties and Nature of Relationships

Nature of Relationship		2017-2018	2016-2017
(i)	Holding Company	Dr. Agarwal's Health Care Limited	Dr. Agarwal's Health Care Limited
(ii)	Fellow Subsidiaries	Orbit Healthcare Services (Mauritius) Limited	Orbit Healthcare Services (Mauritius) Limited (w.e.f 10 January 2017)
		Orbit Healthcare Services International Operations Limited	Orbit Healthcare Services International Operations Limited (w.e.f 10 January 2017)
		Orbit Health Care Services (Tanzania) Limited	Orbit Health Care Services (Tanzania) Limited (w.e.f 10 January 2017)
		Orbit Healthcare Services Limited, Rwanda	Orbit Healthcare Services Limited, Rwanda (w.e.f 10 January 2017)
		Orbit Healthcare Services (SEY) Limited, Republic of Seychelles	Orbit Healthcare Services (SEY) Limited, Republic of Seychelles (w.e.f 10 January 2017)
		Orbit Healthcare Services Ghana Limited	Orbit Healthcare Services Ghana Limited (w.e.f 10 January 2017)
		Orbit Healthcare Services Mozambique Limited	Orbit Healthcare Services Mozambique Limited (w.e.f 10 January 2017)
		Orbit Healthcare Services SARL, Madagascar	Orbit Healthcare Services SARL, Madagascar (w.e.f 10 January 2017)
		Orbit Healthcare Services Swaziland (Pty) Limited	Orbit Healthcare Services Swaziland (Pty) Limited (w.e.f 10 January 2017)
		Orbit Healthcare Services Uganda Limited	Orbit Healthcare Services Uganda Limited (w.e.f 10 January 2017)
		Orbit Healthcare Services Zambia Limited	Orbit Healthcare Services Zambia Limited (w.e.f 10 January 2017)
		Orbit Thelish Healthcare Services (Nigeria) Limited	Orbit Thelish Healthcare Services (Nigeria) Limited (w.e.f 10 January 2017)
		Orbit Healthcare Services Kenya Limited	Orbit Healthcare Services Kenya Limited
		Orbit Healthcare Services (Cambodia) Limited	Orbit Healthcare Services (Cambodia) Limited
(iii)	Associate entities of the Holding Company	IdeaRx Services Private Limited	IdeaRx Services Private Limited
(iv)	Entities with significant influence over the Holding Company	Value Growth Investment Holdings PTE Ltd	Value Growth Investment Holdings PTE Ltd
(v)	Enterprise over which the Key Management Personnel (of the Company and the Holding Company) is in a position to exercise control/joint control	Dr. Agarwal's Eye Institute	Dr. Agarwal's Eye Institute
		Dr. Agarwal's Eye Institute Private Limited	Dr. Agarwal's Eye Institute Private Limited
		Maatrum Technologies Private Limited	Maatrum Technologies Private Limited
		Senses Pharmaceuticals Limited	Senses Pharmaceuticals Limited
		Orbit International	Orbit International
		-	Dr. Agarwal's Opticals Limited



Notes to the Financial Statements for the Year Ended March 31, 2018

Nature of Relationship		2017-2018	2016-2017
(vi)	Key Management Personnel of the Company and the Holding Company	Dr. Amar Agarwal, Managing Director	Dr. Amar Agarwal, Managing Director
		Dr. Athiya Agarwal, Whole-time Director	Dr. Athiya Agarwal, Whole-time Director
		Meka Ram Gopal Apparao	Meka Ram Gopal Apparao
		Sanjay Dharambir Anand	Sanjay Dharambir Anand
		Sabesan Ramani, Chief Financial Officer	Sabesan Ramani, Chief Financial Officer
		Ashvin Agarwal	Ashvin Agarwal
		Ashar Agarwal	Ashar Agarwal
		Adil Agarwal	Adil Agarwal
		Anosh Agarwal	Anosh Agarwal
		Shiv Agrawal	Shiv Agrawal
		Sudha Balasubramanian	Sudha Balasubramanian
		Mithun Padamchand Sacheti	Mithun Padamchand Sacheti
		Suresh Eshwara Prabhala	Suresh Eshwara Prabhala
		K Anand Babu	K Anand Babu

*Related party relationships are as identified by the Management and relied upon by the auditors.

34.2 Transactions carried out with related parties referred to above in the ordinary course of business during the Year.

Particulars	Related Party	2017-2018 Amount ₹ In Lakhs	2016-2017 Amount ₹ In Lakhs
Transactions during the Year			
Revenue			
Income from Surgeries	Dr. Agarwal's Health Care Limited	-	36.05
	Orbit Healthcare Services (Mauritius) Limited	-	6.53
Other Income	Dr. Agarwal's Health Care Limited	86.19	-
Expenses			
Rent	Dr. Agarwal's Eye Institute	703.50	689.50
	Dr. Ashvin Agarwal - Guesthouse	12.69	-
Insurance expense	Dr. Agarwal's Health Care Limited	-	2.43
Business Promotion expenses	Dr. Agarwal's Health Care Limited	-	10.46
Purchases	IdeaRx Services Private Limited	79.59	4.48
	Senses Pharmaceuticals Limited (Refer Note v)	239.68	318.89
Recovery of Expenses			
Salary	Dr. Agarwal's Health Care Limited	115.42	-
Rent	Dr. Agarwal's Health Care Limited	48.87	-
Subscription Charges	Dr. Agarwal's Health Care Limited	29.90	-
Others			
Recovery of capital advances	Dr. Agarwal's Health Care Limited	28.77	54.32
Dividend Paid	Dr. Agarwal's Health Care Limited	50.59	26.98
Purchase of Property, plant and equipment	Orbit Healthcare Services (Cambodia) Limited	98.06	-

Notes to the Financial Statements for the Year Ended March 31, 2018

Notes:

- (i) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2018 and 31 March 2017, there are no further amounts payable to / receivable from them, other than as disclosed above. The Company incurs certain costs on behalf of other companies in the group. These costs have been allocated/recovered from the group companies on a basis mutually agreed to with the group companies.
- (ii) Dr. Agarwal's Health Care Limited has provided Corporate Guarantees amounting to ₹ 2,714 lakhs to SBI for the loans taken by the Company. Further, 1,350,000 Equity Shares held by Dr. Agarwal's Health Care Limited in the Company has been pledged as one of the collateral securities with SBI, for the loans taken by the Company to the extent of ₹ 2,714 lakhs.
- (iii) The Company has provided comfort letter to HDFC Bank in respect of the Equipment Loans and Cash Credit facility availed by the Dr. Agarwal's Health Care Limited, the Holding Company.
- (v) Represents transactions carried out with Senses Pharmaceuticals Limited through its dealer.

34.3 Compensation of key management personnel

Particulars	Related Party	2017-2018 Amount ₹ In Lakhs	2016-2017 Amount ₹ In Lakhs
Short-term employee benefits (Refer Note (i))			
Remuneration (Refer Note (ii) below)	Dr. Amar Agarwal	65.81	36.00
	Dr. Athiya Agarwal	65.81	36.00
	Dr. Anosh Agarwal	-	3.00
	Dr. Adil Agarwal	-	3.00
	Sabesan R	35.45	33.26
Receiving of services			
Consultancy	Dr. Ashvin Agarwal	41.67	36.00
	Dr. Ashar Agarwal	18.00	10.50
Others			
Reimbursement of Expenses	Dr. Anosh Agarwal	0.37	-
	Dr. Adil Agarwal	0.34	-
	Dr. Amar Agarwal	92.11	-
	Dr. Ashvin Agarwal	18.59	-
	Dr. Ashar Agarwal	1.03	-
Director sitting fees	Meka Ram Gopal Apparao	0.50	0.25
	Sanjay Anand	0.50	0.25

Notes:

- (i) Excludes gratuity and compensated absences which cannot be separately identifiable from the composite amount advised by the actuary.
- (ii) Also Refer Note 17(i) and Note20(ii).
- (iii) The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.
- (iv) There were no balances outstanding to be paid / received as at the year end.



Notes to the Financial Statements for the Year Ended March 31, 2018

34.4 Balances outstanding as at year end

Particulars	Related Party	As at 31 March 2018 Amount ₹ In Lakhs	As at 31 March 2017 Amount ₹ In Lakhs	As at 1 April 2016 Amount ₹ In Lakhs
Assets - Receivables				
Other Current Assets	Dr. Agarwal's Health Care Limited	188.02	79.90	56.26
	Orbit Healthcare Services Limited, Mauritius	-	-	11.38
	Orbit Healthcare Services (Mauritius) Limited	-	6.23	-
Long Term Loans and Advances	Dr. Agarwal's Eye Institute	340.75	330.70	295.77
Liabilities				
Trade Payables	IdeaRx Services Private Limited	19.36	-	-
	Orbit Healthcare Services Swaziland (Pty) Limited	64.51	-	-
	Senses Pharmaceuticals Limited	65.95	64.02	45.82

- (i) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.

35 Segment Reporting

The Company is engaged in providing eye care and related services provided from its hospitals which are located in India. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Marker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Eye care related sales and services.

As the allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations, no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities."

36 Operating Lease

The Company has entered into operating lease agreements primarily for Hospital premises. An amount of ₹ 1,717.98 lakhs (Previous Year - ₹ 1,644.09 lakhs) has been debited to the Statement of Profit and Loss towards lease rentals and other charges for the current year. The leases are non - cancellable for periods of 3 to 12 years and may be renewed based on mutual agreement of the parties.

The future minimum lease payments for hospitals premises under operating lease contracted are as follows:

Amount ₹ In Lakhs

Lease Obligation	Expected Minimum Lease Commitment		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Payable - Not later than one year	1,546.08	571.28	1,168.44
Payable - Later than one year but not later than five years	3,470.29	2,175.56	3,091.43
Payable - Later than five years	4,781.39	1,853.27	1,913.66



Notes to the Financial Statements for the Year Ended March 31, 2018

37 Earnings Per Share

Particulars	2017-2018	2016-2017
Earnings Per Share - Basic – ₹	14.42	15.61
Earnings Per Share - Diluted – ₹	14.42	15.61
Net Profit attributable to Equity Shareholders - ₹ in lakhs (Basic and Diluted)	677.52	733.83
Weighted Average Number of Equity Shares (Face Value ₹ 10 Each)- Basic and Diluted (Nos.)	4,700,000	4,700,000

38 Financial Instruments

38.1 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Other Financial Liabilities net of Cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing Ratio:

Amount ₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Borrowings and Other Financial Liabilities	2,246.56	2,392.18	3,201.41
Cash and Bank Balance	(238.71)	(284.89)	(242.23)
Net Debt (A)	2,007.85	2,107.29	2,959.18
Total Equity (B)	3,505.91	2,940.31	2,278.38
Net Debt to equity ratio (A/B)	0.57	0.72	1.30

38.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2018, 31 March 2017 and 1 April 2016 is as follows:

Amount ₹ In Lakhs

Particulars	Carrying Value			Fair Value		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(a) Financial Assets						
Measured at amortised cost						
- Loans	1,018.14	840.55	794.96	1,018.14	840.55	794.96
- Cash and Bank balances	182.85	228.38	186.33	182.85	228.38	186.33
- Other Bank balances	55.86	56.51	55.90	55.86	56.51	55.90
- Trade receivables	707.10	662.80	758.65	707.10	662.80	758.65
- Other financial assets	205.07	100.35	97.89	205.07	100.35	97.89
	2,169.02	1,888.59	1,893.73	2,169.02	1,888.59	1,893.73
(b) Financial Liabilities :						
Measured at amortised cost						
- Borrowings	1,033.94	1,614.33	2,382.94	1,033.94	1,614.33	2,382.94
- Trade Payables	1,754.35	1,383.75	1,825.98	1,754.35	1,383.75	1,825.98
- Other financial liabilities	1,212.62	777.85	818.47	1,212.62	777.85	818.47
	4,000.91	3,775.93	5,027.39	4,000.91	3,775.93	5,027.39



Notes to the Financial Statements for the Year Ended March 31, 2018

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value/amortized cost

- 1) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables
- 2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- 3) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2018 was assessed to be insignificant.

Fair Value Hierarchy

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no items of financial assets or financial liabilities which were valued at fair value as of 31 March 2018, 31 March 2017 and 1 April 2016.

38.3 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk.

The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including interest rate risk and other price risk). The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

(a) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.



Notes to the Financial Statements for the Year Ended March 31, 2018

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 month	1-3 months	3 months to 1 year	1 to 5 years	5 years and above	Total
31 March 2018						
Interest bearing	8.75	183.73	1,096.43	545.74	-	1,834.65
Non-interest bearing	-	1,754.35	-	-	-	1,754.35
Total	8.75	1,938.08	1,096.43	545.74	-	3,589.00
31 March 2017						
Interest bearing	6.82	184.39	852.37	1,299.19	-	2,342.77
Non-interest bearing	-	-	1,383.75	-	-	1,383.75
Total	6.82	184.39	2,236.12	1,299.19	-	3,726.52
1 April 2016						
Interest bearing	24.54	115.82	574.18	2,431.51	-	3,146.05
Non-interest bearing	-	-	1,825.98	-	-	1,825.98
Total	24.54	115.82	2,400.16	2,431.51	-	4,972.03

The following tables detail the Company's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Company does not hold any derivative financial instrument.

Particulars	Less than 1 month	1-3 months	3 months to 1 year	1 to 5 years	5 years and above	Total
31 March 2018						
Interest bearing	214.09	214.09	380.80	86.13	-	895.11
Non-interest bearing	182.85	-	56.25	-	-	239.10
Total	396.94	214.09	437.05	86.13	-	1,134.21
31 March 2017						
Interest bearing	139.30	132.56	416.17	67.64	-	755.67
Non-interest bearing	228.38	-	55.15	-	-	283.53
Total	367.68	132.56	471.32	67.64	-	1,039.20
1 April 2016						
Interest bearing	151.73	200.49	529.57	-	-	881.79
Non-interest bearing	186.33	-	53.11	-	-	239.44
Total	338.06	200.49	582.68	-	-	1,121.23

(b) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.



Notes to the Financial Statements for the Year Ended March 31, 2018

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

Trade receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment. Refer Note 12 and Note 23 for the details in respect of revenue and receivable from top customers.

Credit risk on current investments, cash & cash equivalent and derivatives is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in fixed deposits.

(c) Market Risk :

Market risk is the risk of loss of any future earnings, in realizable fair values or in future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(c.1) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

(c.2) Foreign Currency Risk Management :

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises. The Company has not entered into any derivative contracts during the year ended 31 March 2018 and there are no outstanding contracts as at 31 March 2017.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

Particulars	Currency	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
		Amount in Foreign Currency	Amount ₹ In Lakhs	Amount in Foreign Currency	Amount ₹ In Lakhs	Amount in Foreign Currency	Amount ₹ In Lakhs
Trade Payables	EURO	9,332	7.09	-	-	-	-
Trade Payables	USD	100,914	66.65	-	-	-	-
Receivables - Other Current Assets	USD	-	-	9,607	6.23	17,426.47	11.38

Foreign Currency sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit/decrease in loss and increase in equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Notes to the Financial Statements for the Year Ended March 31, 2018

Impact on Profit and loss for the reporting period

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2017	For the year ended 1 April 2016	For the year ended 1 April 2016
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
EURO	(0.005)	0.005	-	-	-	-
USD	(0.050)	0.050	0.005	(0.005)	0.009	(0.009)

Impact on total equity as at the end of the reporting period

Particulars	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2017	As at 01 April 2016	As at 01 April 2016
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
EURO	(0.005)	0.005	-	-	-	-
USD	(0.050)	0.050	0.005	(0.005)	0.009	(0.009)

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

38.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

38.5 Offsetting of financial assets and financial liabilities

The Company has not offset financial assets and financial liabilities.

39 First-time adoption - mandatory exceptions, optional exemptions and reconciliations

These financial statements, as at and for the year ended 31 March 2018, have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with 1 April 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended 31 March 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss and cash flow, Optional exemptions and certain exceptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out below:

39.1 Mandatory Exceptions and Optional Exemptions

(a) Deemed Cost for Property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognized as at 1 April 2016 (transition date) measured as per the previous Indian GAAP ('I GAAAP') and use that carrying value as its deemed cost as of the transition date.

(b) Classification and measurement of financial assets

The company has opted not to apply EIR principles retrospectively and thus opted to consider the carrying cost of financial asset as its amortised cost as at transition date.



Notes to the Financial Statements for the Year Ended March 31, 2018

Key Sources of estimation uncertainty

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

39.2 First time Ind - AS adoption reconciliations

(i) Effect of Ind AS adoption on the Balance Sheet as at 31 March 2017 and 1 April 2016

Amount ₹ In Lakhs

Particulars	Notes	As at 31 March 2017 (End of last period presented under previous GAAP)			As at 1 April 2016 (Date of transition)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Opening Ind AS balance sheet
ASSETS							
(1) Non-current assets							
(a) Property, Plant and Equipment		3,282.07	-	3,282.07	3390.62	-	3,390.62
(b) Capital work-in-progress		121.63	-	121.63	76.20	-	76.20
(c) Other Intangible assets		38.97	-	38.97	12.33	-	12.33
(d) Financial assets							
(i) Loans	(d)	1,091.56	(257.75)	833.81	1,049.52	(310.06)	739.46
(e) Non-current tax assets (net)		293.27	-	293.27	434.93	-	434.93
(f) Deferred tax assets (Net)	(e)	628.85	31.22	660.07	491.96	57.66	549.62
(g) Other non-current assets		9.84	-	9.84	40.43	-	40.43
Total Non - current assets		5,466.19	(226.53)	5,239.66	5,495.99	(252.40)	5,243.59
(2) Current Assets							
(a) Inventories		612.54	-	612.54	986.60	-	986.60
(b) Financial assets							
(i) Trade receivables	(f)	729.77	(66.97)	662.80	907.02	(148.37)	758.65
(ii) Cash and cash equivalents		228.38	-	228.38	186.33	-	186.33
(iii) Other Bank balances		56.51	-	56.51	55.90	-	55.90
(iv) Loans		6.74	-	6.74	55.50	-	55.50
(v) Other Financial Assets	(d)	100.35	-	100.35	97.89	-	97.89
(c) Other current assets	(d)	110.68	216.94	327.62	86.39	267.67	354.06
Total Current assets		1,844.97	149.97	1,994.94	2,375.63	119.30	2,494.93
Total Assets (1+2)		7,311.16	(76.56)	7,234.60	7,871.62	(133.10)	7,738.52
EQUITY AND LIABILITIES							
(1) Equity							
(a) Equity Share Capital		470.00	-	470.00	470.00	-	470.00
(b) Other Equity		2,529.32	(59.01)	2,470.31	1,872.11	(63.73)	1,808.38
Total Equity		2,999.32	(59.01)	2,940.31	2,342.11	(63.73)	2,278.38
Liabilities							
(2) Non-current liabilities							
(a) Financial Liabilities							
(i) Borrowings		1308.77	(17.55)	1,291.22	1778.35	(24.11)	1,754.24
(b) Provisions		84.56	-	84.56	30.12	-	30.12
(c) Other non-current liabilities		173.65	-	173.65	112.50	-	112.50
Total Non - Current Liabilities		1,566.98	(17.55)	1,549.43	1,920.97	(24.11)	1,896.86



Notes to the Financial Statements for the Year Ended March 31, 2018

Particulars	Notes	As at 31 March 2017 (End of last period presented under previous GAAP)			As at 1 April 2016 (Date of transition)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Opening Ind AS balance sheet
(3) Current liabilities							
(a) Financial Liabilities							
(i) Borrowings	(d),(e)	323.11	-	323.11	628.70	-	628.70
(ii) Trade payables		1,383.75	-	1,383.75	1,825.98	-	1,825.98
(iii) Other financial liabilities		777.85	-	777.85	818.47	-	818.47
(b) Other current liabilities		170.42	-	170.42	226.11	-	226.11
(c) Provisions	(b)	89.73	-	89.73	109.28	(45.26)	64.02
Total Current Liabilities		2,744.86	-	2,744.86	3,608.54	(45.26)	3,563.28
Total Liabilities		4,311.84	(17.55)	4,294.29	5,529.51	(69.37)	5,460.14
Total Equity and Liabilities (1+2+3)		7,311.16	(76.56)	7,234.60	7,871.62	(133.10)	7,738.52

(ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the Year ended 31 March 2017

Amount ₹ In Lakhs

Particulars		Year Ended 31 March 2017 (latest period presented under previous GAAP)			
		Notes	Previous GAAP	Effect of transition to Ind AS	Ind AS
I	Revenue from Operations		14,854.19	-	14,854.19
II	Other Income	(d)	31.65	133.70	165.35
III	Total Income (I+II)		14,885.84	133.70	15,019.54
IV	Expenses				
	Purchases of Stock-in-trade		1,751.75	-	1,751.75
	Changes in inventory of stock-in-trade		72.52	-	72.52
	Employee benefit expense	(c)	3,164.80	84.53	3,249.33
	Finance costs	(e)	326.74	6.56	333.30
	Depreciation and amortisation expense		874.18	-	874.18
	Other expenses	(d),(f)	7,715.53	(74.55)	7,640.98
	Total expenses (IV)		13,905.52	16.54	13,922.06
V	Profit before tax (III-IV)		980.32	117.16	1,097.48
VI	Tax expense				
	(1) Current tax		460.00	-	460.00
	(2) Deferred tax	(g)	(136.89)	40.54	(96.35)
			323.11	40.54	363.65
VII	Profit for the Year (V-VI)		657.21	76.62	733.83
VIII	Other Comprehensive Income				
A	(i) Items that will not be reclassified to profit or loss				
	(a) Remeasurements of the defined benefit liabilities / (asset)	(c)	-	(40.75)	(40.75)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(c)	-	14.10	14.10
(IX)	Total other comprehensive income for the Year (A (i-ii))		-	(26.65)	(26.65)
(X)	Total comprehensive income for the Year (VII+IX)		657.21	49.97	707.18



Notes to the Financial Statements for the Year Ended March 31, 2018

39.3 Reconciliation of equity as reported as per previous GAAP to Ind AS

Amount ₹ In Lakhs

Particulars	Notes	As at 31 March 2017	As at 01 April 2016
(a) Equity Share capital		470.00	470.00
(b) Reserves and Surplus		2,529.32	1,872.11
Equity as reported under previous GAAP	A	2,999.32	2,342.11
Ind AS: Adjustments increase / (decrease)			
Reversal of Proposed Dividend and Dividend Distribution Tax	(b)	-	45.25
Fair value adjustments – Deposits	(d)	52.30	-
Amortised cost adjustments - Financial Assets	(d)	(93.12)	(42.39)
Recognition of borrowings at amortized cost based on Effective Interest Rate	(e)	17.55	24.11
Provision for Expected Credit Loss on Financial Assets	(f)	(66.97)	(148.37)
Deferred tax on Ind AS adjustments	(g)	31.23	57.67
Total adjustment to equity	B	(59.01)	(63.73)
Total Equity as reported under IND AS	A + B	2,940.31	2,278.38
Share Capital		470.00	470.00
Other Equity		2,470.31	1,808.38
Total Equity as reported under IND AS		2,940.31	2,278.38

(iii) Effect of Ind AS adoption on the Statement of Cash Flows for the Year ended 31 March 2017

Amount ₹ In Lakhs

Particulars	Year ended 31 March 2017 (latest period presented under previous GAAP)			
	Note	Previous GAAP	Effect of Transition to IND AS	Ind AS
Net cash flows from operating activities		2,064.92	(52.29)	2,012.63
Net cash flow used in investing activities		(848.94)	52.29	(796.65)
Net cash flow used in financing activities		(1,173.93)	-	(1,173.93)
Net increase / (decrease) in cash and cash equivalents		42.05	(0.00)	42.05
Cash and cash equivalents at beginning of period		186.33		186.33
Cash and cash equivalents at end of period		228.38	-	228.38

Notes to reconciliation:

- Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains or losses are required to be presented in other comprehensive income.
- Under previous GAAP, dividends on equity shares recommended by the board of directors after the end of reporting period but before the financial statements were approved for issue were recognised in the financial statements as a liability. Under Ind AS, such dividends are recognised when declared by the members in annual general meeting. Effect of this change is increase in total equity by ₹ 45.25 lakhs as at 1 April 2016 (₹ NIL as at 31 March 2017), decrease in Provisions - Current by ₹ 45.25 lakhs as at 1 April 2016 (₹ NIL as at 31 March 2017).
- Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined liability/asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income. The actuarial loss for the year ended 31 March 2017 was ₹ 40.75 lakhs and tax effect was ₹ 14.10 lakhs and deferred tax liabilities reduced by ₹ 14.10 lakhs as at 31 March 2017.
- Under previous GAAP, security deposits are carried at cost. Under Ind AS, these are carried at amortized cost. The effect of this change is decrease in financial assets by ₹ 257.75 lakhs as at 31 March 2017 (decrease by ₹ 310.06 lakhs as at 1 April 2016) and



Notes to the Financial Statements for the Year Ended March 31, 2018

increase in other current assets by ₹ 216.94 lakhs as at 31 March 2017 (increase by ₹ 267.67 lakhs as at 1 April 2016) and decrease in total equity by ₹ 42.39 lakhs as at 31 March 2016. There had been increase in other income by ₹ 52.30 lakhs and other expenses by ₹ 50.73 lakhs for the year ended 31 March 2017 and consequently decrease in deferred tax liabilities by ₹ 214.20 lakhs as at 31 March 2017 (₹ NIL as at 1 April 2016).

- (e) Under previous GAAP, Borrowing cost and processing fees related to loans and financial liabilities were charged off to the statement of profit and loss. Under Ind AS, the Company needs to measure the borrowings at fair value using Effective interest rate (EIR) also considering the Upfront fees and Processing fees paid and any interest free loan at the time of obtaining the borrowings. The net effect of change is decrease in borrowings under non current liabilities by ₹ 17.55 lakhs as at 31 March 2017 (decrease by ₹ 24.11 lakhs as at 1 April 2016) and increase in total equity by ₹ 17.55 lakhs as at 31 March 2017 (₹ 24.11 lakhs as at 1 April 2016). There had been increase in finance cost by ₹ 6.56 lakhs and decrease in deferred tax liabilities by ₹ 6.11 lakhs as at 31 March 2017 (increase by ₹ 8.39 lakhs as at 1 April 2016).
- (f) Under previous GAAP, the Company made provision for doubtful debts for Trade Receivables based on the ageing analysis and individual debtor assessment of recoverability. Under IND AS the impairment model of financial asset is based on Expected Credit Loss model. Accordingly, the Company has provided loss allowance based on Expected credit loss and as a result trade receivables has decreased by ₹ 66.97 lakhs as at 31 March 2017 (decreased by ₹ 148.37 lakhs as at 1 April 2016). Retained earnings under other Equity decreased by ₹ 148.37 lakhs as at 1 April 2016. Consequently, allowance for expected credit losses under other expenses decreased by ₹ 81.40 lakhs for the year ended 31 March 2017.
- (g) Under previous GAAP the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period. Deferred tax under Ind AS has been recognised for temporary differences between tax base and the book base of the relevant assets and liabilities. As a result thereof, the deferred tax asset has increased by ₹ 31.22 lakhs as at 31 March 2017 (increased by ₹ 57.67 lakhs as at 1 April 2016).
- (h) The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

40 Previous Year's Figures

As stated in Note 3.1, the Company has adopted Indian Accounting Standards with effect from 1 April 2017 with date of transition to Ind AS being 1 April 2016. Accordingly, previous year figures in the financial statements have been restated to Ind AS. Further, previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

41 Approval of Financial Statements

The Board of Directors of the Company has reviewed the realisable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 28 May 2018.

See accompanying notes forming part of the financial statements
In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
V. Balaji
Partner

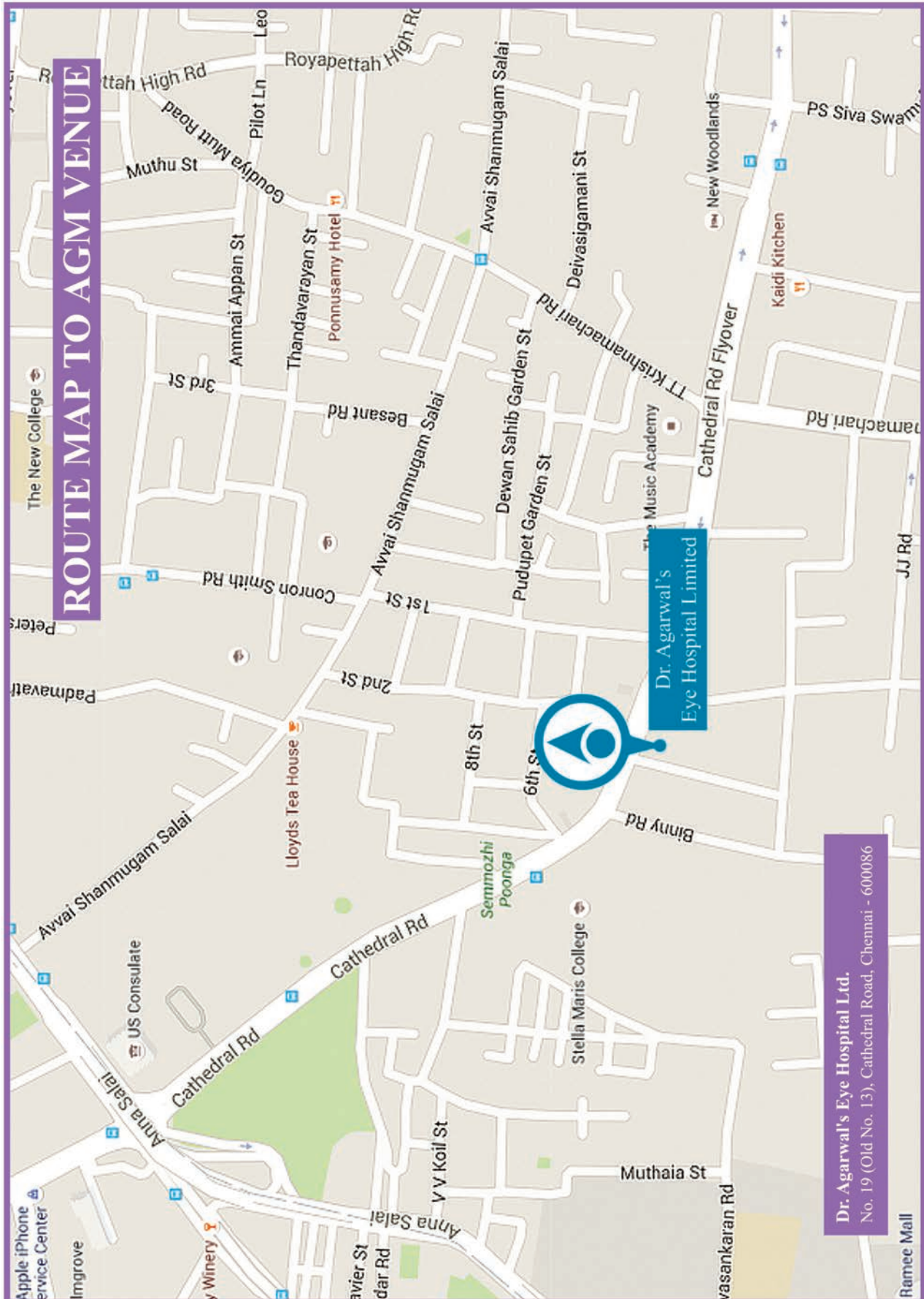
Sd/-
Dr. Amar Agarwal
Chairman & Managing Director

Sd/-
Dr. Athiya Agarwal
Wholtime Director

Sd/-
Ms. Saradha Govindarajan
Chief Financial Officer

Sd/-
Mr. Lakshmi Narasimhan
Company Secretary

Place : Chennai
Date : 28 May, 2018



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OUR VISION

To become a global healthcare organization with best practices from different sectors and functions





TAMILNADU:

**CHENNAI: ANNA NAGAR | ASHOK NAGAR | AVADI | CATHEDRAL ROAD | NANGANALLUR
PERAMBUR | PORUR | TRIPPLICANE | VELACHERY**

**REST OF TAMILNADU: DHARMAPURI | ERODE | HOSUR | KANCHIPURAM | KRISHNAGIRI
KUMBAKKONAM | MADURAI - KK NAGAR | NEYVELI | SALEM | THIRUVALLUR | VELLORE | VILLUPURAM**

RAJASTHAN: JAIPUR

REGISTERED OFFICE

**NO.4, 3RD FLOOR, BUHARI TOWERS, MOORES ROAD,
OFF GREAMS ROAD, CHENNAI-600 006.**

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